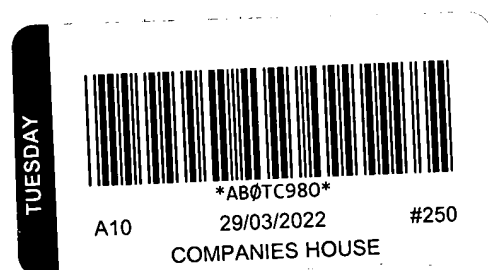


COMPANY REGISTRATION NUMBER: SC131468  
CHARITY REGISTRATION NUMBER: SC030292

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2021**



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

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2021**

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

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2021**

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 2021.

**Reference and administrative details**

**Registered charity name** Moniack Mhor Limited

**Charity registration number** SC030292

**Company registration number** SC131468

**Principal office and registered office** 36 Huntly Street  
Inverness  
Scotland  
IV3 5PR

**The trustees**

Mrs N Guthrie  
Mr S Lackie  
Mrs C Deacon  
Mr C J Fraser  
Mr A J M Gibbs  
Mrs L Mann (Retired 10 August 2020)  
Ms J Adams  
Mrs A Macleod  
Mrs C A Rogerson

**Independent examiner** Daniel Palombo M.A. (Hons), C.A.  
Forbes House  
36 Huntly Street  
Inverness  
IV3 5PR

**Person to whom running of the charity delegated to** R Humphries

**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.

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.

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2021**

#### **Objectives and activities**

As Scotland's National Writing Centre, the company's objects are to advance education and the arts, and to foster, develop and promote all forms of writing and literature in English, Gaelic and Scots to the diverse public of Scotland and those from further afield by:-

- providing high quality residential and non-residential courses in a variety of writing disciplines tutored by well-established writers and practitioners;
- maintaining the physical presence of a fit-for-all purpose residential facility at Moniack Mhor Limited in the Scottish Highlands;
- offering a wide range of public workshops, tutorials, readings and other activities as appropriate;
- offering a wide range of opportunities aimed specifically at young people;
- increasing participation from individuals from vulnerable and hard to reach groups;
- promoting the diversity of Scottish Literature in all its forms;
- working closely with partner organisations to share expertise, provide a full range of facilities and to further encourage the development of literature in Scotland;
- assisting, by the provision of expertise, finance or other mechanisms, individuals, groups or organisations engaged in activities which are deemed to be within the objects of the company;
- procuring and providing information and advice through publications, events, etc, and assisting others in doing so; and
- undertaking any other such activities that are deemed relevant and appropriate by the directors in order to further the company's objects.

#### **Achievements and performance**

Much of the direction of the organisation from April 2020 - March 2021 was focussed upon navigating the centre through the Covid 19 challenges. This included revising strategies for delivery of the writer development programme, ensuring that all health and safety regulations surrounding the pandemic were in place and working through appropriate steps to be taken in relation to the staffing infrastructure, including furloughing of the team and, ultimately redundancy of some staff.

Moniack Mhor ceased its residential activity due to pandemic in March 2020. At that point, the organisation had planned a full programme of residential courses and retreats, all of which had to be postponed until 2021, or in some cases, moved into 2022.

Towards the summer of 2020, individual writing retreats were offered in the cottage, all delivered in alignment with our Covid 19 risk assessments and government regulations. These were well attended and enabled the company to continue to receive some revenue from the residential programme, whilst providing an invaluable space for developing works in progress.

During the period of closure of residential provision, the organisation developed a digital programme including the following:-

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

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

#### **Year ended 31 March 2021**

**Moniack Mhor in a Month** - A month long online course that aims to emulate the residential offering by including four workshops, one-to-one tutorials, a welcome session, and end of course ceilidh. Courses included Fiction with Cynthia Rogerson, Poetry with Jen Hadfield and Writing for Young Adults with Melvin Burgess.

**Moniack Mhor online** - A weeklong songwriting course led by Boo Hewerdine and Findlay Napier, with guest Emily Barker. Each of the above online courses ran at maximum capacity.

