

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

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2016
FOR
AN LANNTAIR LIMITED**

MONDAY



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19/12/2016

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COMPANIES HOUSE

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 2016

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AN LANNTAIR LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiary for the year ended 31 December 2015 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

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. This gives An Lanntair a degree of stability in its core funding for the three year period from April 2015 to March 2018.

Employment

An Lanntair Ltd is a major employer on the Isle of Lewis, with the charitable company employing an average of 28 staff in 2015-16.

AN LANNTAIR LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

An Lanntair is a hub for creativity and the arts in the Outer Hebrides. It is a multi arts venue - at one and the same time a contemporary art gallery, a theatre, a cinema, a dance studio, a concert hall, a platform for poetry and literature, a studio - every space stretched to showcase the arts in multiple forms. Its work stretches across a national and international platform, yet its distinctiveness lies in being 'of the place', and the creativity of Gaelic and the Outer Hebrides takes centre stage.

An Lanntair's mission 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".

2015 celebrates 10 years of An Lanntair in its new building on Stornoway seafront. In ten years, there have been some quite stunning exhibitions, stand out performances and innovative projects through the years. Much of this has been achieved through the community coming together with a shared ambition for producing, presenting and engaging with world class art.

The new An Lanntair opened in 2005 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), The Moscow Ballet, Kakatsitsi (Ghana) and Genticorum (Quebec), to name but a few. The exhibitions programme too has pushed at boundaries: profiling international art and celebrating the talent of local artists. Ian Hamilton Finlay's "Sailing Dinghy" was here as part of Artist Rooms in 2010, and 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 Excilin Brae". In 2014 participation in the Generation Programme also brought a major newly-commissioned installation "Tumadh:Immersion" by Dalziel + Scullion to An Lanntair.

In progressing its aims and objectives, An Lanntair will:-

- Host touring exhibitions.
- Create, promote and tour original exhibitions.
- Deliver a performing arts programme of excellence across a range of art forms.
- Programme work that has relevance to the community.
- Develop relationships with key partners and arts providers (artists/artistes, organisations, education agencies, private companies and others who share our aspirations).
- Build community links through the arts.
- Respond to the artistic needs of the community.
- Represent, reflect and promote Gaelic arts.
- Encourage and support professional promotion of the performing arts in the Western Isles.
- Support and promote Western Isles artists/artistes on a national and international level.
- Encourage the personal development of local artists/artistes through collaboration and originating of new work and specific projects.
- Provide a platform for high quality performance.
- Promote equal opportunities and social inclusion within the arts programme.
- Promote under-represented art forms and social groups through programming.
- Promote the use of An Lanntair as a key education resource for the Western Isles.
- Programme work for children and young people.
- Provide creative learning opportunities.
- Provide a framework for educational and outreach activities.

All through this, the team here at An Lanntair has worked hard to connect and engage widely with the community, developing opportunities for learning and inspiration to take place in education and outreach projects throughout the year. Amongst many other An Lanntair initiatives in 2014-2015, new 'Art Labs' have been set up across Lewis and Harris, working with young people in their communities to develop real time arts and media projects and provide genuine opportunities and connections with industry.

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:

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

AN LANNTAIR LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

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 has also recently launched a 3 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 its community. Economic impact will be presented in a new report in 2015-16, in partnership with stakeholders.

Investment performance

The market value of the charity's equity investments has increased by 16% during the year to 31 March 2016 (2015 - Nil).

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.

AN LANNTAIR LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

FINANCIAL REVIEW

Principal funding sources

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

Creative Scotland	£ 433,332
Comhairle nan Eilean Siar	<u>69,350</u>
	<u>502,682</u>

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 2015/2016. 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 £246,837 for the period (2015 - net expenditure of £181,047). Unrealised gains on the charity's investments at 31 March 2016 amounted to £148. Following transfers between funds of £13,510, this represents an increase of £1,553 in unrestricted funds and an overall decrease of £248,242 in restricted funds. Unrestricted reserves has as a result increased to £54,962.

The transfer in funds from unrestricted to restricted funds relates to the charity's contribution towards the cost of equipment purchased.

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.

