

Charity Registration No. SC016510

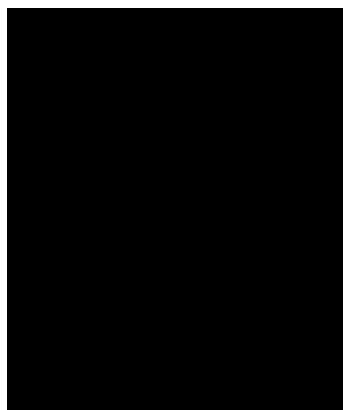
Mallaig Heritage Centre

A Scottish Charitable Incorporated Organisation
Incorporated 10 May 2022

Directors' Report and Unaudited Financial Statements

For the year ended 31 March 2025

Directors:



Secretary



Charity Registration Number:

SC 016510

Registered Office

Station Road
Mallaig
PH41 4PY

Independent Examiner:



Bankers

Bank of Scotland
Main Street,
Mallaig PH41 4PZ

Mallaig Heritage Centre

Directors' Report

For the Year Ended 31 March 2025

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2025.

The accounts have been prepared in accordance with the charity's Constitution and the Statement of Recommended Practice "Charities SORP (FRS 102)", effective 1 January 2019.

Structure, Government and Management

The charity is a Scottish Charitable Incorporated Organisation, incorporated as such on 10 May 2022. Prior to that date it was a private limited company registered in Scotland. The address of the registered office is Station Road, Mallaig, PH41 4PY.

It is also a public benefit entity.

None of the directors has any financial interest in the company.

Directors are appointed under the terms of the Constitution adopted on 4 December 2021. There must be a minimum of four and a maximum of nine directors at any one time. In accordance with OSCR recommendations the charity is aware of the requirement to formally train new directors in preparation for their role as charity trustees.

The directors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and Activities

The principal activity of the charity is that of the provision of a Museum and Archive for West Lochaber.

Achievements and Performance

This year has seen significant change for Mallaig Heritage Centre with the resignation of [REDACTED] as Manager after thirty years in post. The Trustees of Mallaig Heritage Centre thank [REDACTED] for his significant contribution to the development of Mallaig Heritage Centre. A new part-time Manager, [REDACTED] was appointed in June 2024.

This year marks a pivotal point in the development of Mallaig Heritage Centre. As we reflect on our achievements and look ahead, we recognise that change and long-term investment is essential for the continued sustainability of our Centre and the community we serve.

We are committed to reconnecting with our community. We are actively reaching out to residents, schools, and local groups such as Mallaig, Morar and Arisaig Community Lunch Club, Mallaig Village Hub, Mallaig Men's Shed, and our local Care Home, The MacKintosh Centre, to ensure that Mallaig Heritage Centre is a vibrant hub that reflects our shared heritage. Through new partnerships, expanded outreach, and community-led programming, we are laying the foundations for a more inclusive and connected future.

Increasing our visitor numbers remains at the heart of our mission. We are enhancing our marketing and working to improve the visitor experience to welcome more people from near and far. By listening to feedback and responding to the needs of our audiences, we aim to make every visit memorable and meaningful.

Mallaig Heritage Centre

Directors' Report

For the Year Ended 31 March 2025

The stewardship of our collections remains a cornerstone of our work. We are planning to invest in preservation, documentation, and interpretation to ensure that our heritage remains accessible and engaging for generations to come. Our collections tell the story of Mallaig and the wider area of West Lochaber, and we are dedicated to safeguarding the collection in our care.

We are also embarking on the development of both our permanent and temporary exhibition spaces. By reimagining how we present our stories, we will provide fresh perspectives and new opportunities for learning and engagement. These improvements, in time, will allow us to showcase a wider range of voices and experiences through our collection, enriching the cultural life of our community.