**Made to Measure Mentoring** - A bespoke mentoring package for writers at all stages of their development. This programme of activity was fully delivered online and mentors included Mark Cocker (Nature and Non-Fiction), Jen Hadfield (Poetry), John Glenday (Poetry), Cynthia Rogerson (Fiction), Karen Campbell (Fiction/Crime Fiction), Laura Wilson (Crime Fiction), Boo Hewerdine (Songwriting) and Elizabeth Reeder (Fiction/Non-Fiction), Kevin MacNeil (Fiction/Plays) and Leila Abouela (Fiction). This scheme was piloted in February 2021 and will become embedded in the annual artistic programme. See <https://www.moniackmhor.org.uk/writers/made-to-measure-mentoring/>

**Moniack Mhor Tea Break** - A series of short online talks by leading writers in the UK on specific elements of their craft. These included talks by James Robertson, Val McDermid and Joanne Harris. See <https://www.moniackmhor.org.uk/writers/online/>. Each of these events were free to attend, with or without a donation or on a 'pay as you can' basis.

Moniack Mhor continued to facilitate the Highland Book Prize and extended its reach online by delivering the 2020 Highland Book Prize Longlist Series, online talks, workshops and readings by longlisted authors. This included sessions with Elizabeth Reeder (An Archive of Happiness), Elizabeth Gifford (The Lost Lights of St Kilda), Jim Crumley (The Nature of Summer), Robin Robertson (Grimoire), Robert Alan Jamieson (Plague Clothes), Roy Dennis (Cottongrass Summer) and Joseph Elliot (The Good Hawk).

The Jessie Kesson Fellowship was postponed due to its residential nature, alongside many of the other awards offered including the Emerging Writer Award.

#### **Creative and Active Lives Programme (supported by the Life Changes Trust)**

As with all else, the programme was adversely affected by the Covid pandemic, but we have looked for opportunities to engage with young people as much as possible, and also took advantage in the short window of opportunity to have some face to face activity in the Autumn.

Opportunities for young people to access 1 to 1 mentoring on-line were offered, and several took the chance to build on existing skills. Young people accessed mentoring in: Editing, Creative Writing, Hip-hop, poetry, song writing, on-line editing, fiction writing, and photography. These sessions were mentored by high profile successful professionals and were a great opportunity for the young people. Tutors included Jen Hadfield, Boo Hewerdine, Alan Bissett, Hamish MacDonald, Ross "Butterscotch" Carbarns, Jenny Lindsay, and others.

We supported pupils at The Bridge who are non-attenders at school to work with Jen Hadfield to explore creative writing and producing personal reflective diaries.

Alan Bissett held a short group session for 25 young people on creative writing - this was delivered online and was attended by both care experienced and non-care experienced young people.

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

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

#### **Year ended 31 March 2021**

In October we took advantage of the brief relaxation in covid restrictions and held two residential workshops. Own Your Streets brought together a writer (Alan Bissett) and a street artist (Marc Delaye) to facilitate a group of young people to articulate how the pandemic had affected them and then to describe these emotions in images which were used to create a 10-metre mural. (A short film of the process is available at: <https://vimeo.com/526848659/879c303416> ). We had hoped to send the mural out "on tour" but this was not possible by the end of the year.

We brought together a spoken word poet (Jenny Lindsay) a hip-hop artist (Ross "Butterscotch" Carbarns) and a Sound Engineer (Steve Bull). Young people worked with Ross and Jenny to produce spoken word poetry and hip-hop songs (both individually and as a group) which they were then able to record. Those that did not want to write their own work were able to learn about sound engineering and "behind the mic" skills. Some of the tracks recorded are available here: [https://www.dropbox.com/sh/lqn85wnr2s5935d/AABnqr9\\_pko9B\\_Vffv43u1GHa?dl=0](https://www.dropbox.com/sh/lqn85wnr2s5935d/AABnqr9_pko9B_Vffv43u1GHa?dl=0)

In November we held a two-day workshop for Social Workers. We had hoped that we could have done this as a residential, but Covid guidelines would not have made this possible. The course was led by John Glenday an award-winning poet who used to be a Highland based Drug and Alcohol Social Worker. His co-tutor was Louise Wallwein, poet, performer and playwright. The workshops were attended by 12 Social Workers from across Scotland. The group worked on creative writing skills that can be used in formal reports and will help young people to understand their identity and memories should they choose to access their personal reports.

