

REGISTERED COMPANY NUMBER: SC130071 (Scotland)
REGISTERED CHARITY NUMBER: SC002040

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013
FOR
FÈISEAN NAN GÀIDHEAL**

Mann Judd Gordon Ltd
Registered Auditors &
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

**CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2013**

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 to 18
Detailed Statement of Financial Activities	19 to 21

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

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 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC130071 (Scotland)

Registered Charity number

SC002040

Registered office

Meall House

Portree

Isle of Skye

IV51 9BZ

Trustees

Catriona MacIntyre

Chair

Margaret Cameron

Fiona Mairi Johnston

Janet Maciver Macdonald

Bernard Bell

Duncan MacQuarrie

Peigi Maclellan

Norma Gunn

- resigned 21.9.12

Uisdean Robertson

Elaine Margaret Spence

Company Secretary

Fiona Mairi Johnston

Auditors

Mann Judd Gordon Ltd

Registered Auditors &

Chartered Accountants

26 Lewis Street

Stornoway

Isle of Lewis

HS1 2JF

Chief Executive

Arthur Cormack

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New trustees are recruited through an open election process approved by the membership whereby a number of new trustees, representative of local Fèisean are elected annually by the membership after an open advertising process. Trustees are nominated by their local Fèis, and then elected by the membership so that the Board of Trustees has a range of trustees from around the country, reflecting the geographical spread of the organisation's members.

A review of Fèisean nan Gàidheal's Board was carried out during 2012-13, as a result of a clause in our agreement with HIE to "undertake a review on function, appositeness and efficacy of Fèisean nan Gàidheal board, by 31st March 2013." This resulted in two recommendations for changes to the way trustees are recruited:

- Allow up to 2 places on the Board for co-opted board members to fill gaps in the skills set of the trustees
- Trustees could be eligible for election for a second term of three years before standing down

Induction and training of new trustees

When trustees join the board they take part in an induction session at their first board meeting. As part of the Board review, Arts & Business carried out a refresher course that was offered to all current trustees. The induction involves a presentation outlining the aims and objectives of the organisation, the work in which it is involved and sources of funding. It also outlines the responsibilities of trustees, and their responsibilities as directors of a company limited by guarantee.

All trustees are provided with a memory stick containing copies of the induction presentation along with key documents such as the company's Memorandum & Articles of Association, Policies, Staff Handbook, current Development Plan, all past Annual Reports and Board Papers. A range of briefing documents from the Voluntary Arts Network that cover a wide range of subjects relevant to the work of the organisation and the role of the trustees more generally is also provided on the memory stick.

Organisational structure

Fèisean nan Gàidheal is governed by a Board of Trustees made up of up to 10 Fèis representatives elected by the membership, along with observers from the three main funding bodies that support the organisation. The Board met 4 times during the year.

The office bearers, along with senior staff and three of the observers, constitute an Executive Group that meets at least a fortnight before each full Board meeting to go over financial and other matters in detail. The minutes and all the papers for those meetings are included in the papers for the next Board meeting for all trustees.

Wider network

Fèisean nan Gàidheal staff are involved in several networks nationally, most notably the Traditional Music Forum, the National Gaelic Arts Strategic Forum, meetings of the Gaelic Organisations and the Gaelic Drama Network established by Bòrd na Gàidhlig. Staff are also involved in an international project called Celtic Neighbours and will be involved in the new Cross Party Group on Culture being established at the Scottish Parliament.

Related parties

The trustees are members of local Fèisean which receive grants from the charity from time to time. The sums which were approved for each year were as follows:

<u>Name</u>	<u>Status</u>	<u>Fèisean</u>	<u>2013</u>	<u>2012</u>
Catrina MacIntyre	Trustee	Fèis Lochabair	£24,512	£18,512
Margaret Cameron	Trustee	Fèis an Earraich	£32,455	£24,455
Janet MacIver MacDonald	Trustee	Fèis Mhuile	£1,360	£1,360
Fiona Mairi Johnston	Trustee	Fèis Fhoirt	£14,553	£6,553
Bernard Bell	Trustee	Fèis Dhùn Bhreatainn an Iar	£1,932	£1,932
Duncan MacQuarrie	Trustee	Fèis Rois Ltd	£52,287	£42,076
Peigi MacIannan	Trustee	Fèis Eilean an Fhraoich	£8,665	£5,543
Norma Gunn	Trustee	Fèis Mhoreibh	£1,951	£1,951
Uisdean Robertson	Trustee	Fèis Tir an Eorna	£4,860	£4,860
Elaine Margaret Spence	Trustee	Fèis Lanraig a Tuath	£1,023	£1,555

