

**REGISTERED COMPANY NUMBER: SC091075 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC003287**

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 MARCH 2018**  
**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 2018**

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**AN LANNTAIR LIMITED**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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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 2018. 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 2015).

**OBJECTIVES AND ACTIVITIES**

**An Lanntair Vision Statement**

An Lanntair Vision Statement

"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 and Outreach

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 34 staff in 2017-18.

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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. In October 2005, following a ten year campaign, our magnificent, nationally significant new arts centre on the Stornoway waterfront was opened. Our facility 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 and Creative Place Awards 2015. The performing arts programme opened with a co-commissioned play "I was a Beautiful Day" in conjunction with Traverse Theatre; and since then nearly every corner of the globe has been represented including The Wiyos (USA), Nablakov Quartet (Bulgaria), The Moscow Ballet, Kakatsitsi (Ghana), Genticorum (Quebec) and many more. We've also had a successful programming relationship with Moscow Caledonian Society for 15 years.

The first film shown was The Rocket Post - by special arrangement with the Director pre-general release - and the cinema programme has continued to develop and diversify, offering the only cinema on the island and more recently a new small, intimate cinema space, The Pocket Cinema. In 2010 the visual arts programme included Ian Hamilton Finlay's "Sailing Dinghy" as part of Artist Rooms - the only venue other than Tate and the Scottish National Gallery of Modern Art where it has been exhibited. In 2012 two high profile shows in succession from established Scottish artists were showcased: "Boundaries" by Gwen Hardie who lives and works in New York; and Helen MacAlister's show "At the Foot of Yon Excellin Brae" - six years in development which toured to ArtFirst in London. In 2014 participation in the Generation Programme (25 years of contemporary art in Scotland) to celebrate the Commonwealth Games, brought a major newly-commissioned installation "Tumadh:Immersion" by Dalziel + Scullion to An Lanntair in collaboration with the Dovecot in Edinburgh.

2015 saw An Lanntair lead the bid that won Scotland's Creative Place Awards 2015 for Stornoway and the Isles of Lewis and Harris. An excellent summary of our work, the context for our work, and the ways in which we connect locally with partners can be seen in the short video we produced for our Creative Place Awards bid: <https://vimeo.com/128638323>.

2017-18 was a year in which the programme reached new heights. Our international profile was hugely enhanced by the Purvai project, culminating in a brilliant weekend of South Asian arts in August, and the Collector Extraordinaire exhibition in Museum nan Eilean. As if this wasn't enough, Yatra, the wonderful new music commission of Gaelic and Indian music, poetry and history, premiered in An Lanntair in August, was performed in Kolkata, Indian.

Our partnership work with SQIFF, Scottish Queer International Film Festival, helped us to celebrate LGBT History Month in our community again this year with a fabulous programme of unique and inspirational films, music, poetry, spoken word and artist talks. We also welcomed a number of highly acclaimed comedians to our stage this year, including Phil Jupitus, Craig Hill and John Bishop, all fantastic gigs, performed to a packed local audience. Our ongoing Between Islands exchange programme continued to bring together musicians and writers from Shetland, Orkney and the Outer Hebrides, and our Education and Outreach programmes, with Art Labs, our Dementia Friendly Community work, Saturday clubs and a vast range of classes continued to demonstrate what a critical role An Lanntair plays in the lives of people of all ages.

Faolan 2017 brought together a lively and fascinating series of writers and films in a unique festival of literature, all themed this year around 'Ultima Thule'. Adam Nicolson and Doug Scott made big impressions on appreciative audiences here. Amongst the many brilliant performances on An Lanntair's stage during this year, the UHI Applied Music Showcase last April, and Burns on Strings in January, as well as Rura in May, were major highlights. The range and quality of music we bring to An Lanntair continues to be extraordinary.

## **STRATEGIC REPORT**

### **Achievement and performance**

#### Charitable activities

We are delighted that we have continued our commitment to managing a successful and sustainable arts organisation, with a wonderful team of staff and dedicated board of directors, whom we thank for all their hard work and commitment throughout this year. Our programme takes place within our arts centre situated in Stornoway in the Outer Hebrides of Scotland. We work outreach across the Isles of Lewis and Harris and more widely through our partnerships across the Outer Hebrides area. We are governed by eight Board Directors who meet five times a year and provide support and challenge to the Chief Executive and the Management Team.

