

**SHAMBELLIE HOUSE TRUST  
TRUSTEES' ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**CHARITY REGISTRATION NUMBER: SC24140**

**SHAMBELLIE HOUSE TRUST  
TRUSTEES' ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**CONTENTS**

	<b><u>Page</u></b>
Reference and administration details	1
Trustees' annual report	2 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 9

**SHAMBELLIE HOUSE TRUST  
REFERENCE AND ADMINISTRATION DETAILS**

**Trustees**

Suzanne Broatch  
Stephanie A Farmer  
Amanda J Flockhart  
Kerry Thomas  
Laura J Hudson Mackay  
Joanna F Kemp  
Gordon L Mann OBE  
Tomas G McCartney  
Stuart J McCulloch (resigned 17 May 2016)  
Graham K Whiteley

**Principal address**

Barrview  
Amisfield  
Dumfries  
DG1 3LL

**Bankers**

Cumberland Building Society  
Carlisle  
CA3 0JF

**Independent Examiner**

Val Mitchell  
3 Hunter Avenue  
Heathhall  
Dumfries  
DG1 3UX

**Shambellie House Trust – Registered Charity No. SC24140**  
**Report of the Trustees**  
**July 2015 – June 2016**

Shambellie House was owned by Charles Stewart, a renowned book illustrator, who donated the building to Scottish Ministers in 1997 along with his impressive collection of costumes. The costumes are now in storage with the National Museum of Scotland and the building is vacant following its closure as a museum. If no alternative uses can be found then the property will be sold on the open market and lost to the community. The house sits in 6 acres of grounds and is listed category B as a good example of a Scottish baronial mansion house, architecture by David Bryce and built in 1856.

Following the closure of the Museum of Costume a report ( commissioned by Scottish Government) by the Prince's Regeneration Trust (PRT) identified a number of potential uses which could both be suitable and sustainable in the long term. These require to be worked up into a detailed business plan taking account of local community views and interests.

As part of the PRT study several local meetings were held where it was agreed that a new organisation needed to be set up to take on the work of developing a sustainable future for the house and grounds. This led to the creation of Shambellie House Trust which was registered as a company limited by guarantee (company registration number 507404) on 2 June 2015 and with charitable status (SC24140).

The Trust's objectives are:

1. To arrange for the buildings and grounds to be used for the advancement of arts, heritage and culture. Providing facilities for the arts and providing heritage benefit to the community by preserving the listed building of Shambellie House (including any outbuildings or associated buildings and grounds).
2. To arrange for buildings and grounds to be used for the advancement of education, in particular arts, culture and environment.

The Trust is run by a Board of Trustees appointed by the Members at the AGM who will normally serve for three years. The Board can also invite organisations that they want to work in partnership with to appoint a Trustee. They can also co-opt anyone with specialist knowledge to the Board. In doing so the Board must ensure that the Trustees appointed at the AGM are always in the majority.

A shadow Board of Trustees was appointed at the initial public meeting and the Board have co-opted additional members to strengthen the Board's range of skills and experience. Board members attended training provided by Third Sector Dumfries & Galloway. All the Shadow Board members will resign at the AGM but will be eligible for re-appointment.

The building is owned by the Scottish Government and managed by their Cultural and Historic Environment team. The Team initially set a target of six months to identify a sustainable future for the building but this has been extended until October 2016. The team is now pressing for a clear timetable and need to see significant progress in order to justify the costs of maintaining the grounds, the heating and security of the building.

Over the past year the Trust has made remarkable progress and has achieved the following:

- Established the new company.
- Obtained charitable status.
- Obtained rent free premises at 40 Main Street, New Abbey.
- Held two events in the house.
- Established a popular presence on Facebook and Twitter.
- Commissioned a new website incorporating a membership database.
- Developed a new logo and identity.
- Published a quarterly newsletter.
- Established a growing membership.
- Held a major photographic and art exhibition which attracted almost 500 visitors raising the profile of both the house and the project.

**Shambellie House Trust -- Registered Charity No. SC24140**  
**Report of the Trustees**  
**July 2015 -- June 2016**

- Gained good local press, radio and TV coverage.
- Developed a good working relationship with the building managers and Culture Department of the Scottish Government.
- Met with a number of organisations and established a real enthusiasm for the project.
- Obtained over £27,000 of grant funding.
- Commissioned more detailed surveys of both the building and the lodge.
- Facilitated an exhibition of photographs by students of Dumfries & Galloway College.

The Trust has funding from the Architectural Heritage Fund to employ a Project Organiser to be responsible for developing and commissioning the new business plan.

Following on from a workshop held in New Abbey with key stakeholders, the Trust now proposes to develop the Scottish National Centre for Photography at the house. Its core purposes will be:

- To promote and support photography throughout Scotland.
- To deliver workshops and non-vocational residential courses primarily focused on exploiting the synergies between photography, other art forms and the environment and the history of Dumfries & Galloway.

