

**Company Registration No. SC294897 (Scotland)**  
**Charity Registration No. SC020693 (Scotland)**

**The Applecross Trust**

**(A company limited by guarantee)**

**Annual report and financial statements  
for the year ended 31 March 2015**

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Company information**

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<b>Company number</b>	SC294897
<b>Scottish charity number</b>	SC020693
<b>Registered office</b>	5 Atholl Crescent Edinburgh EH3 8EJ
<b>Trustees and directors</b>	R A Wills R R Harvey-Jamieson K R McDiarmid A Mackinnon L H Lumsden
<b>Secretary</b>	Gillespie Macandrew Secretaries Limited
<b>Trust administrators</b>	S.A.C. Drummondhill Stratherrick Road Inverness IV2 4JZ
<b>Auditors</b>	Saffery Champness Kintail House Beechwood Park Inverness IV2 3BW
<b>Bankers</b>	Clydesdale Bank 15 Academy Street Inverness IV1 1JN
<b>Solicitors</b>	Gillespie Macandrew LLP 5 Atholl Crescent Edinburgh EH3 8EJ
<b>Investment managers</b>	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA

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**The Applecross Trust**  
**(A company limited by guarantee)**  
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**The Applecross Trust**  
**(A company limited by guarantee)**  
**Trustees' report**  
**For the year ended 31 March 2015**

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The trustees present their report and the financial statements of the charity for the year ended 31 March 2015. The financial statements are prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's founding deed, applicable charity and company law, and the requirements of the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2005).

**Structure, governance and management**

***Legal and administrative details***

The legal and administrative details are listed on the company information page.

***Trustees and directors***

The trustees are also directors of the company for the purposes of company law.

The following trustees held office since 1 April 2014:

R A Wills  
R R Harvey-Jamieson  
K R McDiarmid  
A Mackinnon  
L H Lumsden

***Governing document***

The Trust is a charitable company, limited by guarantee. It was incorporated on 28 December 2005, and its charitable status was confirmed by H M Revenue & Customs by way of charity recognition letter dated 6 February 2006. The company's Memorandum and Articles of Association reflect the objects and powers set out in the Deed of Trust dated 2 September 1992, registered in the books of Council and Session on 13 November 1992, under which the charity was established. The management of the Trust is now the responsibility of the trustees of the charitable company.

***Recruitment and appointment of trustees***

The rules governing the appointment of trustees are laid down in the company's Articles of Association. Those holding trustee positions have experience in legal matters, land management, investment management and trust administration, and have long standing connections with Applecross. It is anticipated that any future appointments will complement the abilities already held by the present trustees. Trustees will be given appropriate training as considered necessary.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Trustees' report (continued)**  
**For the year ended 31 March 2015**

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***Risk management***

The trustees keep in close touch, and receive comprehensive monthly reports from the administrator. Formal meetings take place at least three times each year, usually at Applecross.

The trustees have formally reviewed the major strategic, business and operational risks which the charity faces, and they believe that those risks are appropriately contained in the context of asset backing, the nature and pattern of activities and the contractual arrangements associated with them, and compliance with current safety and employment legislation.

**Objectives and activities**

The aims of the Trust are to preserve the special character of the Applecross peninsula in a responsible and progressive manner whilst acknowledging its wilderness heritage and its importance as an area of outstanding natural beauty in terms of the original charitable Trust Deed dated 2 September 1992. In furtherance of this objective, public access is encouraged and projects undertaken to improve accessibility to all areas.

**Achievements and performance**

***Farm***

Wildlife management and biodiversity schemes were continued, and a good crop of silage was produced. A new bull was purchased for the herd of Highland Cattle. Land leasing was discontinued, but it is anticipated that the revised Single Farm Payment regime will ensure that the farm remains viable.

***Applecross River***

The River continues to be stocked annually. The salmon population is monitored, with encouraging signs of recovery, but monitoring work by Government scientists with a screw trap failed to catch salmon smolts of a sufficient size to radio track. It is anticipated that the experiment will be repeated next year.

***Woodlands***

The wood from the recently felled larch plantation near Applecross House was milled on site and sold to satisfy local demand for firewood and building material. The programme of spraying to control the spread of both bracken and rhododendron ponticum continued.

***Hydro electric projects***

The newly commissioned hydro electric scheme at Kishorn is operating successfully. The proposed development of another scheme on the Alt na Moine has been deferred until at least 2022, pending the reinforcement of the existing transmission line to carry the projected increased load from this and other schemes.