AN LANNTAIR LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

FUTURE PLANS

There is so much to look forward to in the coming months and years. An Lanntair's Faclan: The Hebridean Book Festival will launch in October 2015 with a spectacular programme of leading writers, thinkers, career professionals and commentators, all united around the theme of "fuil:blood". An Lanntair will also be doing more to support and profile the creative talent that is out there across the islands through new programmes of support and mentoring for emerging artists and creative practitioners. Not only this but 2015 saw Stornoway and the Isles of Lewis and Harris win Scotland's Creative Place Awards, which will launch a huge programme of work celebrating Gaelic arts and culture over the next two years, led by An Lanntair with a partnership far and wide across the islands.

Following significant board and staffing review and restructure over recent months, An Lanntair will continue to firmly establish itself as a significant venue for the performing and visual arts on an international stage, without in any way compromising its vitally important community benefit and investment. An Lanntair will also fully exploit all opportunities for engagement with the commercial sector.

An Lanntair will be at the forefront of developing the Gaelic language and culture through the medium of all art forms. It will also play a key role in developing the language through music and maintain partnerships with the Gaelic arts organisations and as a key venue for festivals/performance opportunities, such as Hebcelt.

It will also develop the relationship and partnership with Comhairle nan Eilean Siar (Western Isles Council) and lead in community outreach programming for the Western Isles that could lead to effective partnerships with both formal and informal sector deliverers, particularly in education across all art forms.

The Board is committed to ensuring that all aspects of its business, and the related trading company, continue to achieve a growing surplus in the coming years, and has undertaken the organisational and financial management changes necessary to deliver this.

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.

AN LANNTAIR LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wider network

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

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	
L V Maciver	
M M Maclean	- resigned 6.10.15
J K Allenby	- appointed 12.6.15
S Deane	
F P M Silver	- resigned 20.11.15
P T Urpeth	- appointed 12.6.15
D W Morrison	- appointed 21.8.15
I R Wilson	- appointed 6.10.15

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

AN LANNTAIR LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

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).

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 2015 FRSSSE;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

AUDITORS

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 12 October 2016 and signed on its behalf by:



D R Green - Trustee

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

We have audited the financial statements of An Lanntair Limited for the year ended 31 March 2016 on pages ten to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 (as amended). 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page six, 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.

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 24 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2016 and of the group and parent charitable company's 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; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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

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 parent 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 parent charitable company's 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



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

Date: 12/19/16

AN LANNTAIR LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds £	Restricted funds £	31.3.16 Total funds £	31.3.15 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,521	-	2,521	13,711
Charitable activities					
Arts Programme	3	912,500	8,010	920,510	898,046
Other trading activities					
Commercial trading operations	4	585,145	-	585,145	569,824
Other income	5	4,618	-	4,618	-
Investment income	6	53	-	53	11
Total incoming resources		1,504,837	8,010	1,512,847	1,481,592
EXPENDITURE ON					
Raising funds	7	529,466	-	529,466	494,436
Charitable activities					
Arts Programme	8	914,629	269,910	1,184,539	1,134,613
Total		1,444,095	269,910	1,714,005	1,629,049
NET INCOME/(EXPENDITURE) BEFORE GAINS/LOSSES ON INVESTMENTS		60,742	(261,900)	(201,158)	(147,457)
Transfers between funds		(13,510)	13,510	-	-
Unrealised gains/losses on investment assets		-	148	148	-
Net movement in funds		47,232	(248,242)	(201,010)	(147,457)
RECONCILIATION OF FUNDS					
Total funds brought forward		8,078	3,660,104	3,668,182	3,815,639
TOTAL FUNDS CARRIED FORWARD		55,310	3,411,862	3,467,172	3,668,182

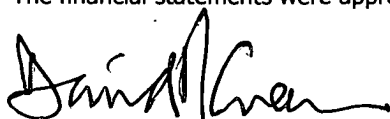
The notes form part of these financial statements