It should be noted that the grants scheme operated allocates funding on the basis of a formula and Board members, therefore, do not discuss the level of grant aid although they approve the sums involved annually.

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees acknowledge their 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. This is managed by the Executive Group which takes a very close interest in the financial aspects of the running of Fèisean nan Gàidheal.

A risk register is maintained by Fèisean nan Gàidheal, managed by the staff and monitored annually by the Executive Group with a report to the full Board. In addition risk assessments are carried out for each of the organisation's offices, as well as for events run by Fèisean nan Gàidheal.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aim of Fèisean nan Gàidheal is to make the Gaelic Arts, Language and Culture more accessible and more widely appreciated through the promotion, support and development of local, community-based tuition Fèisean.

The objectives are to:

- 1.1 Provide support for the development of individual Fèisean and the Fèis movement as a whole
- 1.2 Develop the tuition at individual Fèisean
- 1.3 Develop Fèisean nan Gàidheal as a service-providing organisation
- 1.4 Promote excellence within the Fèis movement
- 1.5 Create closer links between Fèisean, other organisations and other countries

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

ACHIEVEMENT AND PERFORMANCE

Performance against objectives

Our performance against objectives, agreed with those who fund our activities as well as organisations for which we deliver services, is reported on in detail each quarter to the Board of Trustees and all the information is published on our website along with all Board papers. A summary is given here under each objective.

Provide support for the development of individual Fèisean and the Fèis movement as a whole

Fèisean nan Gàidheal's programme of work, based on its 2010-15 Development Plan, was successfully delivered in 2012-13. Despite on-going public spending cuts, Fèisean nan Gàidheal managed to deliver its programme effectively and pledged grants of £329k to local Fèis activities as well as supporting them with a range of services detailed below.

Develop the tuition at individual Fèisean

Fèisean nan Gàidheal holds an annual Tutor Training weekend and has developed courses at three levels over the years. Fèis tutors are encouraged to participate in this event and around 30 do so annually with many having progress from Level I through to Level III. Additionally, a training session was held in Strathpeffer for tutors involved in delivering YMI activities in Highland Council schools.

Fèisean nan Gàidheal continued to develop its use of Gaelic language with ongoing Gaelic training provision for volunteers and tutors at sessions organised in their locality. Gaelic language courses were run during the year for Fèis tutors and also, following the launch of our Fèisgoil service, for those who will be involved in delivering that service. We also provided support to Fèisean to ensure that they produced printed and web materials bilingually, and assisted Fèisean to ensure a greater Gaelic content in their activities through Sgioba G and a range of other measures.

Develop Fèisean nan Gàidheal as a service-providing organisation

As an organisation we offer a wide range of support services including; a grant scheme to support main Fèisean and ongoing classes, a musical instrument bank, a central enhanced Disclosure service, comprehensive insurance and the annual training conference for Fèis committee members. We also funded several new developments and 6 Fèis Cèilidh Trails.

A team of three development officers and a senior development officer are employed to maintain regular communication and offer ongoing support to Fèisean with regard to grant applications, external fundraising, organisation of events and policy implementation.

Fèisean nan Gàidheal established its new Fèisgoil service during 2012-13 and, in relation to Gaelic language teaching, made considerable progress in working up a 'curriculum' using existing GLPS resources and Fèisean nan Gàidheal's own Gaelic teaching resources. Two training sessions were held to ensure suitable tutors would be available to deliver the service and a series of meetings was held with interested local authorities including The Highland Council, Comhairle nan Eilean Siar, Argyll & Bute Council, Perth & Kinross Council, Glasgow City Council, Falkirk Council, North Ayrshire Council and Renfrewshire Council.