### ***Tourism and holiday lets***

Income from holiday lets declined by almost 10% from the previous year, in line with the experience of many other operators. However, the properties have been maintained in good order and an encouraging level of advance bookings have been received for next year.

The comprehensive refurbishment of The Old Estate Office House was expected to be completed in time for the 2016 season, but an archaeological discovery delayed progress and this will now be ready in September 2016.

### ***Other properties***

Colliemhuridh has been refurbished and let to a local resident as a permanent home. A commitment has been given to complete the re-pointing of the walls of the Walled Garden, which is 75% complete. Proposals have been made for the conservation of the old Applecross pier. A bothy at Culduie has been made available to a local family as a painting studio.

### ***Community engagement***

The trustees' administrator remained available for consultation at informal surgery meetings in Applecross.

The trustees meet with representatives of the Applecross Community Company at least twice a year to discuss matters of mutual interest. As reported in the previous year, these include the provision of suitable sites for affordable housing, where the lead role rests with the Community Company, but where the Trust is willing to offer support in so far as they are within its objectives as stated above.

Community engagement has also been achieved through the Applecross Landscape Partnership Scheme, and will be carried forward in the forthcoming review of the Trust's ten year plan.

### ***Achievements under the Applecross Landscape Partnership Scheme (ALPS)***

Completion of the bulk of the ALPS projects as reported in previous years was celebrated with a party attended by all participants in July.

The last major project, known as Gateway Woodland, was commenced during the year, involving the felling of some 13,000 tonnes of uncommercial windblown lodge-pole pine to improve the approach to Applecross, and the reshaping and restocking of the original plantation with more natural native species.

300 tonnes of timber was reserved free of charge as wood fuel for the local community, to be processed and managed by the Applecross Community Company.

The Trust's total contribution to ALPS projects is estimated to exceed £500,000, with further costs for maintenance over the next ten years.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Trustees' report (continued)**  
**For the year ended 31 March 2015**

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**Financial review**

***Principal funding sources***

The Trust accepts donations, but its main sources of funding are from income derived from its own activities.

The Trust's principal revenue generating activities are commercial and residential rents, royalties and wayleaves, as well as the sale of game and livestock. The total income from all of these sources totalled £491,151 for the year, a small increase of 0.05% compared to the previous year.

Dividend income from the Trust's endowment and interest on cash deposits totalled £37,379, an increase of 9% over that of the previous year.

There were no significant sales of land during the year.

***Reserves policy***

In view of the ongoing commitment of the Trust, it is the policy of the trustees to maintain its free reserves up to a level that equates to at least three months' average expenditure, plus sufficient funds to meet commitments given for building and conservation projects.

The General Reserve Fund also includes the Trust's heritable property, the bulk of which is to be held in perpetuity, as well as the investments within the endowment. The trustees have power to resort to capital from the endowment in order to further the aims of the Trust at any time.

***Investment policy***

The Trust's investments are managed by Cazenove Capital Management Ltd who have been given discretionary powers within guidelines set by the trustees aimed at a mix of capital growth and income. The trustees monitor the performance of the investments against FT indices, and are satisfied with the performance achieved over the period.

***Trustees' remuneration and expenses***

Trustees are not remunerated. Reimbursement of expenses and incidental costs incurred for attendance at meetings amounted in aggregate to £1,707 (2014 - £2,615).

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Trustees' report (continued)**  
**For the year ended 31 March 2015**

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**Plans for future periods**

The Trust is committed to the future maintenance of the ALPS projects in consultation with the ALPS board, and to continued overall investment in the Estate. The Trust's ten year plan will be subject to comprehensive review with professional assistance, and in accordance with the local community and other relevant parties.

**Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

**Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under company law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Trustees' report (continued)**  
**For the year ended 31 March 2015**

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**Statement of disclosure to auditors**

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board

.....  
R A Wills  
**Trustee**

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**The Applecross Trust**  
**(A company limited by guarantee)**  
**Independent auditors' report**  
**To the members of The Applecross Trust**

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We have audited the financial statements of The Applecross Trust for the year ended 31 March 2015 as set out on pages 9 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the company's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's trustees and members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees, the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the statement of trustees' responsibility, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Independent auditors' report (continued)**  
**To the members of The Applecross Trust**

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**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the charity's state of affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements and the trustees' annual report in accordance with the small companies regime.

**David Hughes (Senior Statutory Auditor)**  
**for and on behalf of Saffery Champness**

.....