AN LANNTAIR LIMITED**BALANCE SHEET
AT 31 MARCH 2016**

		31.3.16		31.3.15	
		Group	Charity	Group	Charity
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	13	3,537,463	3,529,513	3,796,599	3,789,039
Investments	14	<u>1,063</u>	<u>1,064</u>	<u>915</u>	<u>916</u>
		3,538,526	3,530,577	3,797,514	3,789,955
CURRENT ASSETS					
Stocks		28,294	378	25,451	157
Debtors: amounts falling due within one year	15	22,892	37,389	29,145	38,408
Cash at bank and in hand		<u>87,636</u>	<u>74,243</u>	<u>55,645</u>	<u>49,180</u>
		138,822	112,010	110,241	87,745
CREDITORS					
Amounts falling due within one year	16	<u>(168,956)</u>	<u>(134,543)</u>	<u>(197,007)</u>	<u>(121,621)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(30,134)</u>	<u>(22,533)</u>	<u>(86,766)</u>	<u>(33,876)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,508,392	3,508,044	3,710,748	3,756,079
CREDITORS					
Amounts falling due after more than one year	17	<u>(41,220)</u>	<u>(41,220)</u>	<u>(42,566)</u>	<u>(42,566)</u>
NET ASSETS/(LIABILITIES)		<u>3,467,172</u>	<u>3,466,824</u>	<u>3,668,182</u>	<u>3,713,513</u>
FUNDS	21				
Unrestricted funds		55,310	54,962	8,078	53,409
Restricted funds		<u>3,411,862</u>	<u>3,411,862</u>	<u>3,660,104</u>	<u>3,660,104</u>
TOTAL FUNDS		<u>3,467,172</u>	<u>3,466,824</u>	<u>3,668,182</u>	<u>3,713,513</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 12 October 2016 and were signed on its behalf by:


D R Green - Trustee

The notes form part of these financial statements

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) 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.

Consolidation

The results of An Lanntair and its wholly owned subsidiary, An Lanntair Trading Limited, have been consolidated on a line by line basis to produce the financial statements made up to 31 March 2016. No separate Statement of Financial Activities or Income and Expenditure Account have been presented for the charity alone as permitted by paragraph 397 of the Statement of Recommended Practice.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- Voluntary income is received by way of grants, donations and membership fees and is included in full in the Statement of Financial Activities when receivable. Grant income included in this category provides funding to support activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

- 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.

- Activities for generating funds includes incoming resources from fundraising activities which are accounted for when earned.

- Incoming resources from charitable activities includes income from events which are accounted for when earned.

- Investment income is accounted for in the period the charity is entitled to receipt.

Resources expended

Expenditure is accounted for on an accruals basis as a liability is incurred 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.

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.

Cost of generating 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.

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- 4% on cost and no depreciation on land
Plant and machinery etc	- 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.

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

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

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 2016

2. DONATIONS AND LEGACIES

	31.3.16	31.3.15
	£	£
Donations	218	10,861
Membership fees	<u>2,303</u>	<u>2,850</u>
	<u>2,521</u>	<u>13,711</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31.3.16	31.3.15
	£	£
Events	176,451	150,320
Commission	1,510	3,260
Service fees	20,875	18,973
Grants	719,217	747,727
An Lanntair Records	116	198
Fundraising	341	15
Employment Allowance	<u>2,000</u>	<u>-</u>
	<u>920,510</u>	<u>920,493</u>

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

	31.3.16	31.3.15
	£	£
Creative Scotland	433,333	390,870
Creative Scotland - Education and Outreach	15,228	77,040
Creative Scotland - Other	59,294	64,299
Comhairle nan Eilean Siar	69,350	69,350
Comhairle nan Eilean Siar - Education and Outreach	2,120	512
Comhairle nan Eilean Siar - Other	15,710	21,267
Highlands and Islands Enterprise	7,176	117,549
Highlands and Islands Enterprise - Education and Outreach	1,997	-
Comunn na Gaidhlig	-	840
Bord na Gaidhlig	1,000	-
Youthlink Scotland	4,994	-
The Gannochy Trust	12,000	-
Heritage Lottery Fund	9,900	-
Visit Scotland	16,344	6,000
Life Changes Trust	61,105	-
Lews Castle College	833	-
Stornoway Port Authority	833	-
The Craignish Trust	4,000	-
Wellcome Trust	<u>4,000</u>	<u>-</u>
	<u>719,217</u>	<u>747,727</u>

4. OTHER TRADING ACTIVITIES

	31.3.16	31.3.15
	£	£
Commercial trading operations	<u>585,145</u>	<u>569,824</u>

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016**

5. OTHER INCOME		31.3.16	31.3.15
		£	£
Insurance claim		<u>4,618</u>	<u>-</u>

6. INVESTMENT INCOME		31.3.16	31.3.15
		£	£
Listed investments		23	5
Deposit account interest		<u>30</u>	<u>6</u>
		<u>53</u>	<u>11</u>

All investment income arises from assets held within the UK.