Fèisgoil delivered a 30-week contract for Perth & Kinross Council, generating additional income for Fèisean nan Gàidheal and Renfrewshire Council confirmed a contract to commence in August 2013.

In February 2013, we took part in a seminar on Gaelic education called by the Cabinet Secretary for Education and Lifelong Learning at which he, and the Minister for Gaelic, were present. At that seminar it was announced that the Scottish Government had awarded £25k to Fèisgoil.

Promote excellence within the Fèis movement

The Fèis movement is heavily reliant on volunteers with upwards of 500 volunteers involved in running the 44 Fèisean throughout Scotland. More than 200 volunteers are involved in the Blas Festival. Fèisean nan Gàidheal supports those volunteers through a variety of services and also offers training to them on request.

The 2012 Blas Festival was a smaller affair than some in the past with less funding available to it. The 2012 Blas Festival consisted of 116 events with a total audience of 7,693, being 78% ticket sales against capacity. The average audience was 154. In 2011 we had additional funds from Creative Scotland and Scotland's Islands and we were able to programme additional events and the average audience was 127 so, on a like-for-like comparison, Blas 2012 performed very well. Audience research showed an overall 89% satisfaction rating. 7 x 30-minute programmes entitled *Cèilidh@Blas* were broadcast on BBC ALBA.

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

ACHIEVEMENT AND PERFORMANCE

Performance against objectives

Further Gaelic drama developments took place with a successful Gaelic Drama Summer School, drama Fèisean in schools, a Gaelic pantomime and various other community and schools-based initiatives in collaboration with Sabhal Mòr Ostaig and Eden Court through the newly-established Gaelic Drama Network. The annual Meanbh-Chuileag performance tour of Gaelic schools took on an environmental theme to celebrate the Year of Natural Scotland, with a play based on the life of John Muir - *Seonaidh a' Mhonaidh* - which was assisted financially by SNH.

7 Fèis Cèilidh Trails took place during 2012-13, playing at 196 events to a combined audience of 12,365. The Cèilidh Trails programme received funding from the Highland and Argyll LEADER programmes for the third of three years. This allowed joint training, joint marketing and an end of season performances for all six Cèilidh Trail groups to take place.

We created a new intergenerational project in April 2012 with our first *Còig Latha* event, held in Carloway in Lewis where 16 participants from different parts of the country engaged in various musical and community activities such as crofting, fishing, weaving and peat-cutting all through the medium of Gaelic.

An Taigh Òran, a new Gaelic song-writing project was carried out jointly with Watercolour and the completed songs are available to listen to on Fèisean nan Gàidheal's website with the lyrics and a video of interviews with the song writers. This was an example of young songwriters benefitting from the experience of those more established.

Create closer links between Fèisean, other organisations and other countries

Several of the Fèis Cèilidh Trails took part in local or national showcase events and Blas events linking with other bodies:

- The Fèis Rois Trad Trails group played at several prestigious events including Scotland House in London during the Olympics
- Ceilear, the Fèis an Earraich Cèilidh Trail, performed for the Scottish Government at its Cabinet Meeting in Skye
- Fèis Rois Cèilidh Trail played at the Belladrum Festival in July 2012
- A group from Fèis Eilean an Fhraoich played at HebCelt in Lewis in July 2012
- A Cèilidh Trail group played at the Edinburgh Festival Fringe in August 2012
- 5 Cèilidh Trail groups played 8 concerts as part of Blas in September 2012
- A group of Cèilidh Trail musicians played at the Shinty/Hurling International in Scotland and at the return leg in Ireland in October 2012
- A group from Fèis Rois played at the Gaelic Arts Showcase at Celtic Connections in January 2013 as part of Showcase Scotland

Fèisean nan Gàidheal staff were involved in the organisation of an international conference at Sabhal Mòr Ostaig as part of the Celtic Neighbours project.

In collaboration with FilmG, filmmakers were invited to create videos of the new songs from *An Taigh Òran* for a new category at the FilmG Awards and Fèisean nan Gàidheal staff assisted schools with the preparation of films for the FilmG competition.