The priority for the new year will be to examine this proposal in more detail, including detailed market research, capital and revenue costs and potential income to prepare a more detailed business plan. The Trust will carry out a review of progress with the Scottish Government in October in order to assess the potential for identifying a sustainable future for the house and grounds.

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF SHAMBELLIE HOUSE TRUST  
FOR THE YEAR ENDED 30 JUNE 2016**

I report on the accounts of the Trust for the year ended 30 June 2016 which are set out on pages 5 to 8.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. 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 the seeking of 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**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 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act 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.

Val Mitchell CTA FATT MAAT

Date: 23 September 2016

25 Kingsway House  
Kingsway  
Gateshead  
Tyne and Wear  
NE11 0HW

**SHAMBELLIE HOUSE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**Funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income:</b>			
Voluntary income	4,609		4,609
Grant income	4,000	10,000	14,000
Investment income	4		4
Activities for generating funds	728		728
<b>Total income</b>	<b>9,341</b>	<b>10,000</b>	<b>19,341</b>
<b>Expenditure:</b>			
Fundraising trading costs	8,387		8,387
Charitable activities	1,883	3,753	5,636
Governance costs	400		400
<b>Total expenditure</b>	<b>10,670</b>	<b>3,753</b>	<b>14,423</b>
<b>Net income/(expenditure) and net movement in funds for the year</b>	<b>(1,329)</b>	<b>6,247</b>	<b>4,918</b>

**SHAMBELLIE HOUSE TRUST**  
**BALANCE SHEET**  
as at 30 June 2016

		£
<b>Current assets</b>		
Cash at bank and in hand	5,218	
Stock	<u>100</u>	
	5,318	
<b>Creditors: amounts falling due within 1 year</b>	<u>400</u>	
<b>Net Current assets</b>		<u>4,918</u>
<b>Net assets</b>		<u>4,918</u>
<b>Funds of the Charity</b>		
Unrestricted funds		(1,329)
Restricted income funds		<u>6,247</u>
<b>Total funds</b>		<u>4,918</u>

The accounts were approved by the Trustees on

Mr G Mann OBE  
On behalf of the Board of Trustees

**SHAMBELLIE HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**Accounting policies**

The Financial Statements have been prepared on the accruals basis and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities 2005 (revised 2008).

The financial statements are prepared in accordance with applicable accounting standards.

**Incoming resources**

*Voluntary income* – donations, subscriptions and similar incoming resources are accounted for when receivable.

*Activities for generating funds* -- income from trading activities is accounted for when receivable.

*Investment income* -- investment income, including bank interest, is accounted for on the basis of income receivable in the year.

*Legacies* – legacies are recognised as income when there is entitlement, certainty of receipt and measurability of the legacy.

*Intangible income* -- intangible income, including donated services, facilities and other 'in kind' support is included within the Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measurable. The value placed on these resources is the estimated value of the service or facility received.

**Resources expended**

Resources expended are accounted for on the accruals basis. Liabilities are recognised in the accounting period to which they relate.

**Taxation**

The Trust is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

**Fund accounting**

Unrestricted funds are funds receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support.

**Stock**

Stock is valued at the lower of cost and net realisable value

**Expenditure and recognition of liabilities**

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional

**SHAMBELLIE HOUSE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

categories of resource expended in the Statement of Financial Activities. The Trust is not registered for VAT and accordingly all expenditure is shown gross of irrecoverable VAT.

**Governance Costs**

Governance costs are the costs associated with the governance arrangements of the charitable company, including its public accountability and compliance with regulation and good practice.

**Net movement in funds**

	£
Net movement in funds is stated after charging:	
Independent Examiner's remuneration	<u>400</u>

**Taxation**

As a Charity, Shambellie House Trust Limited is exempt from paying tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

**Voluntary income**

	£
Donations	4,179
Memberships	<u>430</u>
	<u>4,609</u>

**Grant income**

	£
Restricted funds	10,000
Unrestricted funds	<u>4,000</u>
	<u>14,000</u>

**Investment income**

	£
Bank interest	<u>4</u>

**Activities for generating funds**

	£
Sales income	<u>728</u>

**Fundraising trading costs**

	£
Cost of sales	1,273
Exhibition costs	<u>7,114</u>
	<u>8,387</u>

**SHAMBELLIE HOUSE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**Charitable activities**

	£
<i>Costs directly allocated to charitable activities</i>	
Advertising	811
Printing, postage and stationery	8
Website expenses	2,330
Repairs and maintenance	91
Rates and insurance	729
Heat, light and telephone	880
Equipment	548
Sundry expenses	<u>239</u>
	<u>5,636</u>

**Governance costs**

	£
Accountancy and independent examiner's fee	350
Tax return fee	<u>50</u>
	<u>400</u>

**Stocks**

£

**Creditors and accruals**

	£
Accruals	<u>400</u>