7. RAISING FUNDS		31.3.16	31.3.15
		£	£
Commercial trading operations		<u>529,466</u>	<u>494,436</u>

8. CHARITABLE ACTIVITIES COSTS				
	Arts Programme	Restricted funds	Total 31.3.16	Total 31.3.15
	£	£	£	£
Direct Costs				
Staff costs	485,450	8,010	493,460	414,469
Exhibitions	25,551	-	25,551	23,964
Events	92,506	-	92,506	74,860
Cinema rental and costs	58,345	-	58,345	50,466
Education and outreach projects	86,402	-	86,402	54,532
Marketing and development	17,064	3,023	20,087	87,757
Repairs and maintenance	20,254	-	20,254	30,044
Legal and professional fees	7,720	-	7,720	9,341
Bad debt provision	886	-	886	-
Depreciation	4,861	258,877	263,738	251,217
Finance costs	5,410	-	5,410	10,046
	<u>804,449</u>	<u>269,910</u>	<u>1,074,359</u>	1,006,696
Support costs				
Rates and water	3,907	-	3,907	-
Light and heat	21,956	-	21,956	38,764
Insurance	18,575	-	18,575	19,156
Telephone, fax and internet	6,978	-	6,978	6,522
Postages, stationery and advertising	6,770	-	6,770	4,621
Recruitment expenses	282	-	282	4,391
Travel expenses	2,078	-	2,078	1,310
Computer expenses	7,924	-	7,924	10,203
Cleaning expenses	26,927	-	26,927	30,817
Equipment hire	3,454	-	3,454	1,973
Training	1,452	-	1,452	543
Administration expenses	4,222	-	4,222	1,963
Auditors' remuneration	3,500	-	3,500	4,550
Auditors' remuneration for non audit work	2,155	-	2,155	3,104
	<u>110,180</u>	<u>-</u>	<u>110,180</u>	127,917
Total	<u>914,629</u>	<u>269,910</u>	<u>1,184,539</u>	<u>1,134,613</u>

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.16	31.3.15
	£	£
Auditors' remuneration – charity	3,500	3,100
Auditors' remuneration for non-audit work – charity	2,155	2,824
Auditors' remuneration – group	5,230	4,550
Auditors' remuneration for non-audit work – group	2,155	3,104
Depreciation - owned assets – charity	263,738	251,217
Depreciation - owned assets – group	<u>266,272</u>	<u>253,321</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2016 nor for the year ended 31 March 2015.

11. STAFF COSTS – GROUP

	31.3.16	31.3.15
	£	£
Wages and salaries	689,947	586,705
Social security costs	45,756	42,409
Other pension costs	<u>13,336</u>	<u>6,905</u>
	<u>749,039</u>	<u>636,019</u>

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

31.3.16	31.3.15
<u>51</u>	<u>50</u>

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

12. SUMMARY RESULTS OF CHARITY

The summary results of the charity are as follows:

	31.3.16	31.3.15
	£	£
Total incoming resources	937,702	934,215
Total resources expended	<u>(1,184,539)</u>	<u>(1,115,262)</u>
Net incoming/(outgoing) resources	(246,837)	(181,047)
Unrealised gains/(losses) on investment assets	<u>148</u>	<u>-</u>
Net movement in funds	(246,689)	(181,047)
Funds brought forward	<u>3,713,513</u>	<u>3,894,560</u>
	<u>3,466,824</u>	<u>3,713,513</u>

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016**

13. TANGIBLE FIXED ASSETS – GROUP

	Freehold land £	Arts Centre £	Fixtures and fittings £	Office equipment £	Totals £
COST					
At 1 April 2015	122,386	5,996,187	238,543	83,574	6,440,690
Additions	-	-	4,600	2,536	7,136
At 31 March 2016	<u>122,386</u>	<u>5,996,187</u>	<u>243,143</u>	<u>86,110</u>	<u>6,447,826</u>
DEPRECIATION					
At 1 April 2015	-	2,386,388	176,949	80,754	2,644,091
Charge for year	-	239,847	24,971	1,454	266,272
At 31 March 2016	-	<u>2,626,235</u>	<u>201,920</u>	<u>82,208</u>	<u>2,910,363</u>
NET BOOK VALUE					
At 31 March 2016	<u>122,386</u>	<u>3,369,952</u>	<u>41,223</u>	<u>3,902</u>	<u>3,537,463</u>
At 31 March 2015	<u>122,386</u>	<u>3,609,799</u>	<u>61,594</u>	<u>2,820</u>	<u>3,796,599</u>