**Chartered Accountants**  
**Statutory Auditors**

Kintail House  
Beechwood Park  
Inverness  
IV2 3BW

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Statement of financial activities (including the income & expenditure account)**  
**For the year ended 31 March 2015**

	Notes	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
<b>Incoming resources</b>					
<u>Incoming resources from generated funds</u>					
Voluntary income:	2				
- Grants and subsidies		39,662	-	39,662	31,106
- Donations		-	5,680	5,680	22,576
		<u>39,662</u>	<u>5,680</u>	<u>45,342</u>	<u>53,682</u>
Investment income:					
- Dividends from quoted investments		34,459	-	34,459	33,866
- Interest on cash deposits		2,920	-	2,920	418
		<u>37,379</u>	<u>-</u>	<u>37,379</u>	<u>34,284</u>
<u>Incoming resources from charitable activities</u>					
- Charitable trading activities	2	491,151	-	491,151	488,846
		<u>568,192</u>	<u>5,680</u>	<u>573,872</u>	<u>576,812</u>
<b>Total incoming resources</b>					
<b>Resources expended</b>					
<u>Costs of generating funds</u>					
- Investment management costs		6,744	-	6,744	5,150
<u>Costs of charitable activities</u>	3	646,616	153	646,769	447,040
<u>Governance costs</u>	3	16,687	-	16,687	14,424
<u>Other resources expended</u>	3	850	-	850	1,750
		<u>670,897</u>	<u>153</u>	<u>671,050</u>	<u>468,364</u>
<b>Total resources expended</b>					

The Applecross Trust  
(A company limited by guarantee)  
Statement of financial activities (including the income & expenditure account) (continued)  
For the year ended 31 March 2015

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
<b><i>Net incoming resources before other recognised gains and losses</i></b>	(102,705)	5,527	(97,178)	108,448
<b>Other recognised gains</b>				
Gains on the revaluation and disposal of investment assets:				
- Income from property sales	3,999	-	3,999	2,500
- Quoted investments - realised gains	115,535	-	115,535	12,258
- Quoted investments - unrealised gains/(losses)	(58,189)	-	(58,189)	54,860
<b><i>Net movement in funds</i></b>	(41,360)	5,527	(35,833)	178,066
<b>Reconciliation of funds</b>				
Total funds brought forward	5,353,665	9,876	5,363,541	5,185,475
<b><i>Total funds carried forward</i></b>	<u>5,312,305</u>	<u>15,403</u>	<u>5,327,708</u>	<u>5,363,541</u>

The notes on pages 12 to 23 form part of these financial statements.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Balance sheet**  
**As at 31 March 2015**

	Notes	2015		2014	
		£	£	£	£
<b>Fixed assets</b>					
Heritage assets	8		3,319,200		3,280,432
Tangible assets	8		67,653		85,031
Investments	10		1,447,241		1,386,995
			<u>4,834,094</u>		<u>4,752,458</u>
<b>Current assets</b>					
Stocks	11	47,740		31,410	
Debtors	12	346,052		447,608	
Cash at bank and in hand	13	162,802		198,981	
			<u>556,594</u>	<u>677,999</u>	
<b>Creditors: amounts falling due within one year</b>	14	(62,980)		(66,916)	
<b>Net current assets</b>			<u>493,614</u>		<u>611,083</u>
<b>Total assets less current liabilities</b>			<u><u>5,327,708</u></u>		<u><u>5,363,541</u></u>
<b>Funds</b>					
<b>Restricted funds</b>	15		15,403		9,876
<b>Unrestricted funds</b>	15				
General reserve		5,053,758		5,036,929	
Revaluation reserve		258,547		316,736	
			<u>5,312,305</u>		<u>5,353,665</u>
			<u><u>5,327,708</u></u>		<u><u>5,363,541</u></u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The notes on pages 12 to 23 form part of these financial statements.

Approved by the Board and authorised for issue on .....

.....

R A Wills  
**Trustee**

**Company Registration No. SC294897**

## **1 Accounting policies**

### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (revised 2005), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

### **1.3 Incoming resources**

Incoming resources are accounted for on an accruals basis and are disclosed net of VAT. Income is recognised in the period in which the charity is entitled to receipt, and is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants are recognised in full in the Statement of Financial Activities when receivable. Grants relating to capital expenditure are treated as restricted funds and are released to the general reserve over the expected useful lives of the assets to which they relate.