We have tried where possible to support other organisations to access support from within our network of connected writers and artists. During lockdown we have been able to facilitate tutoring and support for groups and individuals from The Highland Children's Forum, Who Cares? Scotland, Highland Council Activity Agreement team and the Social Work Transition teams to work directly with writers, performers and photographers.

In addition to providing formal learning opportunities, we have tried to keep in contact with the young people who have accessed our programme, particularly those who are potentially socially isolated. We have used social media as well as phone and e mail contact to ensure that we are as available as possible to young people during the pandemic.

#### **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 surplus of £139,640 (2020 - £27,036). The amount of unrestricted reserves at 31 March 2021 amounted to £256,401 (2020 - £175,606) and restricted reserves amounted to £128,456 (2020 - £68,611).

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.

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2021**

#### **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 will be monitored regularly by the trustees to ensure there is sufficient cashflow to meet operational costs. Note 25 shows the analysis of net assets between funds. The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

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.

#### **Plans for future periods**

The plan for 2021 - 2022 is to transition back to delivery of a full residential programme as soon as Scottish Government Covid-19 regulations allow. We will aim to deliver those courses postponed until 2022 towards the end of the summer and spotlight ways of increasing our earned income by way of an organizational recovery whilst providing vital support to the Scottish and wider literary community.

A key focus for the next year will be to continue to develop our online programme by running more 'Moniack in a Month' courses, drilling down into key areas of support and genres that will attract a strong audience and offer meaningful engagement opportunities to develop skills. We will ensure that evaluation processes surrounding this model are reviewed on an ongoing basis so that we can react to the changing landscape and continue to assess the need and appetite for digital learning. During this period, we will also continue to develop our mentoring scheme, 'Made to Measure Mentoring' by extending our mentor base and sharing the opportunity for emerging and work in progress writers more widely.

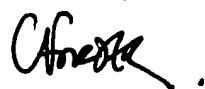
Moniack Mhor will seek to secure funding for key areas of work, including funding support for international residencies, residencies with childcare and continuation of our programme for young care experienced people in Scotland.

Above all, the organization will closely scrutinize the staffing infrastructure, financial health and programme delivered as a mechanism to safeguard the ongoing sustainability of the company during the Covid-19 pandemic by ensuring the flexibility required to respond to changing guidelines.

#### **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 ...25/3/2022..... and signed on behalf of the board of trustees by:



Mr C Fraser  
Trustee

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2021**

I report to the trustees on my examination of the financial statements of Moniack Mhor Limited ('the charity') for the year ended 31 March 2021.

#### **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 ICAS 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 2021**

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.



