

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
AN LANNTAIR LIMITED

CIB Audit
Statutory Auditor
63 Kenneth Street
Stornoway
Isle of Lewis
HS1 2DS

AN LANNTAIR LIMITED
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FOR THE YEAR ENDED 31 MARCH 2021

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

An Lanntair Vision Statement

An Lanntair's Vision Statement is:-

"Together we will carry a torch for creativity and the arts in the Outer Hebrides."

The vision encompasses the charity's three main areas of activity:-

- Visual Arts
- Performing Arts and Cinema
- Education, Outreach and Artist Support

It frames a commitment to excellence, diversity, access, inclusion, participation and cultural identity. It declares an intention to provide a better, more varied arts programme, accessed by more people, more often, to greater and deeper benefit.

Objectives and aims

The main objectives of the charity are:-

- To promote the study, practice and knowledge of the arts for the public benefit; and
- To present, promote, organise, provide, manage and produce exhibitions, films, recordings, broadcasts and entertainments whether on any premises of the organisation or elsewhere as are conducive to the promotion, maintenance, improvement and advancement of education or to the encouragement of the arts.

The charity aims to:-

- Present and represent the best of the visual and performing arts - locally, nationally and internationally.
- Provide variety and diversity, with an emphasis on quality.
- Provide opportunities to participate in the arts.
- Provide a forum and support infrastructure for local artists/artistes.
- Promote traditional and contemporary Gaelic culture.
- Educate, illuminate and inform.
- Challenge, inspire and entertain.
- Deliver an integrated education and outreach programme across a range of art forms.
- Engage and develop audiences.

Significant activities

The charity's efforts over recent years have resulted in it being awarded Regular Funding status by Creative Scotland.

Employment

An Lanntair Ltd is a major employer on the Isle of Lewis, with the charitable company employing an average of 31 staff in 2020-21.

**REPORT OF THE TRUSTEES
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STRATEGIC REPORT

Achievement and performance

Charitable activities

An Lanntair is a multi-arts venue - at one and the same time a contemporary art gallery, a theatre, a cinema, a concert hall, a platform for poetry and literature, a studio - every space is stretched to showcase the arts in multiple forms. Encompassing it all, we pride ourselves in presenting an inspirational programme of excellence that engages and illuminates our audiences.

Our work stretches across a national and indeed international platform, yet our distinctiveness lies in being 'of the place', rooted in who we are, and the creativity of Gaelic and the Outer Hebrides takes centre stage. Our magnificent, nationally significant arts centre on the Stornoway waterfront includes a 200-seat auditorium, world-class gallery spaces, office space, shop, and café bar facilities. The building was one of the largest ever arts developments in the Highlands and Islands and is of key strategic importance nationally for the arts and culture of the Outer Hebrides.

Our programme has an enviable reputation and over the years major awards and endorsements have been received from, amongst others, Arts & Business, Arts and Tourism (Trophy), Art Partners, Traditional Music Venue of the Year, the Gaelic Awards and Creative Place Awards.

By the start of the new financial year, in April 2020, An Lanntair was closed to the public, most of the staff were on furlough, some were working from home. The staff and the board were faced with an unprecedented situation, and our immediate future looked extremely bleak. We had previously taken the very difficult decision to close An Lanntair Trading Ltd and were focused on securing the company itself against the day when we might be able to re-open.

In spite of the lockdown, we persevered with our search for a catering partner to run the café bar and related activities, and were very pleased to sign a contract with Elio UK, part of an international company with a great track record in working with arts and entertainment venues. It came at a very bad time, but we are now beginning to see the partnership work as audiences and customers return.

In the event, we were able to take advantage of numerous opportunities for funding and financial support that gave us confidence that we could ride out the pandemic, even if we knew that emerging from it, as support tapered away, would be our next great challenge. Stakeholders and grant funders, including Creative Scotland, Comhairle nan Eilean Siar, and many other charities and organisations, continued to fund us, and we were able to benefit from a number of Government initiatives aimed at preserving the arts sector in Scotland. So we finished the 2020-21 financial year in a very strong position that has allowed us to move into the 2021/22 financial year with confidence.

Our staff developed a rich and innovative programme in a speedy response to the pandemic: online dance, drama and art for P5 to S4 children; the Sketch Book project, leading to a memorable exhibition; the Lockdown artist commissions now proudly displayed in the café bar and Drum Room; Hebridean Handbook; Artist Support blog; Family Music online; Online Peer Reviews.

We continued with the hugely successful Between Islands programme, and linked this with the activities enabled by the Bòrd na Gàidhlig Covid-19 Support fund. As we moved towards and into the removal of the most stringent constraints, with the eventual re-opening of the building in April this year, we continued to offer exciting events and services, much appreciated by the beneficiaries, but also drawing admiration and approval from our main stakeholders and funders. They included: the weekly Youth Production Team activity, developing Clàr/Platform; online music events, such as the Strings Concert; our regular clubs and workshops; a range of activities for children, including the Gruffalo Trail, Drawing Adventures, Full Circle. We were able to produce much-reduced but well-conceived faclan and Hebridean Dark Skies festivals during the year, and cinema opened up again in May. We have continued to rebuild, with live-streamed events for the HebCelt Festival, the very successful Kiosk exhibition, and so much else besides.