TANGIBLE FIXED ASSETS – CHARITY

	Freehold land £	Arts Centre £	Fixtures and fittings £	Office equipment £	Totals £
COST					
At 1 April 2015	122,386	5,996,187	228,023	83,574	6,430,170
Additions	-	-	1,676	2,536	4,212
At 31 March 2016	<u>122,386</u>	<u>5,996,187</u>	<u>229,699</u>	<u>86,110</u>	<u>6,434,382</u>
DEPRECIATION					
At 1 April 2015	-	2,386,388	173,989	80,754	2,641,131
Charge for year	-	239,847	22,437	1,454	263,738
At 31 March 2016	-	<u>2,626,235</u>	<u>196,426</u>	<u>82,208</u>	<u>2,904,869</u>
NET BOOK VALUE					
At 31 March 2016	<u>122,386</u>	<u>3,369,952</u>	<u>33,273</u>	<u>3,902</u>	<u>3,529,513</u>
At 31 March 2015	<u>122,386</u>	<u>3,609,799</u>	<u>54,034</u>	<u>2,820</u>	<u>3,789,039</u>

No loan interest has been capitalised during the year ended 31 March 2016. The total interest capitalised to that date is £14,705.

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016**

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 April 2015 and 31 March 2016	<u>1</u>	<u>11,463</u>	<u>11,464</u>
PROVISIONS			
Provision b/f	-	10,548	10,548
Provision for year	-	<u>(148)</u>	<u>(148)</u>
At 31 March 2016	-	<u>10,400</u>	<u>10,400</u>
NET BOOK VALUE			
At 31 March 2016	<u>1</u>	<u>1,063</u>	<u>1,064</u>
At 31 March 2015	<u>1</u>	<u>915</u>	<u>916</u>

There were no investment assets outside the UK.

Market value at 31 March 2015 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation at 31 March 2015	-	1,063	1,063
Cost at 31 March 2015	<u>1</u>	-	<u>1</u>
	<u>1</u>	<u>1,063</u>	<u>1,064</u>

Listed investments at market value comprised:

	31.3.16 £	31.3.15 £
Equities	1,063	915
Fixed interest securities	-	-
	<u>1,063</u>	<u>915</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group £	31.3.16 Charity £	Group £	31.3.15 Charity £
Trade debtors	16,867	12,139	9,598	6,312
Group debtors	-	22,861	-	14,582
Other debtors	3,636	-	2,650	617
Grants receivable	-	-	4,054	4,054
Recoverable taxation	-	-	1,920	1,920
VAT	-	-	10,223	10,223
Prepayments and accrued income	<u>2,389</u>	<u>2,389</u>	<u>700</u>	<u>700</u>
	<u>22,892</u>	<u>37,389</u>	<u>29,145</u>	<u>38,408</u>

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.16		31.3.15	
	Group	Charity	Group	Charity
	£	£	£	£
Bank loans and overdrafts	32,876	32,876	40,321	17,531
Other loans	1,287	1,287	1,167	1,167
Trade creditors	73,817	55,574	89,404	60,171
Other creditors	42,924	33,025	45,955	34,190
Tax and social security	18,052	11,781	20,160	8,562
	<u>168,956</u>	<u>134,543</u>	<u>197,007</u>	<u>121,621</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR – GROUP AND CHARITY

	31.3.16	31.3.15
	£	£
Other loans - 1-2 years	1,351	1,226
Other loans - 2-5 years	4,473	4,057
Other loans more than 5 years by instalments	35,396	37,283
	<u>41,220</u>	<u>42,566</u>

Amounts falling due in more than five years:

Repayable by instalments:		
Other loans more than 5 years by instalments	<u>35,396</u>	<u>37,283</u>

18. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

CHARITY

	31.3.16	31.3.15
	£	£
Expiring:		
Within one year	1,600	1,448
Between one and five years	1,999	3,258
	<u>3,599</u>	<u>4,706</u>