Daniel Palombo M.A. (Hons), C.A.  
Independent Examiner

Forbes House  
36 Huntly Street  
Inverness  
IV3 5PR

*28 March 2022*

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 March 2021**

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	5	236,192	95,635	<b>331,827</b>	189,768
Charitable activities	6	42,990	–	<b>42,990</b>	235,446
Other trading activities	7	3,710	–	<b>3,710</b>	–
Investment income	8	2	–	<b>2</b>	4
<b>Total income</b>		<u>282,894</u>	<u>95,635</u>	<u><b>378,529</b></u>	<u>425,218</u>
<b>Expenditure</b>					
Expenditure on charitable activities	9,10	199,635	39,254	<b>238,889</b>	397,975
Other expenditure	11	–	–	<b>–</b>	207
<b>Total expenditure</b>		<u>199,635</u>	<u>39,254</u>	<u><b>238,889</b></u>	<u>398,182</u>
<b>Net income</b>		<u>83,259</u>	<u>56,381</u>	<u><b>139,640</b></u>	<u>27,036</u>
Transfers between funds		(2,464)	2,464	–	–
<b>Net movement in funds</b>		<u>80,795</u>	<u>58,845</u>	<u><b>139,640</b></u>	<u>27,036</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		175,606	69,611	<b>245,217</b>	218,181
<b>Total funds carried forward</b>		<u>256,401</u>	<u>128,456</u>	<u><b>384,857</b></u>	<u>245,217</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 22 form part of these financial statements.

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Position** *(continued)*

**31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	17	220,611	221,892
<b>Current assets</b>			
Debtors	18	4,038	4,207
Cash at bank and in hand		201,219	97,206
		<u>205,257</u>	<u>101,413</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>38,657</u>	<u>74,824</u>
<b>Net current assets</b>		<u>166,600</u>	<u>26,589</u>
<b>Total assets less current liabilities</b>		<u>387,211</u>	<u>248,481</u>
<b>Creditors: amounts falling due after more than one year</b>	20	<u>2,354</u>	<u>3,264</u>
<b>Net assets</b>		<u><u>384,857</u></u>	<u><u>245,217</u></u>
<b>Funds of the charity</b>			
Restricted funds		128,456	69,611
Unrestricted funds		<u>256,401</u>	<u>175,606</u>
<b>Total charity funds</b>	24	<u><u>384,857</u></u>	<u><u>245,217</u></u>

For the year ending 31 March 2021 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 .....and are signed on behalf of the board by:



Mr C J Fraser  
Trustee

The notes on pages 10 to 22 form part of these financial statements.

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 March 2021**

**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 £135,000. 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 2021**

**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 2021**

#### **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.

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

##### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2021**

#### **3. Accounting policies** *(continued)*

##### **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.

##### **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 2021 £
<b>Donations</b>			
Donations	1,343	–	<b>1,343</b>
<b>Grants</b>			
Creative Scotland	135,000	27,000	<b>162,000</b>
Highland Council	22,000	–	<b>22,000</b>
Bòrd na Gàidhlig	–	–	<b>–</b>
British Council	–	24,275	<b>24,275</b>
Life Changes Trust	–	44,360	<b>44,360</b>
Third Sector Resilience Funding	49,243	–	<b>49,243</b>
Job Retention Scheme	28,606	–	<b>28,606</b>
	<u>236,192</u>	<u>95,635</u>	<b><u>331,827</u></b>

# Moniack Mhor Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Donations	5,401	–	5,401
<b>Grants</b>			
Creative Scotland	135,057	3,750	138,807
Highland Council	–	–	–
Bòrd na Gàidhlig	–	1,000	1,000
British Council	–	–	–
Life Changes Trust	–	44,560	44,560
Third Sector Resilience Funding	–	–	–
Job Retention Scheme	–	–	–
	<u>140,458</u>	<u>49,310</u>	<u>189,768</u>

#### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Course fees	24,064	24,064	221,649	221,649
Shop income	18	18	3,277	3,277
The Bridge Awards	2,500	2,500	2,500	2,500
Friends Scheme	3,938	3,938	4,920	4,920
Highland Book Prize	12,470	12,470	3,100	3,100
	<u>42,990</u>	<u>42,990</u>	<u>235,446</u>	<u>235,446</u>

#### 7. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Lets and retreats	3,710	3,710	–	–

#### 8. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest	2	2	4	4



# Moniack Mhor Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Running and maintenance costs	175,210	17,501	192,711
Provision of material and tuition	24,425	21,753	46,178
	<u>199,635</u>	<u>39,254</u>	<u>238,889</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Running and maintenance costs	226,608	29,498	256,106
Provision of material and tuition	122,635	19,234	141,869
	<u>349,243</u>	<u>48,732</u>	<u>397,975</u>