During the latter part of the 2024/2025 season, we refurbished our temporary exhibition space with professional guidance from Resipole Gallery. This renovation was done in preparation for our upcoming exhibition titled "The Mallaig Pier Drawing" by [REDACTED], which will be displayed in the 2025/2026 season. By showcasing [REDACTED] work focused on the people of Mallaig, we aim to highlight areas of interest for the local community and encourage local visitors, alongside tourists, to the Centre.

A key part of our transformation is diversifying our income streams to enable positive change and secure long-term sustainability. We are exploring new funding opportunities and strengthening relationships with supporters and partners. By broadening our financial base, we can invest confidently in our staff, our space, and our activities, ensuring Mallaig Heritage Centre thrives for years to come.

All of these initiatives are driven by a desire to future-proof Mallaig Heritage Centre. We are building resilience, nurturing relationships, and ensuring that our organisation remains relevant and sustainable for years to come. Whilst we know it will take time and energy to develop we are guided by a strong commitment to our community and the legacy we are entrusted to preserve.

Total visitor admissions for the year

2024/25	2023/24	2022/23	2021/22	2020/21	2019/20
3,807	3,314	4,529	3,996	1,746	5,718

Visitor numbers and services

The Heritage Centre opened for the 2024 season on 1st April 2024 and remained open 7 days a week until Thursday 31 October. Whilst we are aware our visitor numbers have yet to reach pre-Covid numbers, we are heartened by an increase of 13% in the year with total visitor numbers of 3,807 compared to 3,314 in 2023/24.

Fiona MacKellaig continued to take responsibility for stocking the gift shop and achieved a further increase in income from the shop, with turnover rising by 9% to £14,600 (2023: £13,430, 2022: £8,460).

In April 2023, admission charges were increased from £2.50 to £3.00, with the concession rate increasing from £2.00 to £2.50. The previous increase was in April 2016. We have made no further increases to admission charges. The Heritage Centre has a policy of granting free admission to senior citizens and school pupils living in postal code areas PH37 to PH44. No charge is made for children aged under 16.

Mallaig Heritage Centre

Directors' Report

For the Year Ended 31 March 2025

Mallaig Heritage Centre strives to work with other local organisations, schools and museums and continues to work to strengthen our relationships, both locally and with national organisations.

We have reconnected with Museums Heritage Highland (MHH), regularly attending monthly online Heritage Cafes and one-to-one advice and support from MHH team and attending the annual Highland Heritage Day, enabling staff the opportunity to connect with others in the area and share learning and development whilst understanding more of the challenges facing the heritage sector. Close links are maintained with other museums in the Highlands, particularly in the West Lochaber area, with our new Manager visiting West Highland Museum, Glenfinnan Railway Museum and linking with Land, Sea and Islands Centre, particularly Arisaig History Group on several occasions.

We welcomed 53 children from our local Mallaig Primary School, both nursery and primary school and supported learning on topics Transport in the Past and 'Our Landscape'. We also connected with Mallaig High School cluster, paving the way for future collaborations and support. In November a representative of the Centre manned a bookstall selling our publications at the Mallaig Book Festival.

We collaborated with Museums Galleries Scotland (MGS) to access online support from their team regarding museum development, marketing, learning, and management. Additionally, we connected with the Association of Independent Museums (AIM) and successfully applied for the AIM Aspire Mentoring Programme. This programme provided our new manager with six one-on-one coaching sessions with museum professionals during her first six months in the role. We have maintained our membership with AIM and hope to utilise further support from AIM and MGS as we continue our development.

Collection

To reduce energy expenditures, we have lowered heating during the winter months, which has limited our ability to work on the collection and exhibition. However, with the new Manager in place and increased work during the winter, we now have more time to dedicate to the care of our collection and exhibition spaces. We have begun reorganising our storage areas, particularly the loft and external storage spaces, to enhance the capacity for collection storage.

Exhibition

Our permanent exhibition has remained unchanged. The temporary exhibition "My Class at 50" has concluded, allowing us to refresh the space in preparation for our upcoming 2025-2026 exhibition, "The Mallaig Pier Drawings."