The words 'An Lanntair' mean 'The Beacon' in Scottish Gaelic, which directly connects with our vision as an organisation, which is:

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

Leading on from our vision, our four key objectives are set out overleaf:

#### **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.

This involves the following:

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**STRATEGIC REPORT**

**Achievement and performance**

Charitable activities

**Pre-school programme - An Lanntair delivers a range of 'family friendly' arts and creative projects.**

**Schools programme** - An Lanntair offers projects for schools throughout the year across the visual arts, dance, drama, music, literature and film. Workshops for schools are based on An Lanntair's visual and performing arts programmes and delivered by its network of artist educators and creative partner organisations.

**Education and outreach classes and workshops** - An Lanntair's popular Saturday Art clubs and Drama clubs provide opportunities for children aged 5-12 to develop skills through inspiring classes taught by skilled arts practitioners. Film Club gives 14 to 18 year olds a chance to watch independent films together and to discuss the social, health, relationship, cultural or political issues they cover - as well as learning from film makers about communicating ideas and the stylistic devices used in film. We provide a varied programme of dance workshops and classes on a weekly basis for all ages - including hip hop, salsa, ballet and creative dance. An Lanntair also continue to run a series of Adult Classes throughout the year, covering a range of artforms, including life drawing, music tuition and a series of industry-specific workshops to support the development of creative practitioners across the islands.

**Social inclusion programme** - Groups from Grianan and Ardseileach (a Centre for adults with profound physical and learning difficulties) are invited to visit An Lanntair weekly and to work with the team on co-created pieces of large scale art. An Lanntair also work with First Steps (a pathway to employment organisation for young people) and Foyer (homeless or marginalised young people). Projects give participants practical skills in the arts from simple composition to digital media and, helping to build team-working and confidence.

An Lanntair also leads on a three-year arts-based 'Dementia Friendly Community' project in the Western Isles, in partnership with Life Changes Trust. The project engages with people who are living with dementia and those in their circle of care, as well as reaching out to the wider Western Isles community, with the intention of co-designing a dementia friendly community that reflects the place and its people.

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 decreased by £130 (14%) during the year to 31 March 2018 (2017 - £126 decrease (12%)).

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.

The corporate governance structures of the charity have been improved as part of a funded transition programme. Systems and procedures for 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.

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**REPORT OF THE TRUSTEES**  
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**STRATEGIC REPORT**

**Financial review**

Principal funding sources

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

Creative Scotland	£ 388,334
Comhairle nan Eilean Siar	81,850
	<hr/> 470,184

Both organisations are committed to ongoing financial support in the future.

The charity has secured its core funding for the forthcoming three years, with commitments from its main stakeholders, Creative Scotland and Comhairle nan Eilean Siar, and shorter term working capital support from Highlands and Islands Enterprise and Comhairle nan Eilean Siar.

The ongoing transition 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. Recent re-organisation of the staff and management of the arts programme and all related activity has led to savings and efficiencies that will deliver a financially sustainable organisation in the medium term.

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 represents funds received by way of a legacy and comprises equity stocks and shares listed on a recognised stock exchange.

Reserves policy

The board has established a policy that revenue expenditure each year should not exceed income. The charity 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 to establish any surplus on general reserves.

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 £230,000 to £460,000 for 2017/2018. The current level of unrestricted reserves falls significantly short of this level. The strategy is to build reserves through planned operating surpluses and the board is aware that the achievement of the target level of reserves is a long-term strategy.

During the year the charity's expenditure exceeded income resulting in net expenditure of £138,918 for the period (2017 - net expenditure of £215,168). Unrealised losses on the charity's investments at 31 March 2018 amounted to £130. Unrestricted funds have increased by £1,720 (2017 - £37,659) to £94,341 (2017 - £92,261). Restricted funds have decreased by £140,638 (2017 - £252,827) to £3,018,397 (2016 - £3,159,035).

The decrease in restricted funds relates mainly to the depreciation charge for the year charged to restricted funds in respect of the arts centre building, equipment and fittings. Restricted funds includes the funds raised to assist with the building of the arts centre and the purchase of equipment and fittings and are utilised to fund the future depreciation of the capital expenditure.