GROUP

	31.3.16	31.3.15
	£	£
Expiring:		
Within one year	2,366	2,980
Between one and five years	1,999	4,024
	<u>4,365</u>	<u>7,004</u>

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016**

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.16	31.3.15
	£	£
Bank overdraft – Group	<u>32,876</u>	<u>40,321</u>

The bank overdrafts in the parent charity and subsidiary are secured by floating charges over each company'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 as part of their revenue funding for 2008/2009. The funds advanced in this regard at 31 March 2016 were £42,507 (2015 - £43,733) 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

CHARITY

	Unrestricted funds	Restricted funds	31.3.16 Total funds	31.3.15 Total funds
	£	£	£	£
Fixed assets	76,208	3,453,305	3,529,513	3,789,039
Investments	1	1,063	1,064	916
Current assets	112,010	-	112,010	87,745
Current liabilities	(133,257)	(1,286)	(134,543)	(121,621)
Long term liabilities	-	(41,220)	(41,220)	(42,566)
	<u>54,962</u>	<u>3,411,862</u>	<u>3,466,824</u>	<u>3,713,513</u>

GROUP

	Unrestricted funds	Restricted funds	31.3.16 Total funds	31.3.15 Total funds
	£	£	£	£
Fixed assets	84,158	3,453,305	3,537,463	3,796,599
Investments	-	1,063	1,063	915
Current assets	138,822	-	138,822	110,241
Current liabilities	(167,670)	(1,286)	(168,956)	(197,007)
Long term liabilities	-	(41,220)	(41,220)	(42,566)
	<u>55,310</u>	<u>3,411,862</u>	<u>3,467,172</u>	<u>3,668,182</u>

AN LANNTAIR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2015**

21. MOVEMENT IN FUNDS

	At 1.4.15 £	Net movement in funds £	Transfers between funds £	At 31.3.16 £
Unrestricted funds				
General fund	26,854	9,056	(13,510)	22,400
General fund - Special Projects	3,118	(3,118)	-	-
General fund - Equipment and Fittings	<u>1,610</u>	<u>(875)</u>	-	<u>735</u>
	31,582	5,063	(13,510)	23,135
Subsidiary trading company	<u>(23,504)</u>	<u>55,679</u>	-	<u>32,175</u>
	8,078	60,742	(13,510)	55,310
Restricted funds				
Transition 2020 fund	3,328	(3,137)	-	191
Capital and development fund	<u>3,656,776</u>	<u>(258,615)</u>	<u>13,510</u>	<u>3,411,671</u>
	3,660,104	(261,752)	13,510	3,411,862
TOTAL FUNDS	<u><u>3,668,182</u></u>	<u><u>(201,010)</u></u>	-	<u><u>3,467,172</u></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	919,692	(910,636)	-	9,056
General fund - Special Projects	-	(3,118)	-	(3,118)
General fund - Equipment and Fittings	-	<u>(875)</u>	-	<u>(875)</u>
	919,692	(914,629)	-	5,063
Subsidiary trading company	<u>585,145</u>	<u>(529,466)</u>	-	<u>55,679</u>
	1,504,837	(1,444,095)		60,742
Restricted funds				
Projects fund	8,010	(8,010)	-	-
Transition 2020 fund	-	(3,137)	-	(3,137)
Capital and development fund	-	<u>(258,763)</u>	<u>148</u>	<u>(258,615)</u>
	8,010	(269,910)	148	(261,752)
TOTAL FUNDS	<u><u>1,512,847</u></u>	<u><u>(1,714,005)</u></u>	<u><u>148</u></u>	<u><u>(201,010)</u></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.

AN LANNTAIR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

FUNDS

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 £4,373 (2015 - £3,800) 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 2016 An Lanntair Limited made sales of £40,871 (2015 - £21,665) to An Lanntair Trading Limited and purchased services of £7,079 (2015 - £4,044) from An Lanntair Trading Limited. The amount to be paid to An Lanntair Limited by its subsidiary at 31 March 2016 was £22,861 (2015 - £14,582).

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 a donation of £10,000 to An Lanntair Limited during the year ended 31 March 2016 (2015 - £10,000).

24. APB 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.

25. 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.

26. PERMANENT ENDOWMENTS

The charity does not have any permanent endowments.