We supported Fèis Spè, Fèis a' Bhaile and Fèis Bharraigh with their development programmes and offered payroll services. We undertook a range of collaborative work in the Iomairtean Gàidhlig areas which totalled over 1,340 hours of Fèisean nan Gàidheal staff time and continued to offer community-based assistance to those initiatives through a regular *Cofaidh is Còmhradh* session in or Portree office as well as on-going support to Comann nam Pàrant Port Rìgh.

We commissioned Margaret Stewart to put together a show entitled *A' Bhanais Ghàidhealach* for the 2012 Blas Festival and this was received well by critics and audience and went on to be performed at Celtic Connections in 2013.

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

During the year Fèisean nan Gàidheal had agreements with Creative Scotland, The Highland Council, Bòrd na Gàidhlig, Highlands & Islands Enterprise, Comhairle nan Eilean Siar and Argyll & Bute Council. We are also grateful for the support of a wide range of other funders for specific projects.

Fund-raising activities involved staff in raising money for a wide range of projects both towards the work of Fèisean nan Gàidheal, and also on behalf of local Fèisean. 53% of our turnover in 2012-13 was trading/earned income which came from a variety of sources including membership fees, sales of books, revenue raised as the result of hiring musical instruments and, most notably, through the provision of services to external organisations, including our new Fèisgoil service.

We were grateful for the continued support of our main Blas partner, The Highland Council, as well as support from Bòrd na Gàidhlig. We attracted sponsorship of £5k from RBS for Blas 2012 and £3k from Business Gateway.

Highlands & Islands Enterprise agreed up to £480k for Fèisean nan Gàidheal as its contribution towards the delivery of a programme of work which was formalised in a Legal Undertaking signed on 24 May 2012.

We also worked up a new project around the collecting, researching and recording of traditional Gaelic songs. An application to the Heritage Lottery Fund resulted in an award of £32k and the project will proceed early in 2013-14 running for two years.

Internal and external factors

Internal factors affecting the achievement and performance of the organisation included an increased workload with a smaller cohort of staff. Due to funding constraints, staff are working across the services of the organisation rather than sticking rigidly to their job descriptions. During the year, one member of staff was on maternity leave and this necessitated further internal reorganisation of existing staff. On-going pay freezes did not help morale and motivation but staff have remained positive and pro-active over a four-year period and the prospect of a 1% uplift, in line with local authority settlements, will help.

External factors included Fèisean nan Gàidheal being designated as an Account Managed Client of Highlands & Islands which has led to additional business support on an on-going basis. During the year we received news of an increase in funding from Argyll & Bute Council which entered into a three-year agreement with Fèisean nan Gàidheal, contrasting the less welcome news of further funding cuts from The Highland Council and Comhairle nan Eilean Siar.

FINANCIAL REVIEW

Reserves policy

We aim to retain around 10% of management fees received for major contracts such as Blas, the Youth Music Initiative and Training, and we build a 5% 'transfer to reserves' into all budgets when costing projects. Our aim is to have 3 months operating costs in reserve at all times. The reserves are all unrestricted, and shown at the foot of the Statement of Financial Activities.

During 2012-13, Fèisean nan Gàidheal made strenuous efforts to contain costs and to work collaboratively to ensure its reserves remained at a healthy level at 31 March 2013. Although they have declined slightly our reserves remain at a reasonable level given the size of the organisation and the number of staff we employ.

Principal funding sources

Fèisean nan Gàidheal received grant-aid from a wide variety of bodies in support of our work notably Creative Scotland, The Highland Council, Highlands & Islands Enterprise, Bòrd na Gàidhlig, Comhairle nan Eilean Siar, Argyll & Bute Council, Highland and Argyll LEADER programmes, the Scottish Government, Scotland's Islands and Scottish Natural Heritage.

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013**

FUTURE DEVELOPMENTS

On-going support from Creative Scotland and Bòrd na Gàidhlig, and a new 3-year agreement with HIE, gives us the confidence that we will continue to deliver our well-defined annual programme of work in 2013-14 and should continue to lever in funds from other organisations.