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**STRATEGIC REPORT**

**Future plans**

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. We will push at boundaries, delivering on each of our key artistic themes for 2018-21, including: Eadar-naiseanta: International; Comhladh: Collaborative; Taigh Cànan: The Language of...; Eachdraidh as Ùr. The Past Re-Cast - A Museum of Ideas; E mergent.

Major highlights from the programme for 2018-21 will include our exhibition strand 'Palimpsest - Written on the Earth', which will launch a series of artist commissions and work themed around Hebridean landscapes that have been written-over, erased, re-written and altered over the centuries. Iolaire - 'Written on the Sea' - will be an internationally significant series of projects and, with our partners, including Theatre Gu Leor, 14-18NOW, Museum nan Eilean and Acair, will comprise contemporary art exhibitions, a major public artwork, a Gaelic music commission, a Gaelic language play and a publication all marking the centenary of this most tragic event in Stornoway Harbour at the end of WWI.

Our extensive programme of work between the Hebrides and South Asia will expand into 2018 and beyond, creating new world-class artistic collaborations, exchanges and tours, leading into 2021 and the bi-centenary of Colin Mackenzie's death. Our Faclan Hebridean Book Festival, now a key event on Scotland's literary scene, will launch each autumn, combining writers, academics, performers and art-forms - literature, film, music - along with a programme of children's events. We will also present an exceptionally high quality and extraordinarily diverse performing arts programme of music, theatre, comedy, dance and film.

**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. 2018-21 will see us offering 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.

Into 2018-21, we intend to expand on our programming around LGBT History Month, working with the LGBTQ+ community to create programmes of inspirational films, music, poetry and spoken word and artist talks. We will also programme events around International Women's Day, engaging with networks of women and female writers and artists locally to programme this, inspiring new generations of young women coming through.

We are also committed to extending and developing our Creative Place Awards initiatives, including our Food and Craft Festival and Harris Tweed Bike Ride, both of which have found their way into the 2018-21 programme. Our New Music Sessions, which take place each month, will also continue to be popular events supporting the launch of talented new artists from the islands throughout 2018-21.

**Amas 4 - Com-pàirteachasan agus Seasmhachd - Ag obair ann an co-bhuinn air feadh na roinne ach an tig fàs air a' ghnòthachas 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.



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**REPORT OF THE TRUSTEES**  
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## **STRATEGIC REPORT**

Going forward into 2018 and beyond, we will develop and grow multiple new strategic and delivery partnerships. Over recent months, we have become a supporting organisation for our neighbouring arts centre in North Uist, Taigh Chearsabhagh, through an innovative new partnership. This role as a strategic advisor on audience development, fundraising, business planning and programming will continue into 2018 and beyond, along with close partnership working across both our organisations' artistic programmes.

We will also be leading on important development and growth of the Gaelic arts workforce and sector, and have recently recruited a Gaelic Arts and Creative Industries Development Manager. 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 for 2018-21.

We will be enhancing our role as a support provider for the creative industries into 2018-21. Our support programme for artists and creative practitioners, Hebrides Contemporary Arts, 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.

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.

### **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. The charity has recently 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.

The commercial trading activities of An Lanntair Limited are undertaken by a wholly owned subsidiary, An Lanntair Trading Limited.

### **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; and
- the future plans and objectives of the charity.

### **Wider network**

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

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Related parties**

The bar, cafe, restaurant and book and gift shop within the new arts centre are operated by a wholly owned subsidiary, An Lanntair Trading Limited. Full details of the charity's subsidiary are included in the notes to the financial statements.

**Risk management**

The trustees have a duty to identify and review 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 trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and are satisfied that systems are in place to mitigate their exposure to the major risks.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC091075 (Scotland)

**Registered Charity number**

SC003287

**Registered office**

TC Young  
7 West George Street  
Glasgow  
G2 1BA

**Trustees**

D R Green	
H Maciver	- resigned 20.11.17
L V Maciver	
J K Allenby	- resigned 12.3.18
S Deane	
P T Urpeth	- resigned 6.2.18
D W Morrison	
I R Wilson	
U Macleod	- appointed 20.11.17
A Rennie	- appointed 20.11.17
C Peacock	- appointed 20.11.17

**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

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**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, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 7 November 2018 and signed on the board's behalf by:

L V Maciver - Trustee

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

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**Opinion**

We have audited the financial statements of An Lanntair Limited (the 'charitable company') for the year ended 31 March 2018 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 2018 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 the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Opinion 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.

