

'Registrar'

COMPANY REGISTRATION NUMBER: SC131468
CHARITY REGISTRATION NUMBER: SC030292

Moniack Mhor Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2019



RITSONS
Chartered Accountants
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Moniack Mhor Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2019

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	6
Statement of financial activities (including income and expenditure account)	8
Statement of financial position	9
Notes to the financial statements	10

Moniack Mhor Limited

Company Limited by Guarantee

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

Year ended 31 March 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name Moniack Mhor Limited

Charity registration number SC030292

Company registration number SC131468

Principal Office Teavarran
Kiltarlity
Beauly
Inverness-shire
IV4 7HT

Registered Office 36 Huntly Street
Inverness
Scotland
IV3 5PR

The trustees

Mrs N Guthrie
Mr J Glenday (Retired 21 April 2018)
Mr S Lackie
Mrs C Deacon
Mr C J Fraser
Mr A J M Gibbs
Mrs L Mann
Ms J Adams
Mrs A Macleod
Mrs C A Rogerson

Independent examiner Sandra Ross A.C.C.A.
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Bankers Royal Bank of Scotland
High Street
Dingwall
IV15 9HF

Key Management Personnel Rachel Humphries

Moniack Mhor Limited

Company Limited by Guarantee

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

Year ended 31 March 2019

Structure, governance and management

The charity is a company limited by guarantee. The charity's objects are that of the operation of a creative writing centre. The company runs a full programme of seminars and courses for writers. The programmes are assisted with grants from Creative Scotland, formerly the Scottish Arts Council.

New trustees to the board are elected by way of a general majority vote of the serving trustees.

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

Objectives and activities

The primary purpose of Moniack Mhor is to provide excellence in furthering literature and language in Scotland. By providing residential courses at Moniack Mhor new literature is created, the skills of writers are enhanced, young people gain the opportunity to develop confidence in the creative process and writers benefit from space and time to write through retreats at the centre. Moniack Mhor is working to develop its full potential as the literature hub for writers nationally and locally, and to attract international partnerships.

Achievements and performance

The key achievements of 2018-19, our 25th year, were delivering a programme of week-long residential courses, writing retreats and one-day workshops as part of an open programme of activity. Our occupancy was down on last year, mainly due to an unfortunate number of tutor cancellations, with a year end occupancy across the whole open programme of 79% (below our 82% target).

Genres of courses delivered included Fiction, Nature Writing, Flash Fiction, Memoir, Crime Writing, Historical Fiction, Young Adult S/F Fantasy, Narrative Non-Fiction, Comic Writing, Writing for Radio, Songwriting, Poetry, Journalism and From Page to Publication. Tutors and guests on the open programme included prominent Scottish writers who were among the first to tutor at Moniack Mhor when it first started: Alan Spence, Janice Galloway, A L Kennedy, Tom Pow, Douglas Dunn. Others included Val McDermid, Louise Welsh, Linda Cracknell, Helen Lederer, Gillian Slovo, Paul Magrs, Richard Beard, Graeme MacRae Burnet, Kit de Waal, Alan Bisset, Gail Honeyman, Paul Magrs, Leila Aboulela, Boo Hewerdine, Eddi Reader, journalists Peter Geoghan and Chitra Ramaswamy and BBC R4 Home Front writer and producer team, Katie Hims and Jessica Dromgoole.

During March 2019, we piloted a month of residencies. Eleven UK-based mid-career and established writers were resident for one or two weeks, alongside our Jessie Kesson Fellow, poet Stewart Sanderson, and our first ever international writers in residence, leading Nigerian poet Efe Paul Azino and runner-up Canadian poet-playwright-performer, Rodney DeCoo. Efe and Rodney's residencies were made possible by British Council funding. Efe delivered readings in three venues across Scotland, including at the StAnza Festival; he was joined in Ullapool and Skye by Rodney, and at our celebratory Words from the Hill ceilidh in Abriachan Hall by all our writers in residence and two traditional musicians.