While we expect the next few years to remain challenging, Fèisean nan Gàidheal's reputation has been built on ensuring delivery of a wide range of projects, always benefitting the Fèisean. Our annual programme of work is comprehensive and delivered to a high standard. According to an independent assessment, our work is worth millions to the Scottish economy and underpins a relatively large number of jobs for the sector in which we work. In 2013-14 we put that figure at 104 FTEs. It is important culturally and linguistically and we will continue to ensure support and, where possible, growth in the work of the Fèisean.

Having established Fèisgoil, we feel we can build on our formal education work and offer solutions in delivering Gaelic language teaching as well as arts-related work like music and drama, for Gaelic school and units primarily. The arts service could also be delivered in English which, although that would not be a priority for Fèisean nan Gàidheal, may be a factor in securing additional income in future.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Feisean nan Gaidheal 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;
- make judgements and estimates that are reasonable and prudent;
- 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.

AUDITORS

The auditors, Mann Judd Gordon Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:



Catriona MacIntyre - Trustee
27 September 2013

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF FÈISEAN NAN GÀIDHEAL

We have audited the financial statements of Fèisean nan Gàidheal for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (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. 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, 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 19 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 to identify material inconsistencies with the audited financial statements. 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 charitable company's affairs as at 31 March 2013 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; 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.

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
FÈISEAN NAN GÀIDHEAL**

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; 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 in preparing the Report of the Trustees.

A Cumming (Senior Statutory Auditor)
for and on behalf of Mann Judd Gordon Ltd
Registered Auditors &
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

27 September 2013

Note:

The maintenance and integrity of the Fèisean nan Gàidheal website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2013

	Notes	31.3.13 Unrestricted funds £	31.3.12 Total funds £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	4,486	5,828
Activities for generating funds	3	123,772	140,178
Investment income	4	171	728
Incoming resources from charitable activities			
Core activities	5	716,100	716,504
Training		5,147	13,175
Blas Festival		159,100	222,986
Schools project		219,511	219,511
Gaelic residential		112,231	87,361
Total incoming resources		1,340,518	1,406,271
RESOURCES EXPENDED			
Costs of generating funds			
Fundraising trading: cost of goods sold and other costs	6	156,127	204,442
Charitable activities			
Core activities	7	820,763	831,164
Training		3,672	20,810
Blas Festival		14,045	22,042
Schools project		219,511	220,458
Gaelic residential		111,363	87,117
Governance costs	10	18,301	22,022
Total resources expended		1,343,782	1,408,055
NET INCOMING/(OUTGOING) RESOURCES		(3,264)	(1,784)
RECONCILIATION OF FUNDS			
Total funds brought forward		86,053	87,837
TOTAL FUNDS CARRIED FORWARD		82,789	86,053

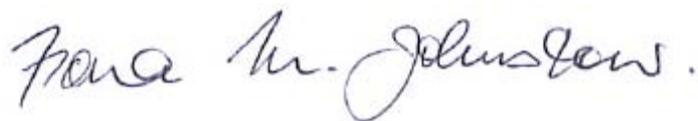
The notes form part of these financial statements

BALANCE SHEET
At 31 March 2013

	Notes	31.3.13 Unrestricted funds £	31.3.12 Total funds £
FIXED ASSETS			
Tangible assets	15	3,143	4,191
CURRENT ASSETS			
Debtors	16	73,739	91,277
Cash at bank		<u>95,652</u>	<u>10,519</u>
		169,391	101,796
CREDITORS			
Amounts falling due within one year	17	(89,745)	(19,934)
		<u>79,646</u>	<u>81,862</u>
NET CURRENT ASSETS			
		<u>82,789</u>	<u>86,053</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>82,789</u>	<u>86,053</u>
NET ASSETS			
		<u>82,789</u>	<u>86,053</u>
FUNDS	18		
Unrestricted funds		<u>82,789</u>	<u>86,053</u>
TOTAL FUNDS		<u>82,789</u>	<u>86,053</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 27 September 2013 and were signed on its behalf by:



Fiona Mairi Johnston -Trustee

**Notes to the Financial Statements
for the Year Ended 31 March 2013**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Preparation of consolidated financial statements

The consolidated accounts incorporate the accounts of the parent charitable company, Fèisean nan Gàidheal and its wholly-owned subsidiary, Blas Festival Ltd. All inter-company transactions and year-end balances are removed on consolidation.