#### 10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Running and maintenance costs	192,711	192,711	256,106
Provision of material and tuition	46,178	46,178	141,869
	<u>238,889</u>	<u>238,889</u>	<u>397,975</u>

#### 11. Other expenditure

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Loss on disposal of tangible fixed assets held for charity's own use	<u>—</u>	<u>—</u>	<u>207</u>	<u>207</u>

#### 12. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	9,294	8,693
Loss on disposal of tangible fixed assets	<u>—</u>	<u>207</u>

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements (continued)**

**Year ended 31 March 2021**

#### **13. Independent examination fees**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<b>4,235</b>	3,913
Other financial services	<b>2,268</b>	1,306
	<b><u>6,503</u></b>	<b><u>5,219</u></b>

#### **14. Staff costs**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>133,997</b>	158,125
Social security costs	<b>4,347</b>	7,451
Employer contributions to pension plans	<b>4,299</b>	5,784
	<b><u>142,643</u></b>	<b><u>171,360</u></b>

The average head count of employees during the year was 10 (2020: 10). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Number of staff	<b><u>8</u></b>	<b><u>10</u></b>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

#### **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 £32,537 (2020: £24,370).

#### **15. Trustee remuneration and expenses**

During the year one trustee received £2,510 for tutor fees (2020 - two trustees received £3,705) and one trustee was reimbursed £370 for professional fees (2020 - nil).

No trustees were reimbursed tutor expenses (2020 - one trustee received £22), no trustees were reimbursed travel expenses (2020 - one trustee received £177) and no trustees were reimbursed for casual relief work (2020 - one trustee received £85).

# Moniack Mhor Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 16. Transfers between funds

An amount of £200 (2020 - £200) was transferred from Moniack Trust to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £918 (2020 - £918) was transferred from the Roundhouse Project to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £441 (2020 - £453) was transferred from the Garden Project to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £nil (2020 - £1,545) was transferred from unrestricted funds to the Bòrd na Gàidhlig fund to cover the deficit in the fund at the year end date.

An amount of £4,023 (2020 - £1,903) was transferred from unrestricted funds to the Creative and Active Lives Project to correct the surplus in the fund at the year end date.

#### 17. Tangible fixed assets

	Freehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Plant & machinery £	Total £
<b>Cost</b>					
At 1 April 2020	234,474	72,561	4,000	4,415	<b>315,450</b>
Additions	—	8,013	—	—	<b>8,013</b>
<b>At 31 March 2021</b>	<b>234,474</b>	<b>80,574</b>	<b>4,000</b>	<b>4,415</b>	<b>323,463</b>
<b>Depreciation</b>					
At 1 April 2020	35,272	50,302	4,000	3,984	<b>93,558</b>
Charge for the year	4,689	4,541	—	64	<b>9,294</b>
<b>At 31 March 2021</b>	<b>39,961</b>	<b>54,843</b>	<b>4,000</b>	<b>4,048</b>	<b>102,852</b>
<b>Carrying amount</b>					
<b>At 31 March 2021</b>	<b>194,513</b>	<b>25,731</b>	<b>—</b>	<b>367</b>	<b>220,611</b>
At 31 March 2020	199,202	22,259	—	431	221,892

#### 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 £
<b>At 31 March 2021</b>	<b>3,304</b>
At 31 March 2020	3,887

**Moniack Mhor Limited**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 March 2021**

**18. Debtors**

	2021	2020
	£	£
Prepayments and accrued income	<u>4,038</u>	<u>4,207</u>

**19. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	4,255	2,740
Accruals and deferred income	32,684	68,095
Social security and other taxes	81	1,989
Obligations under finance leases and hire purchase contracts	910	856
Other creditors	727	1,144
	<u>38,657</u>	<u>74,824</u>

**20. Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Obligations under finance leases and hire purchase contracts	<u>2,354</u>	<u>3,264</u>