Financial Review

For the year ended 31 March 2025 the charity recorded a deficit of £35,508 (2024 – deficit £664). At 31 March 2025 the unrestricted fund amounted to £74,588 (2024 - £110,096) and the restricted funds totalled £1,731 (2024 - £1,731).

Ordinary income increased by 6% (£1,854) over the previous year, due mostly to increases in income from Admissions and from Shop Sales. Following on last year's successful rise in shop sales, this year saw a further increase of 12% (£1,797), while income from Admissions increased by 7%. A total of £486 (2024: £641) was received as donations by visitors to the Centre and by members. A donation of £400 was received from Mallaig Bookshop.

During the financial year, the organisation experienced a substantial increase in expenditure, with spending rising by 110% compared to 2023-24. This expenditure aligns with the Mallaig Heritage Centre development plans, which have received approval from the trustees in consecutive board meetings. The increase was primarily driven by strategic investments and essential operational improvements, as well as significant rises in energy costs and business rates, which are detailed below:

Mallaig Heritage Centre
Directors' Report
For the Year Ended 31 March 2025

1. Implementation of New IT System

A portion of the increased costs is attributed to the purchase and installation of a new IT system. This investment was made to improve operational efficiency, and support future growth.

2. Introduction of Point of Sale (POS) System

The adoption of a new POS system required both initial capital outlay and additional staff training. This upgrade streamlined sales processes, improved reporting and stock control and enhanced customer service but resulted in higher expenses for the year.

3. Maintenance and Repairs

The organisation experienced a notable rise in maintenance costs due to essential maintenance activities. These included the replacement of a fire door, internal and external painting, and various ongoing improvement projects. Mallaig Heritage Centre is dedicated to enhancing both its interior and exterior spaces, as evidenced by the improvements made to its garden area, including the enhancement of wildflower beds. These upgrades are crucial for ensuring a safe and attractive environment for both staff and customers.

4. Increased Staff Costs

There was a significant increase in expenditure on staff costs (110%) due to the decision made in November 2023 to employ a Manager to redevelop the exhibition and improve the marketing of the Centre. Our new manager brings extensive experience in charity management and development, aiding the organisation's ongoing growth.

5. Exhibition costs

We refreshed the temporary exhibition space and purchased interpretive panels as part of the exhibition, along with ongoing improvements to the exhibition areas and publicity materials.

These investments and improvements have impacted annual expenditure but are expected to deliver long-term benefits through improved operations, a better working environment, and enhanced service delivery.

In 2025-26 the Highland Council contribution will remain at £6,273. The Council has not announced any plans to reduce the payment in the foreseeable future

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The charity operates two reserves. The general reserve includes initial capital funding received for the purchase and setup of the Centre along with funds arising from past operating results. The restricted reserve comprises funds relating to amounts received for the purchase of fixed assets or for specific projects or for funding specific activities.

The trustees have no concerns about the ability of the charity to continue as a going concern.

On behalf of the board of directors



22 December 2025

Mallaig Heritage Centre
Independent Examiner's Report
On the Accounts of Mallaig Heritage Centre

I report on the accounts of Mallaig Heritage Centre charity number SC016510 for the year ended 31 March 2025, which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



28 December 2025

Mallaig Heritage Centre
Receipts and Payments
Year ending 31 March 2025

		Unrestricted Funds 2025	Restricted Funds 2025	Total 2025	Total 2024
Cash funds	Note				
Cash and bank balances at start of year		110,096	1,731	111,827	112,491
Surplus / (deficit) shown on receipts and payments account		(35,508)	0	(35,508)	(664)
Cash and bank balances at end of year		74,588	1,731	76,319	111,827

Investments

The Organisation does not hold any investments

Other assets

			<u>Cost</u>	2024
Stock			10,782	10,038
Land & Buildings	3		168,319	168,319
Heritage Assets	4		8,279	8,279
Total			187,380	186,636

Liabilities

			<u>Amount due</u>	2024
Staff wages etc			0	1,019
Stock			0	671
Electricity			200	282
Total			200	1,972

