

Company registration number: SC280553

**Northwords
Company limited by guarantee**

Unaudited financial statements

7 May 2019

**Northwords
Company limited by guarantee**

Contents

	Page
Directors and other information	1
Directors report	2
Statement of comprehensive income	3
Statement of financial position	4 - 5
Notes to the financial statements	6 - 9

Northwords
Company limited by guarantee

Directors and other information

Directors	V Beattie A Clark L Harrison S Morris P Whiteley A Macleod K Pedroja	 (Appointed 4 May 2019) (Resigned 8 May 2018) (Resigned 14 November 2018)
------------------	--	--

Company number	SC280553
-----------------------	----------

Registered office	7 Camden Street Evanton Dingwall IV16 9XU
--------------------------	--

Accountants	Frame Kennedy Metropolitan House 31-33 High Street Inverness IV1 1HT
--------------------	--

Bankers	Royal Bank of Scotland 29 Harbour Road Inverness IV1 1NU
----------------	---

**Northwords
Company limited by guarantee**

**Directors report
Year ended 7 May 2019**

The directors present their report and the unaudited financial statements of the company for the year ended 7 May 2019.

Directors

The directors who served the company during the year were as follows:

V Beattie	
A Clark	
L Harrison	
S Morris	(Appointed 4 May 2019)
P Whiteley	
A Macleod	(Resigned 8 May 2018)
K Pedroja	(Resigned 14 November 2018)

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on and signed on behalf of the board by:

A Clark
Director

Northwords
Company limited by guarantee

Statement of comprehensive income
Year ended 7 May 2019

	Note	2019	2018
		£	£
Turnover		580	234
Other operating income		21,466	19,922
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		22,046	20,156
Other external charges		(19,518)	(18,804)
Other operating expenses		(1,984)	(1,617)
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Operating profit/(loss)		544	(265)
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Profit/(loss) before taxation		544	(265)
Tax on profit/(loss)		-	-
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Profit/(loss) for the financial year and total comprehensive income		544	(265)
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

All the activities of the company are from continuing operations.

The notes on pages 6 to 9 form part of these financial statements.

Northwords
Company limited by guarantee

Statement of financial position
7 May 2019

		2019		2018	
	Note	£	£	£	£
Current assets					
Debtors	5	4,516		2,897	
Cash at bank and in hand		2,225		2,634	
		6,741		5,531	
Creditors: amounts falling due within one year					
	6	(3,639)		(2,973)	
Net current assets			3,102		2,558
Total assets less current liabilities			3,102		2,558
Net assets			3,102		2,558
Capital and reserves					
Profit and loss account			3,102		2,558
Members funds			3,102		2,558

For the year ending 7 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 6 to 9 form part of these financial statements.

**Northwords
Company limited by guarantee**

**Statement of financial position (continued)
7 May 2019**

These financial statements were approved by the board of directors and authorised for issue on and are signed on behalf of the board by:

A Clark
Director

Company registration number: SC280553

The notes on pages 6 to 9 form part of these financial statements.

Northwords
Company limited by guarantee

Notes to the financial statements
Year ended 7 May 2019

1. General information

The company is a private company limited by guarantee, registered in United Kingdom. The address of the registered office is Caberfeidh, 7 Camden Street, Evanton, Dingwall, IV16 9XU.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Northwords
Company limited by guarantee

Notes to the financial statements (continued)
Year ended 7 May 2019

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Northwords
Company limited by guarantee

Notes to the financial statements (continued)
Year ended 7 May 2019

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Northwords is a company limited by guarantee with no share capital. The liability of members is limited but is not to exceed £1 per member.

5. Debtors

	2019	2018
	£	£
Trade debtors	4,516	2,897

Northwords
Company limited by guarantee

Notes to the financial statements (continued)
Year ended 7 May 2019

6. Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	3,639	2,973
	<u> </u>	<u> </u>

**Northwords
Company limited by guarantee**

The following pages do not form part of the statutory accounts.

Northwords
Company limited by guarantee

Detailed income statement
Year ended 7 May 2019

	2019	2018
	£	£
Turnover		
Advertising	495	213
Subscriptions	85	21
	580	234
 Cost of sales		
Fees	(8,025)	(8,010)
Printing costs	(4,884)	(4,894)
Design costs	(2,547)	(2,295)
Distribution costs	(2,572)	(2,095)
Gaelic costs	(1,490)	(1,510)
	(19,518)	(18,804)
 Gross loss	(18,938)	(18,570)
 Gross loss percentage	3,265.2%	7,935.9%
 Overheads		
Administrative expenses		
Office costs	(126)	(42)
Computer costs	(729)	(400)
Travelling and subsistence	(347)	(602)
Accountancy fees	(660)	(450)
Bank charges	(99)	(110)
General expenses	(23)	(13)
	(1,984)	(1,617)
 Other operating income		
Grants - Creative Scotland	18,681	17,437
Grants - Bord Na Gaidhilg	2,300	2,300
Donations	485	185
	21,466	19,922
 Operating profit/(loss)	544	(265)
 Operating profit/(loss) percentage	93.8%	113.2%
 Profit/(loss) before taxation	544	(265)