Individual accounts are prepared for both Fèisean nan Gàidheal and Blas Festival Ltd. These are filed at the Registrar of Companies. Both the consolidated accounts and the individual accounts for Fèisean nan Gàidheal are filed at Office of the Scottish Charity Regulator in order to comply with Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

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.

Turnover for Blas Festival Ltd represents box office income, excluding VAT, together with grant income received in support of the annual Blas Festival, which is accounted for as it falls due.

Resources expended

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.

Fèisean nan Gàidheal is not registered for VAT. Blas Festival Ltd is registered for VAT and costs incurred by the company are therefore stated net of VAT, where appropriate. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

It is the policy of the charity not to capitalise expenditure unless the cost incurred is over £1,000.

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.

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. VOLUNTARY INCOME

	31.3.13	31.3.12
	£	£
Membership fees	<u>4,486</u>	<u>5,828</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

3. ACTIVITIES FOR GENERATING FUNDS

	31.3.13 £	31.3.12 £
Sponsorships	7,500	-
Sale of publications	1,877	1,339
Instrument bank revenue	8,081	7,581
Administration fees	<u>106,314</u>	<u>131,258</u>
	<u>123,772</u>	<u>140,178</u>

4. INVESTMENT INCOME

	31.3.13 £	31.3.12 £
Deposit account interest	<u>171</u>	<u>728</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Core activities £	Training £	Blas Festival £
Grants	667,571	900	131,500
Performance fees	3,177	-	-
Other income	6,218	-	-
Ceilidh Trails - other income	20,128	-	-
Drama festivals	3,709	-	-
Wages reimbursed by Fèisean	15,297	-	-
Training registration fees	-	4,247	-
Box office / concerts	-	-	27,600
Celtic Neighbours	-	-	-
	<u>716,100</u>	<u>5,147</u>	<u>159,100</u>

	Schools project £	Gaelic residential £	31.3.13 Total activities £	31.3.12 Total activities £
Grants	219,511	109,500	1,128,982	1,117,098
Performance fees	-	-	3,177	4,261
Other income	-	-	6,218	7,694
Ceilidh Trails - other income	-	-	20,128	60,535
Drama festivals	-	-	3,709	-
Wages reimbursed by Fèisean	-	-	15,297	25,093
Training registration fees	-	-	4,247	5,370
Box office / concerts	-	-	27,600	39,486
Celtic Neighbours	-	<u>2,731</u>	<u>2,731</u>	-
	<u>219,511</u>	<u>112,231</u>	<u>1,212,089</u>	<u>1,259,537</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued

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

	31.3.13	31.3.12
	£	£
Creative Scotland	352,501	403,805
Highland Council	340,404	340,404
Comhairle nan Eilean Siar	23,950	15,980
Argyll & Bute Council	20,000	7,000
Highland & Islands Enterprise	166,948	165,724
Bord na Gaidhlig	148,800	132,645
Scottish Government	8,000	-
Comunn na Gaidhlig	900	8,250
Leader (Argyll)	4,999	3,417
Soillse	-	(900)
Scotland's Islands	-	30,000
Leader (Highland)	41,675	5,523
Storlann Nàiseanta na Gàidhlig	8,975	5,250
Perth & Kinross Council	11,830	-
	<u>1,128,982</u>	<u>1,117,098</u>

6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	31.3.13	31.3.12
	£	£
Instrument bank costs	4,273	4,327
Blas - Artises costs	45,946	55,972
Blas - Travel and support	16,052	26,406
Blas - PA and lighting	14,523	23,975
Blas - Venue hire	391	1,103
Blas - Promotion	27,439	41,246
Blas - Project manager	39,640	39,960
Blas - Commissions	7,863	11,453
	<u>156,127</u>	<u>204,442</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 8)	Support costs (See note 9)	Totals
	£	£	£	£
Core activities	347,849	214,270	258,644	820,763
Training	3,672	-	-	3,672
Blas Festival	12,000	-	2,045	14,045
Schools project	219,511	-	-	219,511
Gaelic residential	111,363	-	-	111,363
	<u>694,395</u>	<u>214,270</u>	<u>260,689</u>	<u>1,169,354</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