**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.

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

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

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

- the charitable company has not kept proper and adequate accounting records 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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 responsibilities for the audit of the financial statements**

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.

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](http://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 Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 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 and trustees 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

7 November 2018

**AN LANNTAIR LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted funds £	Restricted funds £	<b>31.3.18</b> Total funds £	31.3.17 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	6,930	-	6,930	5,443
<b>Charitable activities</b>					
Arts programme	4	1,120,707	120,832	1,241,539	1,035,211
Investment income	3	54	-	54	53
<b>Total</b>		<b>1,127,691</b>	<b>120,832</b>	<b>1,248,523</b>	<b>1,040,707</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Arts programme	5	1,125,971	261,340	1,387,311	1,255,749
<b>Total</b>		<b>1,125,971</b>	<b>261,340</b>	<b>1,387,311</b>	<b>1,255,749</b>
Net gains/(losses) on investments		-	(130)	(130)	(126)
<b>NET INCOME/(EXPENDITURE)</b>		<b>1,720</b>	<b>(140,638)</b>	<b>(138,918)</b>	<b>(215,168)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>92,621</b>	<b>3,159,035</b>	<b>3,251,656</b>	<b>3,466,824</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>94,341</b>	<b>3,018,397</b>	<b>3,112,738</b>	<b>3,251,656</b>

**AN LANNTAIR LIMITED**  
**BALANCE SHEET**  
**AT 31 MARCH 2018**

	Notes	31.3.18 £	31.3.17 £
<b>FIXED ASSETS</b>			
Tangible assets	12	<b>3,183,371</b>	3,318,350
Investments	13	<b>808</b>	938
		<b>3,184,179</b>	3,319,288
<b>CURRENT ASSETS</b>			
Stocks	14	<b>444</b>	575
Debtors	15	<b>59,916</b>	55,522
Cash at bank and in hand		<b>129,408</b>	79,765
		<b>189,768</b>	135,862
<b>CREDITORS</b>			
Amounts falling due within one year	16	<b>(208,898)</b>	(163,432)
		<b>(19,130)</b>	(27,570)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>3,165,049</b>	3,291,718
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	<b>(52,311)</b>	(40,062)
<b>NET ASSETS</b>		<b>3,112,738</b>	3,251,656
<b>FUNDS</b>			
Unrestricted funds	21	<b>94,341</b>	92,621
Restricted funds		<b>3,018,397</b>	3,159,035
<b>TOTAL FUNDS</b>		<b>3,112,738</b>	3,251,656

The financial statements were approved by the Board of Trustees on 7 November 2018 and were signed on its behalf by:

L V Maciver -Trustee

**AN LANNTAIR LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	<b>31.3.18</b> £	31.3.17 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<b>168,103</b>	49,542
Interest paid		<b>(3,322)</b>	(2,295)
Finance costs		<b>(4,735)</b>	(2,448)
<b>Net cash provided by (used in) operating activities</b>		<b><u>160,046</u></b>	<u>44,799</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<b>(127,684)</b>	(43,192)
Interest received		<b>19</b>	30
Dividends received		<b>35</b>	23
<b>Net cash provided by (used in) investing activities</b>		<b><u>(127,630)</u></b>	<u>(43,139)</u>
<b>Cash flows from financing activities:</b>			
New loans in year		<b>14,350</b>	-
Loan repayments in year		<b>(2,101)</b>	(1,158)
<b>Net cash provided by (used in) financing activities</b>		<b><u>12,249</u></b>	<u>(1,158)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>44,665</b>	502
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<b><u>41,869</u></b>	<u>41,367</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<b><u>86,534</u></b>	<u>41,869</u>