We are a key part of a Creative Beacon project linked to COP26. We are offering a range of activities under the Creative Connections programme. An Lanntair is alive and thriving. We are also focusing on a proposal, part of the Islands Deal, to develop a new Creative Hub for Stornoway, which promises a supportive environment for practising artists.

At the AGM in 2020, Lynne Maciver stood down from the board after nearly seven years, during all of which she had been a great contributor to An Lanntair.

We set about strengthening the board by co-opting new trustees to fill identified gaps in our skillsets during the year, and were joined by Ann Morrison, TV producer and teacher, and Muriel Macleod, artist, film maker and novelist. We currently have a board of eight trustees, five elected and three co-opted, bringing a very wide range of skills and experience to the business of governance of An Lanntair.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

As we started the current financial year and began to look forward to re-opening and getting back to the kind of programme for which An Lanntair is justifiably renowned, our chief executive, Elly Fletcher, announced that she was going to pursue a completely different career. Elly joined us in 2014, and her seven years in charge were rich, productive and memorable.

In June we set about recruiting a new Director (a shift in focus from the chief executive role) to run An Lanntair. The outcome of an exhaustive and carefully planned process was the appointment of Luke Collins, whom we were delighted to welcome to An Lanntair on 1st October.

The words 'An Lanntair' mean 'The Beacon' in Scottish Gaelic, which directly connects with our vision and organisational objectives, which are:

Objective 1 - Programme - Producing and presenting a programme of excellence:

- To produce exciting, and ambitious artistic programmes cohesively connected across artforms, which engage, illuminate and inspire.
- To be an artistic bridge to and from diverse communities and cultures.
- To celebrate and illuminate our Hebridean uniqueness.
- To celebrate, promote and facilitate the growth of contemporary and traditional Gaelic arts, language, culture and creative industries.
- To embrace and deploy digital media and new technologies across our work, programme and wider practice.

Objective 2 - People - Successfully engaging diverse audiences and participants.

- To foster talent, nurture potential, and showcase artistic excellence and creative entrepreneurship.
- To listen to our audiences, engage them in dialogue and grow their loyalty and attendance.
- To create diverse opportunities for people to experience the richness of the arts.

Objective 3 - Place - Creating an inclusive community hub for creativity.

- To facilitate, energise and showcase the social, cultural, linguistic, environmental and unique mix of values that co-exist across these islands, to the benefit of everyone.
- To be a hub for creativity that feeds, actively supports and facilitates high quality outreach and community programmes that grow capacity across the Outer Hebrides.
- To offer an inclusive and welcoming environment that is valued by all, enhancing the sense of well-being of local people and visitors alike.

Objective 4 - Partnerships and Sustainability - Working in close partnership across the sector to grow our business and create new growth across the creative industries and the Gaelic arts.

- To seek mutually beneficial partnerships that create added value for the artistic, economic and social well-being of Outer Hebrides.
- To provide leadership and support for the wider arts community in the Outer Hebrides.
- To continuously strengthen and support the business model and diversify income streams.

Collectively, these objectives fully embrace An Lanntair's mission statement, which is:

"To connect and inspire people in producing extraordinary, creative programmes, uniquely rooted in the place and reflecting the arts and ideas of our time".

An Lanntair delivers wide reaching education and outreach programmes across the local community, creating long term opportunities for local children, young people and families to connect with the arts and creative practice and, for some, grow their own careers and enterprises in the cultural sector. The charity's activities and future plans confirm its vital place in the economic as well as the cultural life on the Outer Hebrides. It is a significant employer and provides a resource for all the community.

Investment performance

The market value of the charity's equity investments has increased by £205 (31%) during the year to 31 March 2021 (2020 - £271 increase (29%)).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Achievement and performance

Internal and external factors

Risk assessment policies and procedures have been agreed and implemented to mitigate the impact of factors which are outside the charity's control. A detailed Risk Register has been developed, assessing risk against a number of criteria, including operational, strategic and external. By the end of the 2020/21 year, specific Covid-19 risk assessment and resilience plans had been in place for some months, and and continue to be updated as circumstances change.

The corporate governance structures of the charity continue to be scrutinised regularly, with input as required from external sources. Systems and procedures for reporting Financial Information and Health and Safety have been upgraded to reflect the increased activity levels of the organisation, and reports on these key matters are standing items at all Board meetings. Policies to do with Equality, Diversity and Inclusion, Data Protection, Protection of Vulnerable people, have been reviewed and developed during this period.

Financial review

Principal funding sources

The principal funders of the core arts programme of the charity for the year under review are:-

	£
Creative Scotland	403,333
Comhairle nan Eilean Siar	52,866
	<u>456,199</u>

As a result of the continuing pandemic, Creative Scotland has rolled over its commitment to an additional year of funding for 2022-23. The current agreement is therefore a five year agreement which concludes in March 2023.

The ongoing organisational development programme has delivered a robust 3-5 year costed business plan, with 3 year cash flow forecasts, and a commitment from the Board to start to create reserves consistent with an arts organisation whose principal asset is a major arts centre. The improved balance sheet and available cash at the end of March 2021 have allowed the trustees to focus on securing reserves against any future requirement.