### **1.4 Resources expended**

Resources expended are accounted for on an accruals basis and are disclosed net of VAT. Expenditure is allocated as appropriate to the specific activities of the charity.

Governance costs are shown separately and include those costs associated with meeting the constitutional and statutory requirements of the charity, and include the audit fees and other professional fees linked to the strategic management of the charity.

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

The cost of generating funds comprises investment management funds that are incurred from management of the investment portfolio.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

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**1 Accounting policies**

**(continued)**

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land 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:

Heritage land and buildings	0-2% per annum straight line basis
Plant and equipment	20% per annum straight line and reducing balance basis
Furniture and fittings	10% per annum straight line basis
Motor vehicles	25% per annum reducing balance basis

The heritage assets are held at cost, representing the valuation attached to the assets on 28 December 2005, when the assets and liabilities of the unincorporated Trust were acquired by the company.

Owing to the incomparable nature of the peninsula, it is considered that conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the benefits that would be derived by the Trust, and the users of the accounts.

Expenditure, which in the trustees' view is required to maintain the special character of the peninsula, is recognised in the income and expenditure account when it is incurred.

**1.6 Investments**

Investments are stated at market value. Gains and losses on disposal and revaluation of investments are charged or credited in the Statement of Financial Activities. Where there is a permanent diminution in the value of an investment, the loss arising is charged to the general reserve. No such charge is recorded in respect of temporary fluctuations in market values, which may result in a negative balance on the revaluation reserve.

**1.7 Stock**

Stock is valued at the lower of cost and net realisable value. Livestock is valued in accordance with HMRC guidelines.

**1.8 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

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**1 Accounting policies**

**(continued)**

**1.9 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.

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

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**2 Incoming resources**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b><i>Unrestricted funds:</i></b>		
<u>Incoming resources from generated funds</u>		
Donations		
- North Applecross Woodlands Company Limited grants	-	20,716
- Forestry grants	13,360	-
- Rural Priorities Scheme and Farm Woodland Premium Scheme grants	12,435	17,125
- Single Farm Payment Scheme and livestock subsidies	5,262	5,376
- Wildlife management grant	8,605	8,605
	<u>39,662</u>	<u>51,822</u>
<u>Incoming resources from charitable activities</u>		
Charitable trading activities:		
- Commercial, residential and site rents	111,217	132,874
- Farm, land leasing and grazing rents	158,384	174,157
- Fish farm leases	31,203	38,290
- Sporting rents	25,395	21,165
- Holiday cottage lettings	56,672	61,263
- Sales of game, livestock and silage crop	26,914	25,936
- Sale of timber	16,346	-
- Quarry and borrow pit income	10,000	10,000
- Hydro electric and option agreement income	49,089	18,609
- Wayleaves	1,283	1,379
- Miscellaneous income	4,648	5,173
	<u>491,151</u>	<u>488,846</u>
<b><i>Restricted funds:</i></b>		
<u>Incoming resources from generated funds</u>		
Voluntary income:		
Donations, collections and hire of Clachan Church		
- Clachan Church Appeal	5,680	1,860
	<u>5,680</u>	<u>1,860</u>

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

**3 Resources expended**

	2015	2014
	£	£
<b><i>Unrestricted funds:</i></b>		
<u>Costs of charitable activities</u>		
Costs relating to charitable trading activities:		
- Rented properties	132,377	168,110
- Sporting and deer management	61,401	61,590
- Holiday cottages	46,326	47,603
- Farming	53,635	45,713
- Woodlands	68,385	16,155
	<u>362,124</u>	<u>339,171</u>
Unallocated administration and support costs:		
- Management, consultancy and accounting support	52,332	52,128
- Subscription - Scottish Land & Estates	1,935	1,759
- Other costs	11,821	9,834
Conservation projects:		
- Footpath network and hedge planting	10,872	19,641
- Gorse and rhododendron clearance	12,220	4,688
- Contribution towards public road upgrade	30,000	-
- North Applecross Woodlands costs	2,600	-
- Applecross Landscape Partnership Scheme (ALPS) projects	162,712	19,000
	<u>646,616</u>	<u>446,221</u>
<u>Governance costs</u>		
Audit fee	5,000	5,000
Accountancy and other non-audit fees	9,650	6,700
Legal fees	-	109
Trustees' travel and meeting expenses	2,037	2,615
	<u>16,687</u>	<u>14,424</u>
<u>Other resources expended</u>		
Donations	850	1,750
<b><i>Restricted funds:</i></b>		
<u>Costs of charitable activities</u>		
Clachan Church expenses	153	819