**AN LANNTAIR LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

<b>1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(138,918)</b>	(215,168)
<b>Adjustments for:</b>		
Depreciation charges	<b>262,664</b>	254,355
Losses on investments	<b>129</b>	126
Interest received	<b>(19)</b>	(30)
Interest paid	<b>3,322</b>	2,295
Finance costs	<b>4,735</b>	2,448
Dividends received	<b>(35)</b>	(23)
Decrease/(increase) in stocks	<b>131</b>	(197)
Increase in debtors	<b>(4,394)</b>	(18,133)
Increase in creditors	<b>40,488</b>	23,869
<b>Net cash provided by (used in) operating activities</b>	<b><u>168,103</u></b>	<u>49,542</u>
<b>2. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Cash in hand	<b>2,871</b>	2,861
Notice deposits (less than 3 months)	<b>126,537</b>	76,904
Overdrafts included in bank loans and overdrafts falling due within one year	<b><u>(42,874)</u></b>	<u>(37,896)</u>
<b>Total cash and cash equivalents</b>	<b><u>86,534</u></b>	<u>41,869</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**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 2015)', 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.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees also consider that there are no significant areas of judgements, estimates or key assumptions that affect items in the accounts.

**Preparation of consolidated financial statements**

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

Consolidated accounts including the results of the parent charitable company and the subsidiary are also prepared.

**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.

**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.

**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.

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**1. ACCOUNTING POLICIES - continued**

**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.

**2. DONATIONS AND LEGACIES**

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Donations	<b>2,105</b>	2,713
Membership fees	<b>4,825</b>	2,730
	<b><u>6,930</u></b>	<u>5,443</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**3. INVESTMENT INCOME**

	<b>31.3.18</b>	31.3.17
	£	£
Listed investments	<b>35</b>	23
Deposit account interest	<b>19</b>	30
	<b><u>54</u></b>	<u>53</u>

All investment income arises from assets held within the UK.

**4. INCOME FROM CHARITABLE ACTIVITIES**

		<b>31.3.18</b>	31.3.17
	<b>Activity</b>	£	£
Events	Arts programme	<b>189,014</b>	214,982
Commission	Arts programme	<b>3,394</b>	675
Service fees	Arts programme	<b>20,673</b>	43,061
Grants	Arts programme	<b>1,024,406</b>	773,202
An Lanntair Records	Arts programme	<b>1,052</b>	291
Employment Allowance	Arts programme	<b>3,000</b>	3,000
		<b><u>1,241,539</u></b>	<u>1,035,211</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**4. INCOME FROM CHARITABLE ACTIVITIES - continued**

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

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Creative Scotland	<b>388,334</b>	388,334
Creative Scotland - Other	<b>20,000</b>	87,227
Comhairle nan Eilean Siar	<b>81,850</b>	72,253
Comhairle nan Eilean Siar - Education and Outreach	<b>1,500</b>	6,000
Comhairle nan Eilean Siar - Other	<b>3,578</b>	13,378
Highlands and Islands Enterprise	<b>18,827</b>	20,696
The Robertson Trust	<b>10,000</b>	-
Western Isles NHS Board	-	3,900
Bord na Gaidhlig	<b>5,700</b>	12,500
The Gannochy Trust	<b>12,000</b>	-
Scottish Natural Heritage	<b>29,950</b>	-
Heritage Lottery Fund	<b>23,960</b>	-
Arts & Business Scotland	<b>28,000</b>	-
Other	<b>1,500</b>	30,764
Visit Scotland	<b>39,398</b>	15,046
Life Changes Trust	<b>61,560</b>	57,864
Lews Castle College	<b>10,000</b>	-
Stornoway Port Authority	<b>10,000</b>	-
Point & Sandwick Trust	<b>20,000</b>	10,000
The Baxter Foundation	-	1,340
Esmee Fairbairn Foundation	<b>25,000</b>	25,000
Alzheimers Scotland	-	3,900
Dementia Engagement and Empowerment Project	<b>4,000</b>	2,000
Inverness Architects Association	-	2,500
Tighean Innse Gall	-	1,000
LCT - William Grant	<b>10,000</b>	10,000
Western Isles Architects Group	-	9,500
British Council	<b>23,660</b>	-
The Royal Literary Fund	<b>625</b>	-
The Imperial War Museum	<b>34,132</b>	-
Urras Oighreachd Ghabhsainn	<b>10,000</b>	-
Capital Grants	<b>120,832</b>	-
Gael Force Group	<b>25,000</b>	-
Tolsta Community Development	<b>5,000</b>	-
	<b><u>1,024,406</u></b>	<b><u>773,202</u></b>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 6)	Support costs (See note 7)	Totals
	£	£	£
Arts programme	<b><u>1,243,863</u></b>	<b><u>143,448</u></b>	<b><u>1,387,311</u></b>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**6. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31.3.18	31.3.17
	£	£
Staff costs	533,187	490,493
Exhibitions	14,599	10,756
Events	200,991	173,853
Cinema rental and costs	67,038	64,257
Education & outreach projects	114,995	80,024
Marketing	9,969	14,624
Repairs and maintenance	30,654	27,083
Legal and professional fees	1,709	1,380
Depreciation	262,664	254,355
Interest payable and similar charges	8,057	4,743
	<u>1,243,863</u>	<u>1,121,568</u>