Our Awards programme continued to nurture talented aspiring writers. The Bridge Awards for Emerging Writers had a record 200 applications and was shared between Hanna Randall and Liz Hyder. It provided a tailor-made package of support including retreats, courses and mentoring - Liz Hyder's book *Bearmouth* has since been published. Our Writing for Children awards winner, Hannah Sanguinette, received mentoring from Lindsey Fraser and Kathryn Ross of Fraser Ross Associates. We also awarded our inaugural Katharine Stewart award to Shona Macpherson, and the Travel

Writing Award to Neil Shaw. Finally, with a fee-donation from one of our tutors, we developed the Two Roads Award to enable two talented writers of low income to attend Moniack Mhor on a course in 2019.

Moniack Mhor Limited

Company Limited by Guarantee

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

Year ended 31 March 2019

We continued to facilitate the Highland Book Prize on behalf of the Highland Society of London. In this second year of the prize, we received 57 titles, and 87 avid readers were involved in the first round of judging. The longlist was released in November, and the winning title, *Now We Shall Be Entirely Free*, by Andrew Miller, was announced in spring 2019 (judged by Kevin MacNeil, Jenny Niven and Alex Ogilvie). It was agreed that future involvement with the Prize would require additional funding/sponsorship and fruitful discussions began with Alex Ogilvie (Highland Society of London) to allow the creation of a one-day-per-week post to help coordinate the Prize from 2019 onwards.

Following our successful application to The Life Changes Trust to run a programme of activity for care experienced young people during 2018-21, we were granted £129,470 over three years. This included the appointment of a part-time Project Coordinator to manage the activity, who took up post in June 2018 to manage this Creative and Active Lives programme.

During the first year of Creative and Active Lives, we worked with 43 care experienced young people. This work was in the form of residential workshops at Moniack Mhor, regular workshops at the Scottish Poetry Library in Edinburgh, one to one mentoring to young people who are not able to engage in group settings, and a group at Dingwall Academy. Activities included creative writing, song writing, street art and poetry. We also worked with the group to produce a CD of their own music compositions. Young people have attended from the Central Belt, Highland and the Western and Northern Islands. One residential workshop is being offered that is for females only. We have worked with young people who in addition to being care experienced are experiencing mental health challenges as well as gender identity issues.

We received £10,000 funding from Bòrd na Gàidhlig to deliver a Gaelic programme throughout 2018-19, which started in November with a songwriting residency tutored by Mary Anne Kennedy and Griogair Laurie. The whole week was facilitated as an immersive Gaelic opportunity, providing a potent environment for development and creation of work. This was followed in early 2019 by two one-day workshops in storytelling (for Gaelic learners) and Tales of the Fianna (for fluent speakers), both led by Gaelic writer, Ruairidh Macilleathain. Partnerships that visited the Centre during 2018-19 once again included the Scottish Book Trust's New Writers Award winners, Carol Ann Duffy's retreat week, Manchester Metropolitan University/Writing School, the Society of Authors in Scotland, the Workers Educational Association and a songwriting retreat led by Boo Hewerdine. Youth partnerships included the Scottish Book Trust's 'What's Your Story' award winners, the last ever visit by the Pushkin Prize winners (the patron has retired), and tutored visits from Sir John Deane's College and George Watson's College.

We increased staff resource to managing our Friends Scheme with the aim of increasing membership and improving communications - our first Friends newsletter was produced in early 2019, and at December 2018 we had 65 Friends.

Our youth programme included positively received workshops with Inverness High School students, funded through the school's Pupil Equity Funding and tutored by Cynthia Rogerson, Karen Campbell and Alan Bissett. Writers Donald S. Murray and Linda Cracknell also undertook writing tuition with young people on a multi-arts project funded through Highland Youth Arts Hub in partnership with Historic Scotland, interpreting or responding to Urquhart Castle and the surrounding area. A screening of the participants' work was held in Eden Court Theatre in November. Numbers of young people (aged 13-26) attending the monthly writers' café held in Waterstones Inverness continued to rise to double figures at times, with a clear increase in levels of confidence in those attending. Funding from