The results for the year and financial position of the charity are as shown in the annexed financial statements and further details can be found in the notes to the financial statements.

Investment policy and objectives

The historical financial constraints under which the charity has operated have not generated funds available for long-term investment. Surplus funds when available are placed on deposit with the charity's bankers.

The existing fixed asset investments represent funds received by way of a legacy and comprise equity stocks and shares listed on a recognised stock exchange.

REPORT OF THE TRUSTEES
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STRATEGIC REPORT

Financial review

Reserves policy and going concern

The board has established a policy that revenue expenditure each year should not exceed income. An Lannfair Ltd is dependent upon the continuing support of its principal funders (Creative Scotland and Comhairle nan Eilean Siar) to continue the activities of the charity.

The charity's programme and funding historically have made it difficult in past years to establish any surplus on general reserves. However, the surplus achieved in the year to end March 2021 has allowed the organisation to achieve this, and the trustees are focused on securing funds in reserve for the long term.

The Board has examined the charity's requirements for reserves in light of the main risks to the charity. It considers that three to six months of the budgeted expenditure should be carried in unrestricted reserves which would equate to £183,000 to £366,000 for 2020/2021. The strategy is to further build reserves through planned operating surpluses and the board is aware that the maintenance of the current level of reserves and further accumulation towards the higher target require a long-term strategy.

In addition to the continued support of Creative Scotland and Comhairle nan Eilean Siar, funding has been received from the Scottish Government Performing Arts Relief Fund (£100,000), Third Sector Resilience Fund (£99,751) and the Scottish Government Small Business Support Grant (£25,000).

The trustees continue to closely monitor financial performance and forecasts in order to manage the continuing impact of COVID-19 and the associated restrictions. Financial projections are updated regularly reflecting additional information on income streams and grant applications. The trustees recognise the importance of prudent management of the charity's resources during this challenging period. Following consideration of the cash flow projections, the trustees are satisfied that the charity can continue to meet its future liabilities as they fall due.

**REPORT OF THE TRUSTEES
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STRATEGIC REPORT

Future plans - linked to our objectives set out on pages 2 and 3

We have four major objectives that encapsulate our ambitions. These are:

Amas 1 - Prògram - A' cruthachadh is a' taisbeanadh prògram de shar-mhathas.

Objective 1 - Programme - Producing and presenting a programme of excellence.

Our visual, performing arts and literature programmes will demonstrate excellence, as well as support for and celebration of artists taking new and sometimes extraordinary next steps in their personal development, showcasing well-produced experimentation.

Amas 2 - Daoine - A' toirt luchd-amhairc is luchd-compàirt an sàs.

Objective 2 - People - Successfully engaging diverse audiences and participants.

Engaging people, whether their interest is in growing their own creative practice, experiencing fine art, watching a film, dancing, weaving or just great coffee, is our highest priority. Here at An Lanntair, we believe it is our responsibility to provide a safe, inclusive space, and a vibrant and creative space for everyone to explore their own creativity, and to feel wanted and welcome. We will continue to offer a vast range of learning opportunities, classes, talks and resources to help our audiences to engage as fully as they wish to with our performing arts and visual arts programmes. Packages of activities will be tailored to each exhibition and many of our performances and projects to enable people of all ages and abilities to learn, be inspired and create. Programmes will address barriers to participation with practical support, highlighting 'routes in' throughout our work to enjoying the arts.

Amas 3 - Àite - A' cruthachadh ionad coimhearsnachd cruthachail dha na h-uile.

Objective 3 - Place - Creating an inclusive community hub for creativity.

We will continue to take our responsibility as a place-maker very seriously. An Lanntair sits at the heart of our community; we work with partners across our locality to develop new and imaginative ways to engage people with community life through the arts.

Amas 4 - Com-pàirteachasan agus Seasmhachd - Ag obair ann an co-bhuinn air feadh na roinne ach an tig fàs air a' ghnothachas againn fhìn agus gun tig fàs ùr air na gnìomhachasan cruthachail agus ealain Ghàidhlig.

Objective 4 - Partnerships and Sustainability - Working in close partnership across the sector to grow our business and create new growth across the creative industries and the Gaelic arts.

We will continue to develop and grow multiple new strategic and delivery partnerships.

We will also be leading on important development and growth of the Gaelic arts workforce and sector, and have recently recruited a Gaelic Officer. We are committed to sourcing ways to extend this as a permanent role, growing a strong network of Gaelic arts venues and organisations working together into the future.

We will be enhancing our role as a support provider for the creative industries. Our support programme for artists and creative practitioners will offer mentoring from industry specialists, workshops and a social network for creative businesses and artists to connect with each other, support each other and create new joint ventures. A major new initiative will be developed, to provide a Creative Hub in Stornoway, a physical shared space for artists and creatives, part of the Islands Deal.

Importantly, we are committed to continuing to grow a strong and sustainable organisation of our own here at An Lanntair, diversifying our income generation activity across a range of grant funding, private funders, programme income and trading, and providing a supportive and developmental work environment for our staff, partners and everyone who works with us.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 27 December 1984. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the directors are appointed at the Annual General Meeting. One third of the directors must retire by rotation at each Annual General Meeting.