**7. SUPPORT COSTS**

	Premises	Administration	Governance costs	Totals
	£	£	£	£
Arts programme	<u>108,265</u>	<u>29,202</u>	<u>5,981</u>	<u>143,448</u>

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

	31.3.18	31.3.17
	Arts programme	Total activities
	£	£
Rates and water	5,777	6,643
Insurance	20,324	19,478
Light and heat	43,192	41,774
Telephone, fax and internet	8,588	7,285
Cleaning expenses	30,384	29,752
Operating leases	1,719	1,648
Post, stationery and adverts	4,849	5,806
Recruitment expenses	121	216
Travel expenses	465	911
Training costs	4,861	2,263
Computer expenses	7,885	6,933
Equipment hire	3,774	1,892
Sundry expenses	5,528	4,047
Auditors' remuneration	3,600	3,600
Auditors' remuneration for non audit work	2,381	1,933
	<u>143,448</u>	<u>134,181</u>

**8. NET INCOME/(EXPENDITURE)**

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

	31.3.18	31.3.17
	£	£
Auditors' remuneration	3,600	3,600
Other non-audit services	2,381	1,933
Depreciation - owned assets	262,663	254,355
Other operating leases	<u>1,719</u>	<u>1,648</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**10. STAFF COSTS**

	<b>31.3.18</b>	31.3.17
	£	£
Wages and salaries	<b>481,853</b>	444,180
Social security costs	<b>37,991</b>	33,722
Other pension costs	<b>13,343</b>	12,591
	<b><u>533,187</u></b>	<u>490,493</u>

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

	<b>31.3.18</b>	31.3.17
Charitable activities	<b><u>34</u></b>	<u>31</u>

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

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	5,443	-	5,443
<b>Charitable activities</b>			
Arts programme	1,035,211	-	1,035,211
Investment income	53	-	53
<b>Total</b>	<b><u>1,040,707</u></b>	<u>-</u>	<u>1,040,707</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Arts programme	1,003,048	252,701	1,255,749
<b>Total</b>	<b><u>1,003,048</u></b>	<u>252,701</u>	<u>1,255,749</u>
<b>Net gains/(losses) on investments</b>	-	(126)	(126)
<b>NET INCOME/(EXPENDITURE)</b>	<b>37,659</b>	<b>(252,827)</b>	<b>(215,168)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b><u>54,962</u></b>	<b><u>3,411,862</u></b>	<u>3,466,824</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>92,621</u></b>	<b><u>3,159,035</u></b>	<u>3,251,656</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