Scottish Book Trust's Live Literature funding was successfully applied for to help continue this project during 2019. We also continue to support some students with 1:1 mentoring. A new writing club was set up by Cynthia Rogerson, who led monthly sharing sessions open to all at Moniack Mhor. The club has been well attended and much appreciated by the local writers

Moniack Mhor Limited

Company Limited by Guarantee

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

Year ended 31 March 2019

Restructuring

Following Board approval to restructure the staffing of the organisation, we made one redundancy and appointed two new part-time personnel to the new posts of General Manager (June 2018) and Centre Assistant (Oct 2018). Eilidh Smith was appointed to the new post of Programme Manager, taking on management of all our awards schemes as well as continuing as programmer for youth activity. We also appointed a Project Coordinator to our new Creative and Active Lives Project.

Financial review

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

During the year the charity made a deficit of £243 (2018 - deficit £1,529). The amount of unrestricted reserves at 31 March 2019 amounted to £151,025 (2018 - £138,297) and restricted reserves amounted to £67,156 (2018 - £80,127).

The assets of the charity are held within restricted and unrestricted reserves. The unrestricted fund represents the accumulation of previous operating results.

The trustees have assessed that these assets are sufficient to meet the charity's ongoing obligations, and in the event of a significant drop in funding, they will be able to continue the charity's current activities whilst consideration is given to ways in which additional funds may be raised.

Reserves Policy

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its' charitable objectives for the foreseeable future. Reserves are required to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The level of free reserves is currently nil but the charity is working toward having 3 months of running costs in reserves.

Plans for future periods

In 2019-20, our open programme will continue in its current format, and again include several retreats to provide invaluable time and space for writers working at all levels. In partnership with Abriachan Forest Trust, we plan to pilot a short course with a childcare element attached, to further break down barriers to participation in creative writing activities both for established writers/tutors and aspiring writers. We also anticipate launching another short-term strand to our bursary scheme via a donation from two writers, which will support women writers who experience discrimination and inequality. Our Gaelic programme will continue throughout 2019, with a poetry residential week aimed at fluent speakers. In our youth programme, we plan to work with students from Glenurquhart High School on a series of workshops, and continue our writers' café for young people in Waterstones. In our Creative and Active Lives programme we will be working in another secondary school, and plan a photography workshop along with further residential writing and song writing opportunities. We will also be offering sessions on Shetland and the Western Isles to young people unable to travel. A new post will be created to administer The Highland Book Prize as it continues to grow in popularity.

Moniack Mhor Limited

Company Limited by Guarantee

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

Year ended 31 March 2019

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

Sandra Ross A.C.C.A. of Ritsons has been re-appointed as independent examiner for the ensuing year.

Small company provisions

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

The trustees' annual report was approved on 20/12/19 and signed on behalf of the board of trustees by:



Mrs N Guthrie
Trustee

Moniack Mhor Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Moniack Mhor Limited

Year ended 31 March 2019

I report to the trustees on my examination of the financial statements of Moniack Mhor Limited ('the charity') for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 44(1)(c) of the 2005 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent examiner's statement - matter of concern identified

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of the Association of Chartered Certified Accountants which is one of the listed bodies.

I confirm that no other matters have come to my attention in connection with my examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act, section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the financial statements do not accord with those records or with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Moniack Mhor Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Moniack Mhor Limited *(continued)*

Year ended 31 March 2019

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Other matters

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charities' trustees as a body, for our work, for this report, or for the opinions I have formed.



Sandra Ross A.C.C.A
Independent Examiner

Forbes House
36 Huntly Street
Inverness
IV3 5PR

Moniack Mhor Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2019

		Unrestricted funds £	2019 Restricted funds £	Total funds £	2018 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	137,626	49,300	186,926	131,109
Other trading activities	6	208,446	–	208,446	211,592
Investment income	7	53	–	53	–
Total income		<u>346,125</u>	<u>49,300</u>	<u>395,425</u>	<u>342,701</u>
Expenditure					
Expenditure on charitable activities	8,9	332,388	62,922	395,310	344,230
Other expenditure	10	358	–	358	–
Total expenditure		<u>332,746</u>	<u>62,922</u>	<u>395,668</u>	<u>344,230</u>
Net expenditure		<u>13,379</u>	<u>(13,622)</u>	<u>(243)</u>	<u>(1,529)</u>
Transfers between funds		(651)	651	–	–
Net movement in funds		<u>12,728</u>	<u>(12,971)</u>	<u>(243)</u>	<u>(1,529)</u>
Reconciliation of funds					
Total funds brought forward		138,297	80,127	218,424	219,953
Total funds carried forward		<u>151,025</u>	<u>67,156</u>	<u>218,181</u>	<u>218,424</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 10 to 21 form part of these financial statements.