The board aims to ensure that the challenges of a large organisation delivering an arts programme in a modern venue are met through the recruitment of directors with an interest in the arts who bring a broad range of skills and contacts within education, finance and local and national politics.

The charity intends to operate through a fit-for-purpose Board with committed and motivated staff resulting in significantly enhanced corporate governance.

Organisational structure

The Board consists of voluntary directors who manage the affairs of the charity through regular meetings. In 2015-16 The charity reviewed its corporate governance structure and articles of association, making it compliant with the Companies Act 2006. Decisions from the Board are implemented by the senior management, comprising the Chief Executive with Heads of services and programme areas, under the terms of a Scheme of Delegation.

The commercial trading activities of An Lanntair Limited were undertaken by a wholly-owned subsidiary, An Lanntair Trading Limited. This company ceased trading on 16th March 2020, and was subsequently put in the hands of liquidators. Food and Drink offers in the arts centre have been delivered through a contract with an external specialist catering company, Elixir Ltd since August 2020. The shop and merchandising activities of An Lanntair Trading Ltd were transferred to the charity, which now runs this business at its own hand.

Induction and training of new trustees

The charity undertakes training for trustees to ensure awareness and understanding of:-

- the responsibilities of directors;
- the organisational structure of the charity;
- the financial position of the charity;
- the future plans and objectives of the charity; and
- the artistic programme of the charity.

Key management remuneration

Day to day management of the charity is delegated to the Director.

The pay of the Director is considered annually as part of an overall review of pay in the organisation.

Wider network

The charity has established links with other organisations and agencies to foster the aims and objectives of the organisation.

Related parties

An Lanntair Trading Limited ('ALT') was a wholly-owned subsidiary of the charity which operated the bar and catering functions within the Arts Centre. The closure of An Lanntair on 17th March 2020, by a 15th March Government order, meant that there was no realistic prospect of ALT being able to meet its debts to suppliers and other creditors by trading in the normal fashion. ALT ceased trading, as it had no reasonable prospect of meeting its debts, and would increase its indebtedness if it continued to trade. Subsequently the charity appointed liquidators who undertook the processes of winding up the company.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and managing the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The financial, people, programme and operational risks facing the charity are detailed in the Risk Register.

The systems of financial control, which are designed to provide reasonable assurance against material misstatement or loss, currently include the following:

- a business plan and an annual budget approved by the trustees;
- regular consideration by the trustees of actual results compared with budgets and forecasts; and
- identification and management of financial risks by the Board and line management.

During the year, the trustees were heavily involved in these control systems as part through their regular activities, which included: monitoring the quarterly management information, reviewing proposed budgets and reviewing high level risks.

Principal Risks and Uncertainties

The charity is a complex organisation, providing services to a very wide range of individuals and organisations, with the principal areas of business being Education and Outreach, Performing Arts, Visual Arts and Literature. It relies on grants and awards to deliver its aims and objectives to the benefit of the community it serves in the Isles of Lewis and Harris and more widely. In a normal year, this is challenging and increasingly competitive, as arts organisations all compete for reducing funds, and key grants are, in effect, pegged at the cash values established at the time of the financial crash in 2008.

The principal risk facing the charity continues to be that posed by the global pandemic, which has hit arts, entertainment and hospitality particularly hard. At the outset of the pandemic key stakeholders were able to honour existing commitments and to provide additional funding to help arts organisations make good the income lost through trading, including ticket receipts and other commercial activity. Subsequently, An Lanntair has been able to slowly rebuild its activities and audiences, but remains a long way from the levels of participation achieved in 2019/20.

Creative Scotland have announced that the planning assumption for 2022/23 Regular Funding programme is that, subject to a satisfactory activity plan being agreed, the charity will receive one third of the original three year award in 2018. This means that in 2022-23 the charity should continue to receive the current annual level of funding of £403,333.

Other uncertainties include those relating to when arts organisations will be able to operate as planned to secure commercial income to augment grant income, and the behaviour and appetite of potential customers of the arts centre in the future, particularly for audiences in the auditorium, for live entertainment and cinema. The financial projections prepared for 2021-22 assume that social distancing measures will continue to impact on income generated by the charity during that year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC091075 (Scotland)

Registered Charity number

SC003287

Registered office

TC Young
7 West George Street
Glasgow
G2 1BA

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Trustees

D R Green
L V Maciver (resigned 19.11.20)
D W Morrison (resigned 19.11.20)
U Macleod
A Rennie
C Peacock (resigned 19.11.20)
I Macleod
C B Thompson
V Hutchison (appointed 19.11.20)
M M Macleod (appointed 19.5.21)
A M Morrison (appointed 19.5.21)
L E L Skaer (appointed 10.11.21)

Auditors

CIB Audit
Statutory Auditor
63 Kenneth Street
Stornoway
Isle of Lewis
HS1 2DS

Bankers

Clydesdale Bank plc
23 South Beach Street
Stornoway
Isle of Lewis
HS1 2BQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of An Lanntair Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26 April 2022 and signed on the board's behalf by:

D R Green - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
AN LANNTAIR LIMITED

Opinion

We have audited the financial statements of An Lanntair Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
AN LANNTAIR LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibility for the audit of the financial statements

We have been appointed as auditor under S44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
AN LANNTAIR LIMITED**

Our responsibilities for the audit of the financial statements

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

As part of the audit engagement, we:

- gain an understanding of the legal and regulatory framework applicable to the company and assess compliance with that framework;
- enquire of management and those charged with governance around actual and potential litigation and claims;
- review the financial statements disclosures and test to supporting documentation to assess compliance with applicable laws and regulations;
- consider the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud, through discussion with management and those charged with governance;
- perform audit work to ensure the transactions included within the financial statements are properly recorded and authorised;
- consider whether the assumptions and judgements applied by management within significant accounting estimates are reasonable.