8. GRANTS PAYABLE

	31.3.13	31.3.12
	£	£
Core activities	<u>214,270</u>	<u>197,460</u>

The total grants paid to institutions during the year was as follows:

	31.3.13	31.3.12
	£	£
Grants to Fèisean	<u>214,270</u>	<u>197,460</u>

9. SUPPORT COSTS

	Management	Finance	Totals
	£	£	£
Core activities	258,138	506	258,644
Blas Festival	<u>1,958</u>	<u>87</u>	<u>2,045</u>
	<u>260,096</u>	<u>593</u>	<u>260,689</u>

10. GOVERNANCE COSTS

	31.3.13	31.3.12
	£	£
Committee expenses	4,463	3,350
Legal fees	1,947	149
Auditors' remuneration	5,889	5,236
Auditors' remuneration for non-audit work	1,284	2,150
Annual conference	<u>4,718</u>	<u>11,137</u>
	<u>18,301</u>	<u>22,022</u>

11. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.13	31.3.12
	£	£
Auditors' remuneration	5,889	5,236
Depreciation - owned assets	<u>1,048</u>	<u>1,396</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2013 nor for the year ended 31 March 2012.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2013 nor for the year ended 31 March 2012.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

13. STAFF COSTS

	31.3.13	31.3.12
	£	£
Wages and salaries	316,865	331,880
Social security costs	25,769	31,344
Other pension costs	<u>10,484</u>	<u>8,993</u>
	<u>353,118</u>	<u>372,217</u>

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

	31.3.13	31.3.12
Charitable activities	9	12
Support costs	<u>4</u>	<u>4</u>
	<u>13</u>	<u>16</u>

During the year no employees received emoluments in excess of £60,000 (2012 - none).

14. SUBSIDIARY COMPANY

Fèisean nan Gàidheal owns 100% of the issued share capital of Blas Festival Ltd, a company registered in Scotland. This company was incorporated to operate an annual arts festival of the same name.

Audited accounts have been filed with the Registrar of Companies and have been consolidated with those of Fèisean nan Gàidheal in the group accounts presented here.

A summary of the trading results, as extracted from the audited accounts, for the years to 31 March 2013 and 2012 are shown below.

	2013	2012
	£	£
Turnover	166,600	222,986
Cost of sales	<u>151,854</u>	<u>200,115</u>
Gross profit	14,746	22,871
Administrative expenses	<u>14,984</u>	<u>22,942</u>
Profit / (loss) for year	(238)	(71)
Interest receivable / (payable) for year	<u>(87)</u>	<u>(97)</u>
Taxation	(325)	(168)
	<u>-</u>	<u>-</u>
Profit / (loss) after taxation	<u>(325)</u>	<u>(168)</u>
Net (liabilities) / assets at 31 March	<u>(2,691)</u>	<u>(2,366)</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

15. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 April 2012 and 31 March 2013	<u>11,042</u>	<u>2,791</u>	<u>13,833</u>
DEPRECIATION			
At 1 April 2012	8,421	1,221	9,642
Charge for year	<u>655</u>	<u>393</u>	<u>1,048</u>
At 31 March 2013	<u>9,076</u>	<u>1,614</u>	<u>10,690</u>
NET BOOK VALUE			
At 31 March 2013	<u>1,966</u>	<u>1,177</u>	<u>3,143</u>
At 31 March 2012	<u>2,621</u>	<u>1,570</u>	<u>4,191</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.13	31.3.12
	£	£
VAT	1,608	2,113
Grants receivable	<u>72,131</u>	<u>89,164</u>
	<u>73,739</u>	<u>91,277</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.13	31.3.12
	£	£
Social security and other taxes	7,732	9,273
Accruals and deferred income	58,250	-
Accrued expenses	<u>23,763</u>	<u>10,661</u>
	<u>89,745</u>	<u>19,934</u>

Deferred government grants relate to income received from funders for projects to be run during the year ended 31 March 2014.