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

<b>4 Net (outgoing)/incoming resources</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Net (outgoing)/incoming resources is stated after charging:		
Depreciation of tangible assets	59,983	64,660
Auditors' remuneration	5,000	5,000
and after crediting:		
Government grants and subsidies	39,662	31,106
Profit on disposal of tangible assets	1,500	5,435
	<u>          </u>	<u>          </u>
<b>5 Employees and staff costs</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b><i>Unrestricted fund</i></b>		
Wages and salaries	57,808	56,266
Social security costs	4,683	4,565
Pension costs	3,500	2,400
	<u>          </u>	<u>          </u>
	<u>65,991</u>	<u>63,231</u>
The average weekly number of employees calculated on a full time equivalent basis was	<u>          3</u>	<u>          3</u>

No employee's emoluments exceeded £60,000.

Pension costs represent the company's contribution to a defined contribution scheme.

## **6 Related party transactions**

R A Wills, one of the trustees, rented the stalking through Deer Management Consultants (DMC) in which he is a partner. The rent is agreed at an arms length basis and decided by an independent national sporting agent. R A Wills took no part in these negotiations. The rent received by the Trust during the year was £25,040 (2014 - £20,800). In addition, during the prior year DMC rented one of the holiday cottages, on normal commercial terms, for £1,167 (DMC did not rent any holiday cottages in 2015).

DMC leases Applecross House from the company at an annual rent of £10,200 (2014 - £7,538). The rent prepaid as at 31 March 2015 was £nil (2014 - £1,884). The original lease expired in June 2014 and the terms of the new lease were independently negotiated on the basis of an arm's length lease. The new lease is for a term of fifteen years at £10,200 per annum, subject to five year upwards only reviews. R A Wills did not participate in any of these negotiations and discussions.

DMC also leases Applecross River from the company at an annual rent of £10 (2014 - £10).

A J Wills, brother of R A Wills, rented the Milton Boathouse for £300 during the year (2014 - £300).

R R Harvey-Jamieson, one of the trustees, rented Bramble Lodge for himself and his family for one week for £620, being full market rent as advertised by the holiday letting agents.

K R McDiarmid, one of the trustees, rented the Jam Factory, a holiday house, from the company for £155 during the year. This was the full rate as advertised by the letting agents.

## **7 Trustees' remuneration**

Trustees are not remunerated, however, five trustees received reimbursement of expenses for attending meetings amounting in total to £1,707 (2014 - £2,615).

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

**8 Heritage and tangible fixed assets**

	Heritage land and buildings	Plant and equipment	Furniture and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2014	3,464,169	32,197	25,000	112,468	3,633,834
Additions	75,508	4,366	-	1,500	81,374
Disposals	(1)	(1)	-	-	(2)
	<u>3,539,676</u>	<u>36,562</u>	<u>25,000</u>	<u>113,968</u>	<u>3,715,206</u>
<b>Depreciation</b>					
At 1 April 2014	183,737	30,391	15,000	39,243	268,371
On disposals	-	(1)	-	-	(1)
Charge for the year	36,739	2,063	2,500	18,681	59,983
	<u>220,476</u>	<u>32,453</u>	<u>17,500</u>	<u>57,924</u>	<u>328,353</u>
<b>Net book value</b>					
At 31 March 2015	<u>3,319,200</u>	<u>4,109</u>	<u>7,500</u>	<u>56,044</u>	<u>3,386,853</u>
At 31 March 2014	<u>3,280,432</u>	<u>1,806</u>	<u>10,000</u>	<u>73,225</u>	<u>3,365,463</u>

The heritage assets relate to the land and buildings of the Applecross peninsula, which were gifted to the Trust by the former landowner on its inception in 1992. There is no intention to dispose of the heritage assets. There have been no acquisitions or significant disposals of heritage assets during the last five years. Major improvements to the properties are treated as additions to heritage land and buildings in the year in which the expenditure is incurred.

The Trust aims to preserve the special character of the peninsula, and costs incurred to improve the buildings and footpath networks over the last five years have been capitalised in the balance sheet in the appropriate period. Public access to the peninsula is permitted at all times.