There are inherent limitations in the audit procedures described above that result in an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with International Standards on Auditing (UK). The further removed non-compliance with laws and regulations is from the events and financial transactions in the financial statements, the less likely the auditor is to become aware of it or recognise non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment through forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Calum Macdonald (Senior Statutory Auditor)

for and on behalf of CIB Audit

Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

63 Kenneth Street

Stornoway

Isle of Lewis

HS1 2DS

26 April 2022

AN LANNTAIR LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,376	-	1,376	4,587
Charitable activities					
Arts programme	6	945,883	402,174	1,348,057	1,047,186
Other trading activities	4	17,213	10,735	27,948	-
Investment income	5	38	-	38	42
Other income	7	-	-	-	7,000
Total		964,510	412,909	1,377,419	1,058,815
EXPENDITURE ON					
Raising funds	8	5,517	-	5,517	-
Charitable activities					
Arts programme	9	608,906	497,759	1,106,665	1,318,080
Total		614,423	497,759	1,112,182	1,318,080
Net gains/(losses) on investments		-	205	205	(270)
NET INCOME/(EXPENDITURE)		350,087	(84,645)	265,442	(259,535)
Transfers between funds	25	(6,313)	6,313	-	-
Net movement in funds		343,774	(78,332)	265,442	(259,535)
RECONCILIATION OF FUNDS					
Total funds brought forward		(96,062)	2,598,051	2,501,989	2,761,524
TOTAL FUNDS CARRIED FORWARD		247,712	2,519,719	2,767,431	2,501,989

The notes form part of these financial statements

AN LANNTAIR LIMITED (REGISTERED NUMBER: SC091075)**BALANCE SHEET**
31 MARCH 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	16	2,458,157	2,628,363
Investments	17	870	665
		2,459,027	2,629,028
CURRENT ASSETS			
Stocks	18	9,489	450
Debtors	19	107,096	66,497
Cash at bank and in hand		353,771	2,101
		470,356	69,048
CREDITORS			
Amounts falling due within one year	20	(100,895)	(104,261)
NET CURRENT ASSETS		369,461	(35,213)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,828,488	2,593,815
CREDITORS			
Amounts falling due after more than one year	21	(61,057)	(91,826)
NET ASSETS		2,767,431	2,501,989
FUNDS	25		
Unrestricted funds		247,712	(96,062)
Restricted funds		2,519,719	2,598,051
TOTAL FUNDS		2,767,431	2,501,989

The financial statements were approved by the Board of Trustees and authorised for issue on 26 April 2022 and were signed on its behalf by:

D R Green - Trustee

AN LANNTAIR LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

31.3.20 £		Notes	31.3.21 £
	Cash flows from operating activities		
25,346	Cash generated from operations	1	504,707
(5,557)	Interest paid		(2,551)
(5,083)	Finance costs paid		(1,641)
<u>14,706</u>	Net cash provided by operating activities		<u>500,515</u>
	Cash flows from investing activities		
-	Purchase of tangible fixed assets		(109,461)
1	Sale of fixed asset investments		-
-	Interest received		38
42	Dividends received		-
<u>43</u>	Net cash (used in)/provided by investing activities		<u>(109,423)</u>
	Cash flows from financing activities		
(1,490)	Loan repayments in year		(12,474)
<u>(1,490)</u>	Net cash used in financing activities		<u>(12,474)</u>
<u>13,259</u>	Change in cash and cash equivalents in the reporting period		378,618
(38,106)	Cash and cash equivalents at the beginning of the reporting period	2	<u>(24,847)</u>
<u>(24,847)</u>	Cash and cash equivalents at the end of the reporting period	2	<u>353,771</u>

The notes form part of these financial statements

AN LANNTAIR LIMITED**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.3.21	31.3.20
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	265,442	(259,535)
Adjustments for:		
Depreciation charges	279,667	277,653
(Gain)/losses on investments	(205)	270
Interest received	(38)	-
Interest paid	2,551	5,557
Finance costs	1,641	5,083
Dividends received	-	(42)
(Increase)/decrease in stocks	(9,039)	107
(Increase)/decrease in debtors	(40,599)	34,979
Increase/(decrease) in creditors	5,287	(38,726)
Net cash provided by operations	<u>504,707</u>	<u>25,346</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.21	31.3.20
	£	£
Cash in hand	1,061	2,099
Notice deposits (less than 3 months)	352,710	2
Overdrafts included in bank loans and overdrafts falling due within one year	-	(26,948)
Total cash and cash equivalents	<u>353,771</u>	<u>(24,847)</u>

3. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	2,101	351,670	353,771
Bank overdraft	(26,948)	26,948	-
	<u>(24,847)</u>	<u>378,618</u>	<u>353,771</u>
Debt			
Debts falling due within 1 year	(1,287)	(18,295)	(19,582)
Debts falling due after 1 year	(91,826)	30,769	(61,057)
	<u>(93,113)</u>	<u>12,474</u>	<u>(80,639)</u>
Total	<u>(117,960)</u>	<u>391,092</u>	<u>273,132</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling which is the functional currency of the charity and are rounded to the nearest £.