<b>12. TANGIBLE FIXED ASSETS</b>	<b>Freehold land £</b>	<b>Arts Centre £</b>	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Totals £</b>
<b>COST</b>					
At 1 April 2017	122,386	5,996,187	272,891	86,110	6,477,574
Additions	-	-	127,684	-	127,684
At 31 March 2018	<u>122,386</u>	<u>5,996,187</u>	<u>400,575</u>	<u>86,110</u>	<u>6,605,258</u>
<b>DEPRECIATION</b>					
At 1 April 2017	-	2,866,082	209,692	83,450	3,159,224
Charge for year	-	239,847	21,751	1,065	262,663
At 31 March 2018	-	<u>3,105,929</u>	<u>231,443</u>	<u>84,515</u>	<u>3,421,887</u>
<b>NET BOOK VALUE</b>					
At 31 March 2018	<u>122,386</u>	<u>2,890,258</u>	<u>169,132</u>	<u>1,595</u>	<u>3,183,371</u>
At 31 March 2017	<u>122,386</u>	<u>3,130,105</u>	<u>63,199</u>	<u>2,660</u>	<u>3,318,350</u>
<b>13. FIXED ASSET INVESTMENTS</b>			<b>Shares in group undertakings £</b>	<b>Listed investments £</b>	<b>Totals £</b>
<b>MARKET VALUE</b>					
At 1 April 2017 and 31 March 2018			<u>1</u>	<u>11,463</u>	<u>11,464</u>
<b>PROVISIONS</b>					
Provision b/f			-	10,526	10,526
Provision for year			-	130	130
At 31 March 2018			-	<u>10,656</u>	<u>10,656</u>
<b>NET BOOK VALUE</b>					
At 31 March 2018			<u>1</u>	<u>807</u>	<u>808</u>
At 31 March 2017			<u>1</u>	937	938

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:



**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**13. FIXED ASSET INVESTMENTS - continued**

**An Lantair Trading Limited**

Nature of business: Bar and catering

Class of share:	<b>%</b>	
Ordinary	<b>holding</b>	
	<b>100</b>	

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Aggregate capital and reserves	<b>(52,331)</b>	(11,599)
(Loss) for the year	<b><u>(40,732)</u></b>	<u>(11,948)</u>

**14. STOCKS**

Stocks

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
	<b><u>444</u></b>	<u>575</u>

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Trade debtors  
Other debtors  
Grants receivable  
VAT  
Prepayments and accrued income

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Trade debtors	<b>11,525</b>	18,232
Other debtors	<b>5,674</b>	6,416
Grants receivable	<b>31,680</b>	22,665
VAT	<b>9,499</b>	5,646
Prepayments and accrued income	<b><u>1,538</u></b>	<u>2,563</u>
	<b><u>59,916</u></b>	<u>55,522</u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Bank loans and overdrafts (see note 18)  
Other loans (see note 18)  
Trade creditors  
Social security and other taxes  
Other creditors  
Accrued expenses

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 18)	<b>42,874</b>	37,896
Other loans (see note 18)	<b>1,287</b>	1,287
Trade creditors	<b>98,649</b>	82,802
Social security and other taxes	<b>10,624</b>	9,733
Other creditors	<b>12,246</b>	14,284
Accrued expenses	<b><u>43,218</u></b>	<u>17,430</u>
	<b><u>208,898</u></b>	<u>163,432</u>

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Other loans (see note 18)

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Other loans (see note 18)	<b><u>52,311</u></b>	<u>40,062</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**18. LOANS**

An analysis of the maturity of loans is given below:

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Amounts falling due within one year on demand:		
Bank overdraft	<b>42,874</b>	37,896
Other loans	<b>1,287</b>	1,287
	<b><u>44,161</u></b>	<u>39,183</u>
 Amounts falling between one and two years:		
Other loans - 1-2 years	<b><u>1,351</u></b>	<u>1,351</u>
 Amounts falling due between two and five years:		
Other loans - 2-5 years	<b><u>4,473</u></b>	<u>4,473</u>
 Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more than 5 years by instalments	<b><u>46,487</u></b>	<u>34,238</u>

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>31.3.18</b>	31.3.17
	<b>£</b>	<b>£</b>
Bank overdraft	<b><u>42,874</u></b>	<u>37,896</u>

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 2018 were £53,598 (2017 - £41,349) and this balance is included in Other Loans. An Lanntair 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.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>31.3.18</b>	31.3.17
	<b>funds</b>	<b>funds</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>funds</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	<b>112,184</b>	<b>3,071,187</b>	<b>3,183,371</b>	3,318,350
Investments	-	<b>808</b>	<b>808</b>	938
Current assets	<b>189,768</b>	-	<b>189,768</b>	135,862
Current liabilities	<b>(207,611)</b>	<b>(1,287)</b>	<b>(208,898)</b>	(163,432)
Long term liabilities	-	<b>(52,311)</b>	<b>(52,311)</b>	(40,062)
	<b><u>94,341</u></b>	<b><u>3,018,397</u></b>	<b><u>3,112,738</u></b>	<u>3,251,656</u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**21. MOVEMENT IN FUNDS**