The Applecross Trust  
(A company limited by guarantee)  
Notes to the financial statements (continued)  
For the year ended 31 March 2015

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9 Five year financial summary of heritage assets

	2015	2014	2013	2012	2011
	£	£	£	£	£
<b>Additions</b>	75,508	10,443	259,630	124,093	-
<b>Disposals</b>					
Carrying value	1	-	-	-	-
Sales proceeds	4,000	-	-	-	-

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

**10 Fixed asset investments**

<b>Quoted investments</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Market value brought forward	1,386,995	1,339,515
Acquisitions in year at cost	393,145	239,375
Disposals in year at opening market value or at cost if acquired during year	(393,213)	(251,617)
Net gain on revaluation of investments	60,314	59,722
	<u>1,447,241</u>	<u>1,386,995</u>
Market value at 31 March 2015	<u>1,447,241</u>	<u>1,386,995</u>
Cost as at 31 March 2015	<u>1,188,694</u>	<u>1,070,259</u>
Analysis of investments held:		
UK bonds	163,194	179,255
UK equities	477,685	430,160
Emerging markets equities	51,610	-
International bonds	194,200	62,310
International equities	418,222	424,956
Portfolio funds	49,910	225,051
Hedge and other funds	92,420	65,263
	<u>1,447,241</u>	<u>1,386,995</u>

Investments in individual entities held that are over 5% of portfolio by value:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
	<b>Mkt. value</b>	<b>Mkt. value</b>
AXA Framlington Unit Management UK Growth Fund	122,998	118,682
Capital Financial Managers Trojan Income Fund	118,694	109,949
J O Hambro Capital Management UK Opportunities	125,306	117,451
M&G Investment Management Global Div. Fund	111,354	71,526
Schroder MM International Fund	88,844	173,660
Schroder Strategic Credit Fund	146,844	98,620
Schroder UK Dynamic Smaller Cos. Fund	-	84,078
Schroder UK Alpha Fund	110,687	-
Veritas Asset Management Global Equity	73,259	75,961
CG Portfolio Fund Cym CG Portfolio	-	137,750
	<u>1,447,241</u>	<u>1,386,995</u>

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

<b>11 Stocks</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Cattle	28,240	21,910
Ponies	9,500	9,500
Felled timber	10,000	-
	<u>47,740</u>	<u>31,410</u>
	<u><u>47,740</u></u>	<u><u>31,410</u></u>
<b>12 Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	24,953	48,511
Other debtors and amounts receivable	318,548	396,613
Prepayments	2,551	2,484
	<u>346,052</u>	<u>447,608</u>
	<u><u>346,052</u></u>	<u><u>447,608</u></u>
<b>13 Cash at bank and in hand</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank and cash balances	85,572	115,308
Funds with investment managers for re-investment	77,230	83,673
	<u>162,802</u>	<u>198,981</u>
	<u><u>162,802</u></u>	<u><u>198,981</u></u>
<b>14 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	18,087	22,968
Taxation and social security	1,202	1,177
Payments received on account	18,449	23,760
Other creditors and accruals	25,242	19,011
	<u>62,980</u>	<u>66,916</u>
	<u><u>62,980</u></u>	<u><u>66,916</u></u>

**The Applecross Trust**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**For the year ended 31 March 2015**

15 Analysis of funds	Unrestricted Funds			2015 Total Funds £	2014 Total Funds £
	General Reserve £	Revaluation Reserve £	Restricted Funds £		
Funds at 1 April 2014	5,036,929	316,736	9,876	5,363,541	5,185,475
Net incoming resources before investment gains and losses	(102,705)	-	5,527	(97,178)	108,448
Realised gains on investments sold	115,535	-	-	115,535	12,258
Unrealised gains on investments:					
- adjustment in respect of investments sold in year	-	(118,503)	-	(118,503)	(4,862)
- revaluation of investments held at year end	-	60,314	-	60,314	59,722
Income from sale of property	3,999	-	-	3,999	2,500
Funds at 31 March 2015	<u>5,053,758</u>	<u>258,547</u>	<u>15,403</u>	<u>5,327,708</u>	<u>5,363,541</u>
Represented by:					
Tangible fixed assets	3,386,853	-	-	3,386,853	3,365,463
Investments	1,188,694	258,547	-	1,447,241	1,386,995
Net current assets	478,211	-	15,403	493,614	611,083
	<u>5,053,758</u>	<u>258,547</u>	<u>15,403</u>	<u>5,327,708</u>	<u>5,363,541</u>

**Analysis of Restricted Funds**

	Funds at 1 April 2014	Received in year	Expensed or released in year	Funds at 31 March 2015
Clachan Church restoration fund	<u>9,876</u>	<u>5,680</u>	<u>(153)</u>	<u>15,403</u>