Contingent Liabilities

			<u>Amount due</u>	2024
National Fund for Acquisitions	9		2,665	2,665
Total			2,665	2,665

Mallaig Heritage Centre
Receipts and Payments
Year ending 31 March 2025

	Unrestricted Funds 2025	Restricted Funds 2025	Total 2025	Total 2024
Note				
<u>Receipts</u>	1			
Donations	941	0	941	2,041
Grants	6,272	0	6,272	6,272
Receipts from fundraising activities	0	0	0	0
Gross trading receipts	25,952	0	25,952	23,004
Income from investments	1,201	0	1,201	1,195
A1 Subtotal	34,366	0	34,366	32,512
Receipts from asset & investment sales				
Proceeds from sale of fixed assets	0	0	0	0
Proceeds from sale of investments	0	0	0	0
A2 Subtotal	0	0	0	0
Total Receipts	34,366	0	34,366	32,512
<u>Payments</u>	2			
Expenses for fundraising activities	0	0	0	0
Gross trading payments	13,166	0	13,166	9,589
Payments relating directly to charitable activities	56,551	0	56,551	23,482
Governance costs	157	0	157	105
A3 Subtotal	69,874	0	69,874	33,176
Payments relating to asset and investment movements				
Purchases of fixed assets	0	0	0	0
Purchase of investments	0	0	0	0
A4 Subtotal	0	0	0	0
Total Payments	69,874	0	69,874	33,176
Net receipts /(payments)	(35,508)	0	(35,508)	(664)
Transfers to / (from) funds	0	0	0	0
Surplus / (Deficit) for year	(35,508)	0	(35,508)	(664)

Mallaig Heritage Centre
Notes to the Accounts
For the year ended 31 March 2025

1. Analysis of receipts

	Unrestricted Funds 2025	Restricted Funds 2025	Total 2025	<i>2024</i>
Donations				
Donation box	486		486	596
Membership fees	55		55	45
Mallaig Bookshop	400		400	400
Jon Schueler Foundation	0		0	1,000
			0	0
	941	0	941	2,041
Grants				
Highland Council Service Payment	6,272		6,272	6,272
	6,272	0	6,272	6,272
Gross Trading Receipts				
Online sales	312		312	172
Shop sales	16,397		16,397	14,600
Museum admissions	9,238		9,238	8,191
Photocopying, etc	5		5	41
Total trading receipts	25,952	0	25,952	23,004
Income from investments				
Bank interest	1,201		1,201	1,195
	1,201	0	1,201	1,195

Mallaig Heritage Centre
Notes to the Accounts
For the year ended 31 March 2025

2. Analysis of payments

	Unrestricted Funds 2025	Restricted Funds 2025	Total 2025	2024
Gross Trading Payments				
Expenditure on stock for resale	13,120		13,120	9,505
Postage costs	46		46	84
	<u>13,166</u>	<u>0</u>	<u>13,166</u>	<u>9,589</u>
Payments relating directly to charitable activities				
<u>Museum maintenance & running costs:</u>				
Staff costs	32,920		32,920	15,632
Insurance	1,263		1,263	1,094
Business rates	1,200		1,200	600
Light & heat	4,290		4,290	2,021
Building maintenance	4,359		4,359	516
Grounds upkeep	857		857	1,239
Equipment and fittings	889		889	52
IT Equipment & Services	3,519		3,519	96
Exhibition and Archive	3,189		3,189	272
	<u>52,486</u>	<u>0</u>	<u>52,486</u>	<u>21,426</u>
<u>Support costs:</u>				
Telephone & Internet	1,021		1,021	511
Advertising	404		404	572
Postage & stationery	30		30	153
Financial charges	288		288	258
Professional fees	825		825	0
Subscriptions	292		292	171
Miscellaneous	1,205		1,205	295
	<u>4,065</u>	<u>0</u>	<u>4,065</u>	<u>2,056</u>
Total charitable expenditure	<u>56,551</u>	<u>0</u>	<u>56,551</u>	<u>23,482</u>
Governance Costs				
Independent Examiner's Fee	157		157	105
	<u>157</u>	<u>0</u>	<u>157</u>	<u>105</u>
Total expenditure	<u>69,874</u>	<u>0</u>	<u>69,874</u>	<u>33,176</u>

Mallaig Heritage Centre
Notes to the Accounts
For the year ended 31 March 2025

3 Land and Buildings

The Organisation owns the freehold of the Mallaig Heritage Centre building and grounds beside Mallaig railway station. The value stated is the cost of building the museum in 1994.