Moniack Mhor Limited
Company Limited by Guarantee
Statement of Financial Position

31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	16	224,599	226,896
Current assets			
Debtors	17	4,035	3,686
Cash at bank and in hand		84,488	70,722
		<u>88,523</u>	<u>74,408</u>
Creditors: amounts falling due within one year	18	<u>93,923</u>	<u>82,880</u>
Net current assets		<u>(5,400)</u>	<u>(8,472)</u>
Total assets less current liabilities		<u>219,199</u>	<u>218,424</u>
Creditors: amounts falling due after more than one year	19	<u>1,018</u>	<u>—</u>
Net assets		<u><u>218,181</u></u>	<u><u>218,424</u></u>
Funds of the charity			
Restricted funds		67,156	80,127
Unrestricted funds		151,025	138,297
Total charity funds	23	<u><u>218,181</u></u>	<u><u>218,424</u></u>

For the year ending 31 March 2019 the charity 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.

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

These financial statements were approved by the board of trustees and authorised for issue on ...20/12/19....., and are signed on behalf of the board by:


Mrs N Guthrie
Trustee


Mr C J Fraser
Trustee

The notes on pages 10 to 21 form part of these financial statements.

Moniack Mhor Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2019

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 36 Huntly Street, Inverness, Scotland, IV3 5PR.

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 Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future due to secured funding from Creative Scotland for £116,333. The Directors will therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 trustees 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.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

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

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

Freehold property	- 2% straight line
Fixtures, fittings and equipment	- 15% reducing balance
Motor vehicles	- 25% straight line
Plant and machinery	- 15% reducing balance

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.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Moniack Mhor Limited is a company limited by guarantee and accordingly does not have share capital.

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

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	2,108	–	2,108
Grants			
Creative Scotland	135,518	–	135,518
The Bridge Awards Funding	–	4,250	4,250
Bord na Gaildhig	–	1,000	1,000
British Council	–	–	–
Highland Society of London	–	3,700	3,700
Life Changes Trust	–	40,350	40,350
	<u>137,626</u>	<u>49,300</u>	<u>186,926</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations	275	–	275

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Grants			
Creative Scotland	116,334	–	116,334
The Bridge Awards Funding	–	–	–
Bòrd na Gàidhlig	–	9,000	9,000
British Council	–	3,000	3,000
Highland Society of London	–	2,500	2,500
Life Changes Trust	–	–	–
	<u>116,609</u>	<u>14,500</u>	<u>131,109</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Course fees	201,536	201,536	206,427	206,427
Book shop income	3,030	3,030	2,381	2,381
Lets and retreats	–	–	424	424
Friends Scheme	3,880	3,880	2,360	2,360
	<u>208,446</u>	<u>208,446</u>	<u>211,592</u>	<u>211,592</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest	53	53	–	–

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Running and maintenance costs	206,280	33,663	239,943
Provision of material and tuition	126,108	29,259	155,367
	<u>332,388</u>	<u>62,922</u>	<u>395,310</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Running and maintenance costs	226,086	1,414	227,500
Provision of material and tuition	113,914	2,816	116,730
	<u>340,000</u>	<u>4,230</u>	<u>344,230</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2019 £	Total fund 2018 £
Running and maintenance costs	239,945	239,945	227,500
Provision of material and tuition	155,365	155,365	116,730
	<u>395,310</u>	<u>395,310</u>	<u>344,230</u>

10. Other expenditure

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Loss on disposal of tangible fixed assets held for charity's own use	<u>358</u>	<u>358</u>	<u>—</u>	<u>—</u>