18. MOVEMENT IN FUNDS

	At 1.4.12 £	Net movement in funds £	At 31.3.13 £
Unrestricted funds			
General fund	86,053	(3,264)	82,789
	<u>86,053</u>	<u>(3,264)</u>	<u>82,789</u>
TOTAL FUNDS	<u>86,053</u>	<u>(3,264)</u>	<u>82,789</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,340,518	(1,343,782)	(3,264)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,340,518</u>	<u>(1,343,782)</u>	<u>(3,264)</u>

19. 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.

20. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2013

	31.3.13 £	31.3.12 £
INCOMING RESOURCES		
Voluntary income		
Membership fees	4,486	5,828
Activities for generating funds		
Sponsorships	7,500	-
Sale of publications	1,877	1,339
Instrument bank revenue	8,081	7,581
Administration fees	<u>106,314</u>	<u>131,258</u>
	123,772	140,178
Investment income		
Deposit account interest	171	728
Incoming resources from charitable activities		
Grants	1,128,982	1,117,098
Training registration fees	4,247	5,370
Performance fees	3,177	4,261
Box office / concerts	27,600	39,486
Other income	6,218	7,694
Ceilidh Trails - other income	20,128	60,535
Celtic Neighbours	2,731	-
Drama festivals	3,709	-
Wages reimbursed by Fèisean	<u>15,297</u>	<u>25,093</u>
	<u>1,212,089</u>	<u>1,259,537</u>
Total incoming resources	1,340,518	1,406,271
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Instrument bank costs	4,273	4,327
Blas - Artises costs	45,946	55,972
Blas - Travel and support	16,052	26,406
Blas - PA and lighting	14,523	23,975
Blas - Venue hire	391	1,103
Blas - Promotion	27,439	41,246
Blas - Project manager	39,640	39,960
Blas - Commissions	<u>7,863</u>	<u>11,453</u>
	156,127	204,442
Charitable activities		
Wages	182,391	198,563
Development officers / tutors	110,637	117,555
Travel expenses etc	47,630	40,378
Child protection costs	11,095	13,034
Carried forward	351,753	369,530

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2013

	31.3.13	31.3.12
	£	£
Charitable activities		
Brought forward	351,753	369,530
Training	3,051	6,381
Workshops	10,874	28,962
Materials	9,295	11,745
Feisgoil	12,192	-
Archiving project	3,000	-
Sgoil Shamhraidh	13,225	33,380
Ceilidh trail	125,581	90,600
Meanbh-chuileag / Pantomime	4,400	-
Tachartasan Comhnaidh	9,228	1,572
Fonn Ratharsair	8,276	-
Festival costs	2,572	16,244
Celtic Neighbours	29,483	-
Project management	3,895	15,000
Meanbh Fèis	1,256	-
Management charge	106,314	131,258
Grants to Fèisean	<u>214,270</u>	<u>197,460</u>
	908,665	902,132
Governance costs		
Committee expenses	4,463	3,350
Legal fees	1,947	149
Auditors' remuneration	5,889	5,236
Auditors' remuneration for non-audit work	1,284	2,150
Annual conference	<u>4,718</u>	<u>11,137</u>
	18,301	22,022
Support costs		
Management		
Wages	134,474	133,317
Social security	25,769	31,344
Pensions	10,484	8,993
Office rent	16,184	26,863
Insurance	6,236	6,418
Light and heat	9,005	7,189
Telephone	8,114	7,547
Printing, postage & stationery	12,346	13,010
Sundries	2,176	4,826
Website	1,162	6,440
Staff travel and expenses	23,875	24,736
Capital costs	9,223	6,807
Depreciation of tangible and heritage assets	<u>1,048</u>	<u>1,397</u>
	260,096	278,887
Finance		
Bank charges	<u>593</u>	<u>572</u>
Total resources expended	1,343,782	1,408,055

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2013

	31.3.13 £	31.3.12 £
Net expenditure	<u>(3,264)</u>	<u>(1,784)</u>