Going concern

The activities of the charity have been affected by the impact of the COVID-19 pandemic and the Trustees have assessed the Charity's ability to continue as a going concern.

The management team have prepared projections which reflect the financial impact of the coronavirus crisis on the charity for the period to March 2023. A Resilience Plan has been prepared detailing how the charity's activities will be delivered going forward and how the risks from COVID-19 will be managed. The Trustees have reviewed the projections and Resilience Plan and, based on this review, have a reasonable expectation that the charity has adequate resources to continue in operation for a period of at least 12 months from the approval of the financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Preparation of consolidated financial statements

These financial statements contain information about An Lanntair as an individual charity and do not contain consolidated financial information as the parent of a group.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Income received in advance is deferred until the criteria for income recognition are met.

Grants receivable are credited to the Statement of Financial Activities when receivable where entitlement is not conditional on the delivery of a specific performance by the charity. Grants related to performance and specific activities are accounted for when the charity has completed the related undertakings. Grants received which are related to capital expenditure are held within restricted funds and are utilised to fund the future depreciation of the related capital expenditure.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Raising funds

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its objects and activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The allocation of direct and support costs are analysed in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued

Governance costs

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- no depreciation on land
Arts Centre	- 4% on cost
Fixtures and fittings	- 20% on cost
Office equipment	- 20% on cost

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £100 are not capitalised.

Finance costs incurred during the construction phase of the Arts Centre are capitalised and amortised over the useful life of the asset.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

Investments

Investments held as fixed assets are revalued at the balance sheet date and any gains or losses are taken to the Statement of Financial Activities.

Fixed asset investments in group undertakings are stated at cost less accumulated provision.

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions that affect the amounts reported for assets, liabilities, income and expenditure.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods should it affect future periods.

Depreciation and net book value of fixed assets are the areas of the financial statements which are affected by significant judgements and estimates. The trustees exercise judgement in determining the useful economic life and the likely residual value of charity's assets. The judgement affects the rate and charge for depreciation in the financial statements for the year and consequently the net book value of assets in the balance sheet.

3. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations	35	904
Membership fees	<u>1,341</u>	<u>3,683</u>
	<u>1,376</u>	<u>4,587</u>

4. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20
	£	£
Shop income	17,213	-
Sponsorships	<u>10,735</u>	<u>-</u>
	<u>27,948</u>	<u>-</u>

5. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Listed investments	-	42
Deposit account interest	<u>38</u>	<u>-</u>
	<u>38</u>	<u>42</u>

All investment income arises from assets held within the UK.

AN LANNTAIR LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****6. INCOME FROM CHARITABLE ACTIVITIES**

		31.3.21	31.3.20
	Activity	£	£
Events	Arts programme	16,647	212,843
Commission	Arts programme	345	15,037
Service fees	Arts programme	1,225	16,151
Grants	Arts programme	1,328,923	800,155
Employment Allowance	Arts programme	-	3,000
Miscellaneous income	Arts programme	917	-
		<u>1,348,057</u>	<u>1,047,186</u>

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Creative Scotland	573,555	403,332
Creative Scotland - Education and Outreach	13,377	-
Creative Scotland - Screen Scotland	17,509	-
Creative Scotland - Other	-	2,500
Comhairle nan Eilean Siar	180,945	98,029
Comhairle nan Eilean Siar - ERDF	6,683	5,120
Highlands and Islands Enterprise	64,497	6,500
The Robertson Trust	5,000	10,000
Bord na Gaidhlig	8,466	15,840
Scottish Book Trust	-	325
The Gannochy Trust	-	12,000
Big Lottery Fund	-	59,911
SCVO	45,520	-
Other	-	420
Visit Scotland	48,000	6,500
Life Changes Trust	-	17,285
Lewis Castle College	-	700
Stornoway Port Authority	-	9,000
Esmée Fairbairn Foundation	25,000	20,000
William Grant Foundation	1,000	-
The Imperial War Museum	-	7,000
Capital Grants	-	7,081
Aspiring Communities Fund	66,596	58,612
The Paul Hamlyn Foundation	-	60,000
Third Sector Resilience Fund	99,751	-
Pivotal Enterprise Resilience Fund	42,152	-
Coronavirus Job Retention Scheme	108,153	-
Historic Environment Scotland	5,000	-
Corra Foundation	10,860	-
Inspiring Scotland - Creative Communities	6,409	-
Creative Carbon Scotland	450	-
	<u>1,328,923</u>	<u>800,155</u>