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	8,708	9,964
Loss on disposal of tangible fixed assets	<u>358</u>	<u>—</u>

12. Independent examination fees

	2019 £	2018 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	3,440	3,240
Other financial services	<u>1,160</u>	<u>1,485</u>
	<u>4,600</u>	<u>4,725</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019 £	2018 £
Wages and salaries	147,146	131,189
Social security costs	7,233	6,371
Employer contributions to pension plans	<u>2,376</u>	<u>2,687</u>
	<u>156,755</u>	<u>140,247</u>

The average head count of employees during the year was 8 (2018: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2019 No.	2018 No.
Number of staff	<u>8</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

13. Staff costs *(continued)*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £27,450 (2018:£26,160).

14. Trustee remuneration and expenses

During the year one trustee received an amount of £210 for employment as a casual relief worker (2018 - £nil).

During the year two trustees were paid a total of £2,575 for tutor fees (2018 - £4,150), three 3 trustees received a total of £146 for tutor expenses reimbursed (2018 - £584). During the year one trustee was reimbursed £346 for travel expenses (2018 - nil) and one trustee was reimbursed £730 for professional fees (2018 - nil).

15. Transfers between funds

An amount of £200 (2018 - £200) was transferred from Moniack Trust to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £336 (2018 - £nil) was transferred from unrestricted funds to the Moniack Trust to amend an expense allocation to this fund in the previous year.

An amount of £918 (2018 - £918) was transferred from the Roundhouse Project to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £466 (2018 - £482) was transferred from the Garden Project to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £142 (2018 - nil) was transferred from unrestricted funds to The Bridge Awards to cover the deficit in the fund at the year end date.

An amount of £1 (2018 - £100) was transferred from the Bridge Awards to cover the deficit in the fund at the year end date.

An amount of £372 (2018 - nil) was transferred from unrestricted funds to The Bridge Awards to cover the deficit in the fund at the year end date.

An amount of £1,384 (2018 - nil) was transferred from unrestricted funds to the Creative and Active Lives Project to cover the deficit in the fund at the year end date.

An amount of £nil (2018 - £180) was transferred from unrestricted funds to Inverness High School Workshops to cover the deficit in the fund at the year end date.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

16. Tangible fixed assets

	Freehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Plant & machinery £	Total £
Cost					
At 1 April 2018	227,866	67,911	4,000	4,415	304,192
Additions	4,278	2,492	—	—	6,770
Disposals	—	(901)	—	—	(901)
At 31 March 2019	232,144	69,502	4,000	4,415	310,061
Depreciation					
At 1 April 2018	25,940	43,538	4,000	3,818	77,296
Charge for the year	4,643	3,976	—	90	8,709
Disposals	—	(543)	—	—	(543)
At 31 March 2019	30,583	46,971	4,000	3,908	85,462
Carrying amount					
At 31 March 2019	201,561	22,531	—	507	224,599
At 31 March 2018	201,926	24,373	—	597	226,896

Finance leases and hire purchase contracts

Included within the carrying value of tangible fixed assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Fixtures, fittings & equipment £
At 31 March 2019	1,159
At 31 March 2018	—

17. Debtors

	2019 £	2018 £
Trade debtors	595	1,000
Prepayments and accrued income	2,440	2,686
Other debtors	1,000	—
	4,035	3,686

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

18. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	7,577	2,642
Accruals and deferred income	83,552	77,940
Social security and other taxes	2,101	2,298
Obligations under finance leases and hire purchase contracts	187	—
Other creditors	506	—
	<u>93,923</u>	<u>82,880</u>

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

	2019	2018
	£	£
Obligations under finance leases and hire purchase contracts	<u>1,018</u>	<u>—</u>

20. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2019	2018
	£	£
Not later than 1 year	187	—
Later than 1 year and not later than 5 years	<u>1,018</u>	<u>—</u>
	<u>1,205</u>	<u>—</u>

21. Deferred income

	2019	2018
	£	£
At 1 April 2018	73,169	62,542
Amount released to income	(73,169)	(62,542)
Amount deferred in year	79,132	73,169
At 31 March 2019	<u>79,132</u>	<u>73,169</u>

Deferred income comprises income from course fees received during the year for courses to be held in the following year.

22. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,376 (2018: £2,687).

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

23. Analysis of charitable funds

Unrestricted funds

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 19
	£	£	£	£	£
General funds	<u>138,297</u>	<u>346,125</u>	<u>(332,746)</u>	<u>(651)</u>	<u>151,025</u>

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 18
	£	£	£	£	£
General funds	<u>148,216</u>	<u>328,201</u>	<u>(340,000)</u>	<u>1,880</u>	<u>138,297</u>

General funds

General funds are free reserves from past trading operations.

Restricted funds

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 18
	£	£	£	£	£
Moniack Trust	8,664	–	–	136	8,800
Fixed Asset Fund - Roundhouse	41,216	–	–	(918)	40,298
Garden Project	17,801	–	–	(466)	17,335
The Bridge Awards	–	4,250	(4,392)	142	–
Bòrd na Gàidhlig	9,000	1,000	(9,277)	–	723
The British Council	3,000	–	(3,001)	1	–
Highland Society of London	446	3,700	(4,518)	372	–
Life Changes Trust	–	40,350	(41,734)	1,384	–
	<u>80,127</u>	<u>49,300</u>	<u>(62,922)</u>	<u>651</u>	<u>67,156</u>

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 18
	£	£	£	£	£
Moniack Trust	9,200	–	(336)	(200)	8,664
Fixed Asset Fund - Roundhouse	42,134	–	–	(918)	41,216
Garden Project	18,283	–	–	(482)	17,801
The Bridge Awards	1,300	–	(1,200)	(100)	–
Inverness High School Workshops	820	–	(640)	(180)	–
Bòrd na Gàidhlig	–	9,000	–	–	9,000
The British Council	–	3,000	–	–	3,000
Highland Society of London	–	2,500	(2,054)	–	446
Life Changes Trust	–	–	–	–	–
	<u>71,737</u>	<u>14,500</u>	<u>(4,230)</u>	<u>(1,880)</u>	<u>80,127</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

23. Analysis of charitable funds *(continued)*

Fixed Asset Fund The Strawbale Studio (Roundhouse)

A timber framed, straw bale multi purpose studio which included training volunteers to build with green timber and other sustainable materials during the construction phase.

Garden Project

Development of a community garden in the grounds surrounding Moniack Mhor. The project included the construction of a dry stone storytelling circle, benches, a pond, planting of trees and native species of plants and building a network of paths to make the grounds accessible.

The Bridge Awards

An award for an emerging writer which includes a tailor made package of writing activity including courses, retreats and mentoring.

Inverness High School Workshops

A short series of outreach creative writing workshops delivered to a range of classes in Inverness High School.

Bòrd na Gàidhlig

A programme of Gaelic language activity which will support fluent speakers and Gaelic learners.

The British Council

A programme to support an international residency in the UK between March 2018 and April 2019, inspired by the writings of Muriel Spark.

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	158,166	66,433	224,599
Current assets	87,800	723	88,523
Creditors less than 1 year	(93,923)	—	(93,923)
Creditors greater than 1 year	(1,018)	—	(1,018)
Net assets	151,025	67,156	218,181

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	159,215	67,681	226,896
Current assets	61,962	12,446	74,408
Creditors less than 1 year	(82,880)	—	(82,880)
Creditors greater than 1 year	—	—	—
Net assets	138,297	80,127	218,424

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	1,594	2,143
Later than 1 year and not later than 5 years	398	1,992
	<u>1,992</u>	<u>4,135</u>

26. Related parties

The trustees neither received nor waived any emoluments during the year. No trustees were reimbursed for expenses incurred while carrying out their duties. During the year 2 trustees were paid a total of £2,575 for tutor fees (2018 - £4,150), 3 trustees received a total of £491 for expenses reimbursed (2018 - £584), one trustee received £730 (2018 - £nil) for professional services and one trustee was paid £210 (2018 - £nil) for relief work.