**21. Finance leases and hire purchase contracts**

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

	2021	2020
	£	£
Not later than 1 year	910	856
Later than 1 year and not later than 5 years	2,354	3,264
	<u>3,264</u>	<u>4,120</u>

**22. Deferred income**

	2021	2020
	£	£
At 1 April 2020	63,230	79,132
Amount released to income	(63,230)	(79,132)
Amount deferred in year	26,695	63,230
<b>At 31 March 2021</b>	<u>26,695</u>	<u>63,230</u>

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

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 March 2021**

#### **23. 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 £4,299 (2020: £5,784).

#### **24. Analysis of charitable funds**

##### **Unrestricted funds**

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 Mar 2021 £
General funds	<u>175,606</u>	<u>282,894</u>	<u>(199,635)</u>	<u>(2,464)</u>	<u>256,401</u>

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 Mar 2020 £
General funds	<u>151,025</u>	<u>375,908</u>	<u>(349,450)</u>	<u>(1,877)</u>	<u>175,606</u>

# Moniack Mhor Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 24. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 Mar 2021 £
Moniack Trust	8,600	—	—	(200)	8,400
Fixed Asset Fund - Roundhouse	39,380	—	—	(918)	38,462
Garden Project	16,881	—	—	(441)	16,440
Bòrd na Gàidhlig	1,000	—	—	—	1,000
The British Council	—	24,275	—	—	24,275
Life Changes Trust	—	44,360	(39,253)	4,023	9,130
Creative Scotland	3,750	—	—	—	3,750
Bòrd na Gàidhlig - Day Workshops	—	—	—	—	—
Youth Art Access Fund	—	27,000	—	—	27,000
	<u>69,611</u>	<u>95,635</u>	<u>(39,253)</u>	<u>2,464</u>	<u>128,456</u>

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 Mar 2020 £
Moniack Trust	8,800	—	—	(200)	8,600
Fixed Asset Fund - Roundhouse	40,298	—	—	(918)	39,380
Garden Project	17,335	—	—	(453)	16,882
Bòrd na Gàidhlig	723	—	(2,268)	1,545	—
The British Council	—	—	—	—	—
Life Changes Trust	—	44,560	(46,464)	1,904	—
Creative Scotland	—	3,750	—	—	3,750
Bòrd na Gàidhlig - Day Workshops	—	1,000	—	—	1,000
Youth Art Access Fund	—	—	—	—	—
	<u>67,156</u>	<u>49,310</u>	<u>(48,732)</u>	<u>1,877</u>	<u>69,611</u>

# **Moniack Mhor Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 March 2021**

#### **24. 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.

##### **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

##### **Creative Scotland Translator**

An award towards the cost of allowing a translator to visit Scotland and immerse themselves in Scottish literature, then through a managed programme of meetings and showcases, be exposed to contemporary Scottish writers that they can pitch to international publishers for rights buying and translation.

##### **Life Changes Trust**

An award towards developing the Creative and Active Lives Project which focusses on supporting improvements in the lives of care experienced young people aged 14-26 years old.

##### **Bòrd na Gàidhlig**

A Gaelic Programme award to hold day workshops.

##### **Creative Scotland Youth Arts Access Fund Award**

An award to support youth arts and ensure creative opportunities for children and young people.

# Moniack Mhor Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	157,309	63,302	<b>220,611</b>
Current assets	140,103	65,154	<b>205,257</b>
Creditors less than 1 year	(38,657)	–	<b>(38,657)</b>
Creditors greater than 1 year	(2,354)	–	<b>(2,354)</b>
<b>Net assets</b>	<b>256,401</b>	<b>128,456</b>	<b>384,857</b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	157,031	64,861	221,892
Current assets	96,663	4,750	101,413
Creditors less than 1 year	(74,824)	–	(74,824)
Creditors greater than 1 year	(3,264)	–	(3,264)
<b>Net assets</b>	<b>175,606</b>	<b>69,611</b>	<b>245,217</b>

#### 26. Related parties

The trustees neither received nor waived any emoluments during the year.