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. OTHER INCOME

	31.3.21	31.3.20
	£	£
Insurance claim	<u>-</u>	<u>7,000</u>

8. RAISING FUNDS

Other trading activities

	31.3.21	31.3.20
	£	£
Purchases	<u>5,517</u>	<u>-</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £	Support costs (see note 11) £	Totals £
Arts programme	<u>948,746</u>	<u>157,919</u>	<u>1,106,665</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	477,610	466,148
Exhibitions	5,120	15,735
Events	83,889	106,124
Cinema rental and costs	4,943	57,696
Projects	16,225	-
Education & outreach projects	49,779	88,207
Marketing	6,336	9,737
Repairs and maintenance	15,397	28,003
Legal and professional fees	5,588	7,369
Depreciation	279,667	277,653
Interest payable and similar charges	<u>4,192</u>	<u>10,640</u>
	<u>948,746</u>	<u>1,067,312</u>

11. SUPPORT COSTS

	Premises £	Administration £	Governance costs £	Totals £
Arts programme	<u>76,458</u>	<u>75,486</u>	<u>5,975</u>	<u>157,919</u>

AN LANNTAIR LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 MARCH 2021**11. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

	31.3.21	31.3.20
	Arts programme	Total activities
	£	£
Rates and water	1,702	5,371
Insurance	16,991	20,925
Light and heat	27,217	46,333
Telephone, fax and internet	8,051	12,578
Cleaning expenses	22,497	29,111
Operating leases	1,881	1,874
Post, stationery and adverts	821	4,581
Recruitment expenses	130	60
Travel expenses	94	814
Training costs	1,942	1,340
Computer expenses	8,091	8,485
Equipment hire	2,000	1,800
Bad debts	(655)	102,532
Irrecoverable VAT-current year	5,849	-
Irrecoverable VAT-prior years	53,436	-
Sundry expenses	1,897	6,489
Auditors' remuneration	3,700	3,700
Auditors' remuneration for non audit work	2,275	4,775
	<u>157,919</u>	<u>250,768</u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Auditors' remuneration	3,700	3,700
Other non-audit services	2,275	4,775
Depreciation - owned assets	279,667	277,653
Other operating leases	<u>1,881</u>	<u>1,874</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

AN LANNTAIR LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****14. STAFF COSTS**

	31.3.21	31.3.20
	£	£
Wages and salaries	439,463	424,682
Social security costs	28,464	30,897
Other pension costs	9,683	10,569
	<u>477,610</u>	<u>466,148</u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
	<u>31</u>	<u>30</u>
Charitable activities		

No employees received emoluments in excess of £60,000.

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,587	-	4,587
Charitable activities			
Arts programme	865,150	182,036	1,047,186
Investment income	42	-	42
Other income	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total	<u>876,779</u>	<u>182,036</u>	<u>1,058,815</u>
EXPENDITURE ON			
Charitable activities			
Arts programme	975,634	342,446	1,318,080
Net gains/(losses) on investments	<u>-</u>	<u>(270)</u>	<u>(270)</u>
NET INCOME/(EXPENDITURE)	<u>(98,855)</u>	<u>(160,680)</u>	<u>(259,535)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	2,793	2,758,731	2,761,524
TOTAL FUNDS CARRIED FORWARD	<u>(96,062)</u>	<u>2,598,051</u>	<u>2,501,989</u>

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

16. TANGIBLE FIXED ASSETS

	Freehold land £	Arts Centre £	Fixtures and fittings £	Office equipment £	Totals £
COST					
At 1 April 2020	122,386	5,996,187	409,806	86,110	6,614,489
Additions	-	-	102,718	6,743	109,461
At 31 March 2021	<u>122,386</u>	<u>5,996,187</u>	<u>512,524</u>	<u>92,853</u>	<u>6,723,950</u>
DEPRECIATION					
At 1 April 2020	-	3,585,623	314,587	85,916	3,986,126
Charge for year	-	239,847	39,221	599	279,667
At 31 March 2021	-	<u>3,825,470</u>	<u>353,808</u>	<u>86,515</u>	<u>4,265,793</u>
NET BOOK VALUE					
At 31 March 2021	<u>122,386</u>	<u>2,170,717</u>	<u>158,716</u>	<u>6,338</u>	<u>2,458,157</u>
At 31 March 2020	<u>122,386</u>	<u>2,410,564</u>	<u>95,219</u>	<u>194</u>	<u>2,628,363</u>

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	<u>11,463</u>
PROVISIONS	
At 1 April 2020	10,798
Provision for year	(205)
At 31 March 2021	<u>10,593</u>
NET BOOK VALUE	
At 31 March 2021	<u>870</u>
At 31 March 2020	<u>665</u>

There were no investment assets outside the UK.