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
<b>Unrestricted funds</b>			
General fund	92,395	1,899	94,294
General fund - Equipment and Fittings	<u>226</u>	<u>(179)</u>	<u>47</u>
	<b>92,621</b>	<b>1,720</b>	<b>94,341</b>
<b>Restricted funds</b>			
Transition 2020 fund	115	(76)	39
Capital and development fund	<u>3,158,920</u>	<u>(140,562)</u>	<u>3,018,358</u>
	<b>3,159,035</b>	<b>(140,638)</b>	<b>3,018,397</b>
<b>TOTAL FUNDS</b>	<u><b>3,251,656</b></u>	<u><b>(138,918)</b></u>	<u><b>3,112,738</b></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,127,691	(1,125,792)	-	1,899
General fund - Equipment and Fittings	<u>-</u>	<u>(179)</u>	<u>-</u>	<u>(179)</u>
	<b>1,127,691</b>	<b>(1,125,971)</b>	<b>-</b>	<b>1,720</b>
<b>Restricted funds</b>				
Capital and development fund	120,832	(261,264)	(130)	(140,562)
Transition 2020 fund	<u>-</u>	<u>(76)</u>	<u>-</u>	<u>(76)</u>
	<b>120,832</b>	<b>(261,340)</b>	<b>(130)</b>	<b>(140,638)</b>
<b>TOTAL FUNDS</b>	<u><b>1,248,523</b></u>	<u><b>(1,387,311)</b></u>	<u><b>(130)</b></u>	<u><b>(138,918)</b></u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**21. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
<b>Unrestricted Funds</b>			
General fund	54,227	38,168	92,395
General fund - Equipment and Fittings	<u>735</u>	<u>(509)</u>	<u>226</u>
	54,962	37,659	92,621
<b>Restricted Funds</b>			
Transition 2020 fund	191	(76)	115
Capital and development fund	<u>3,411,671</u>	<u>(252,751)</u>	<u>3,158,920</u>
	3,411,862	(252,827)	3,159,035
<b>TOTAL FUNDS</b>	<u><u>3,466,824</u></u>	<u><u>(215,168)</u></u>	<u><u>3,251,656</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,040,707	(1,002,539)	-	38,168
General fund - Equipment and Fittings	<u>-</u>	<u>(509)</u>	<u>-</u>	<u>(509)</u>
	1,040,707	(1,003,048)	-	37,659
<b>Restricted funds</b>				
Transition 2020 fund	-	(76)	-	(76)
Capital and development fund	<u>-</u>	<u>(252,625)</u>	<u>(126)</u>	<u>(252,751)</u>
	-	(252,701)	(126)	(252,827)
<b>TOTAL FUNDS</b>	<u><u>1,040,707</u></u>	<u><u>(1,255,749)</u></u>	<u><u>(126)</u></u>	<u><u>(215,168)</u></u>

**AN LANNTAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**21. MOVEMENT IN FUNDS - continued**

**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**

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.

**22. PENSION COMMITMENTS**

The charity operates a defined contribution pension scheme. At the balance sheet date unpaid contributions of £1,071 (2017 - £3,974) were due to the scheme and are included in other creditors and accrued expenses.

**23. RELATED PARTY DISCLOSURES**

An Lanntair Trading Limited is a wholly owned trading subsidiary of An Lanntair Limited which operates the bar, cafe, restaurant and book and gift shop within the new arts centre.

During the year ended 31 March 2018 An Lanntair Limited made sales of £9,843 (2017 - £58,674) to An Lanntair Trading Limited and purchased services of £6,447 (2017 - £13,819) from An Lanntair Trading Limited. The amount to be paid to An Lanntair Limited by its subsidiary at 31 March 2018 was £4,059 (2017 - £4,442).

An Lanntair Limited has provided a guarantee of £30,000 in respect of the overdraft facilities advanced to An Lanntair Trading Limited by the Clydesdale Bank.

An Lanntair Trading Limited made no donation to An Lanntair Limited during the year ended 31 March 2018 (2017 - £10,000).

**24. 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.

**25. PERMANENT ENDOWMENTS**

The charity does not have any permanent endowments.

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