4 Heritage Assets

Heritage Assets are items in the Museum Collection acquired since 1 April 2010 with a purchase price or valuation of £100 or more. The most valuable items in the collection include three paintings by the artist John Schueler, as well as the Cameron Highlanders Dress Dirk, valued at £2,444, and the Lyons Medals, valued at £2,900. Both the Dirk and the Medals were acquired with funding from the National Museums of Scotland Acquisition Fund.

Balance at 1 April 2024	8,279
Additions	<u>0</u>
Balance at 31 March 2025	<u>8,279</u>

Summary analysis of heritage asset transactions:

No significant transactions relating to heritage assets have taken place since 2017.

Historically, acquisitions of heritage assets held as part of the museum collections have not been capitalised. Additions recognised above represent heritage assets valued at over £100 and acquired since 1 April 2010. Due to the lack of reliable historic cost information and, due to the nature of the assets, the difficulties associated with establishing a valuation for the existing collection, these assets continue to be excluded. A description of the assets not capitalised is given below.

Mallaig Heritage Centre has over 4000 items in its collection relating to local history and West Lochaber in general. About 85% of the collection consists of photographs, documents and digital images which vary enormously in importance and quality. It also includes some models of fishing boats and railway locomotives, a small number of oil and watercolour paintings and one sculpture. Most of the remaining items are relatively common household items and objects relating to work and industry, especially fishing.

5 Unrestricted funds

All unrestricted funds are held by the charity in a single General Fund:

	Movement in funds				Balance at 31 Mar 2025
	Balance at 1 Apr 2024	Incoming Resources	Transferred to Other Funds	Resources expended	
	£	£	£	£	£
General Fund	110,096	34,366	0	(69,874)	74,588
	110,096	34,366	0	(69,874)	74,588

6 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 Mar 2025
	Balance at 1 Apr 2024	Incoming Resources	Transferred to General Fund	Resources expended	
	£	£	£	£	£
Acquisition Fund	2,665	0	0	0	2,665
Oral History Project Fund	1,731	0	0	0	1,731
	4,396	0	0	0	4,396

Mallaig Heritage Centre
Notes to the Accounts
For the year ended 31 March 2025

The **Acquisition Fund** comprises grants from the National Fund for Acquisitions towards the purchase costs of the Caldwell Dirk in 2014 and the Lyons Medals in 2016. The fund has been fully spent and the balance relates to the net restricted fund value of the related heritage assets.

The **Oral History Project Fund** was raised from applications to several local organisations and to the Heritage Lottery Fund in order to finance a two-year project which began in March 2008 to record oral history relating to the Mallaig fishing industry and produce a book and DVD from the results. The outstanding balance has been retained for future expenditure on oral history activities.

7 Directors

None of the directors (or any persons connected with them) received any remuneration during the year. No trustee was reimbursed expenses during the year. *(2024 – no trustee received any reimbursement)*

Goods for resale to the value of £632 were purchased from director Alexander Mathieson *(2024: £868)*.

8 Employees

During this financial year the Museum had one part-time manager and four part-time seasonal employees. Expenditure on staff was as follows:

	2025	2024
	£	£
Wages	32,453	15,548
Employer's pension contribution	467	84
National Insurance	0	0
	32,920	15,632

9 Contingent Liabilities

There is a contingent liability to repay the relevant sums from the Acquisition Fund if the related heritage assets should be disposed of (see Note 7).

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