18. STOCKS

	31.3.21 £	31.3.20 £
Stocks	<u>9,489</u>	<u>450</u>

AN LANNTAIR LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21	31.3.20
	£	£
Trade debtors	13,477	5,124
Grants receivable	93,337	55,624
VAT	-	3,138
Prepayments and accrued income	282	2,611
	<u>107,096</u>	<u>66,497</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Bank loans and overdrafts (see note 22)	-	26,948
Other loans (see note 22)	19,582	1,287
Trade creditors	13,389	27,334
Social security and other taxes	7,666	8,353
VAT	23,319	-
Other creditors	13,934	17,459
Accrued expenses	23,005	22,880
	<u>100,895</u>	<u>104,261</u>

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.21	31.3.20
	£	£
Other loans (see note 22)	<u>61,057</u>	<u>91,826</u>

22. LOANS

An analysis of the maturity of loans is given below:

	31.3.21	31.3.20
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	26,948
Other loans	<u>19,582</u>	<u>1,287</u>
	<u>19,582</u>	<u>28,235</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>19,665</u>	<u>1,351</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>11,958</u>	<u>4,473</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more than 5 years by instalments	29,434	86,002

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

23. SECURED DEBTS

The bank overdraft is secured by a floating charge over the charity's assets and undertakings.

A standard security over the Louise Carnegie site, Kenneth Street, Stornoway, Isle of Lewis has been granted to the Scottish Arts Council as part of the funding agreement for the new Arts Centre.

Comhairle nan Eilean Siar have provided loan funds to the charity. The funds advanced in this regard at 31 March 2021 were £80,639 (2020 - £93,113) and this balance is included in Other Loans. An Lannfair Limited has provided a disposition to Comhairle nan Eilean Siar in respect of 1/5 of the land on which the arts centre is built.

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Fixed assets	86,794	2,371,363	2,458,157	2,628,363
Investments	-	870	870	665
Current assets	242,232	228,124	470,356	69,048
Current liabilities	(81,314)	(19,581)	(100,895)	(104,261)
Long term liabilities	-	(61,057)	(61,057)	(91,826)
	<u>247,712</u>	<u>2,519,719</u>	<u>2,767,431</u>	<u>2,501,989</u>

25. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	(96,062)	350,087	(6,313)	247,712
Restricted funds				
Projects fund	116,401	111,723	-	228,124
Capital and development fund	2,481,650	(196,368)	6,313	2,291,595
	<u>2,598,051</u>	<u>(84,645)</u>	<u>6,313</u>	<u>2,519,719</u>
TOTAL FUNDS	<u>2,501,989</u>	<u>265,442</u>	<u>-</u>	<u>2,767,431</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	964,510	(614,423)	-	350,087
Restricted funds				
Projects fund	333,462	(221,739)	-	111,723
Capital and development fund	79,447	(276,020)	205	(196,368)
	<u>412,909</u>	<u>(497,759)</u>	<u>205</u>	<u>(84,645)</u>
TOTAL FUNDS	<u>1,377,419</u>	<u>(1,112,182)</u>	<u>205</u>	<u>265,442</u>

AN LANNTAIR LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****25. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	2,793	(98,855)	(96,062)
Restricted funds			
Projects fund	-	116,401	116,401
Capital and development fund	2,758,731	(277,081)	2,481,650
	<u>2,758,731</u>	<u>(160,680)</u>	<u>2,598,051</u>
TOTAL FUNDS	<u>2,761,524</u>	<u>(259,535)</u>	<u>2,501,989</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	876,779	(975,634)	-	(98,855)
Restricted funds				
Projects fund	182,036	(65,635)	-	116,401
Capital and development fund	-	(276,811)	(270)	(277,081)
	<u>182,036</u>	<u>(342,446)</u>	<u>(270)</u>	<u>(160,680)</u>
TOTAL FUNDS	<u>1,058,815</u>	<u>(1,318,080)</u>	<u>(270)</u>	<u>(259,535)</u>

FUNDS**General fund - Arts Programme**

The general fund represents unrestricted funds which the trustees are free to use in accordance with the charitable objects.

General fund - Special Projects

This represents unrestricted funds designated by the trustees and funds received from public funding agencies and trusts in respect of specific projects. The funds are utilised to fund the costs relating to the specific projects and also the future depreciation of any capital expenditure.

General fund - Equipment and Fittings

This represents unrestricted funds designated by the trustees to assist with the purchase of equipment and fittings. The funds are utilised to fund the future depreciation of the capital expenditure.

Projects fund

This represents grants received from public funding agencies and trusts to assist with specified revenue and project costs.

Transition 2020 fund

This represents grants received from public funding agencies towards facilitating the development of the charity through an organisational review to be carried out by a Transition Director on a consultancy basis.

Capital and development fund

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

25. MOVEMENT IN FUNDS - continued

This represents the funds raised from various organisations to assist in the building of a new arts centre. The recent tranches of funding agreed included a recognition of the costs of establishing the bar and catering functions. The support provided by the charity is charged to restricted funds. The funds are also utilised to fund the future depreciation of the capital expenditure.

Transfers between funds

An amount of £6,313 was transferred from unrestricted funds to restricted funds in respect of the charity's contribution towards the cost of fixtures, fittings and equipment purchased during the year.

26. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. At the balance sheet date unpaid contributions of £2,051 (2020 - £2,214) were due to the scheme and are included in other creditors.

27. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

28. LIMITED BY GUARANTEE

The company is limited by guarantee and has no share capital. The liability of each member in the event of the company being wound up is restricted to £1.

29. PERMANENT ENDOWMENTS

The charity does not have any permanent endowments.

30. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.