

MERKINCH PARTNERSHIP LTD

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2026

CHARITY NUMBER SC042835

COMPANY NUMBER SC406449

MERKINCH PARTNERSHIP LTD

Legal and Administrative Information

Charity Name

Merkinch Partnership Ltd

Charity Number

SC042835

Company Registration Number

SC406449

Registered Office

30 Grant Street
Inverness
IV3 8BN

Trustees

Alistair Locke
Elizabeth Young
Yvonne Stewart
Kathleen Maclean

resigned 27 January 2026
appointed 27 January 2026

Independent Examiner

Kevin Leitch FCCA
Leitch Accountancy Services Limited
3 Beech Avenue
Inverness
IV2 4NN

MERKINCH PARTNERSHIP LTD

Contents

	Page
Trustees report	2 - 7
Independent examiner's report	8
Statement of financial activities	9
Balance Sheet	10
Notes to financial statements	11 - 19

MERKINCH PARTNERSHIP LTD

Trustees' Annual Report for the year ended 31 March 2026

The trustees present their report and financial statements for the year ended 31 March 2026. The Trustees' Report complies with and includes the requirements of a Directors' Report in accordance with the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Objectives and activities

The company is committed to assisting the community through the objectives of the charity which are:

- Create opportunities for people to realise their full potential.
- Create opportunities for people to access education, learning and employment.
- Empower people to make positive choices by building confidence and skills.
- Make volunteering a positive and worthwhile experience.
- Enable social inclusion.
- Operate with a focus on local people, consult with the local community and deliver projects and initiatives which are driven and led by local demand.
- Promote the area of Merkinch and improve its image and profile in the wider Inverness community.
- Promote fairness and equality for the people of Merkinch in accessing opportunities out with the Merkinch area.
- Represent the area of Merkinch on the Inverness Community Partnership to influence strategies, policies and priorities.
- Work with a wide range of local organisations, statutory agencies, health professionals, networks and forums to achieve our vision, recognising that partnership working is the best way to achieve effective and sustainable change in communities.

All of our services and activities are delivered in partnership with other agencies and organisations - statutory, third sector and private enterprise. This includes Highland Council, Job Centre Plus, NHS Highland, Skills Development Scotland, Barnardo's, Merkinch Enterprise, Arts in Merkinch, Inverness High School, Hi-Life Highland, Signpost Volunteer Centre, sports governing bodies and Inverness College.

Our partnership working with Jobcentre Plus has developed and strengthened in recent years and Jobcentre Plus is now one of our main referring agents. In addition we work with the following partners to plan, develop and deliver services:

- NHS Highland, local employers, Hi-Life Highland, sports governing bodies, Active Schools, our local volunteering centre Signpost, our local Church of Scotland, Citizens Advice, local media, local charities and other groups in the voluntary sector.

MERKINCH PARTNERSHIP LTD

Trustees' Annual Report for the year ended 31 March 2026

Objectives and activities (cont)

We deliver all our activities in a holistic way as we believe this provides the best service for the community. Partnership working delivers a broader base of experience and expertise and brings in additional resources in terms of project staff on the ground, man power, volunteers, funding and other resources such as venue space and equipment.

Achievements and performance

During the period of the report the following projects and activities were delivered, both face to face and remotely by phone:

- Skills and training programme for young people aged 16 to 25 years who are not in employment, education or training.
- Advice on claiming DWP benefits, Highland Council grants and Warm Home fuel discounts.
- Ensuring income maximisation, how to claim all benefits entitlements.
- Form filling (paper and online)
- Addressing debt, primarily focussing on rent and Council Tax arrears.
- Money management, building financial skills and confidence.
- Signposting and referrals to additional advice and information services.
- Access to a cash budget for purchasing food supplies and helping with gas and electric costs.
- Employability skills programme for people who are facing multiple barriers and experiencing inequalities.
- In-work poverty support service to help people who are employed to increase their income.
- IT and digital skills.
- Participation in training courses and gaining qualifications which are relevant to the local labour market.
- Work experience placements and work trials with a range of local employers.
- Volunteering placements with local charities and businesses.
- Registrations and assessments for new clients.
- CV's
- Job search.
- Employability skills – job applications, contacting employers, interview skills, ID requirements for work, references.
- Provision of food parcels.
- Community learning programme focussed on addressing social isolation, bringing people together to take part in a range of learning activities – setting up a community group, gaining charitable status, planning projects, financial forecasting and financial management.

Project Manager additional activities:

- Researching and identifying funding sources, completing funding applications, producing project budgets, completing monitoring and evaluation reports, liaison with funders, attending funding information sessions both in person and online.
- Partnership working and networking by e-mail, phone, Zoom and Microsoft Teams
- Supporting other charities in the local community groups in the local community, primarily with funding and financial record keeping.

MERKINCH PARTNERSHIP LTD

Trustees' Annual Report for the year ended 31 March 2026

Objectives and activities (cont)

- All aspects of financial management for Merkinch Partnership - processing invoices, filing invoices and receipts, bank reconciliation, maintaining financial records on Excel, producing monthly finance reports, presenting finance reports at Board meetings, managing budgets, monitoring income and expenditure, completing funding allocations, carrying out financial projections, completing funding applications, end of year accounts.
- All aspects of staff management

Successes:

- People moving into employment due to taking part in training activities which lead directly to a job.
- People working part time moving into full time work and thereby increasing their income.
- Signposting and referrals to additional sources of advice and information were an important part of the project, allowing people to get support on specific issues and building up their knowledge of the resources available locally.
- Income maximisation activities resulted in people living in poverty increasing their income and accessing gateway benefits.
- We continue to have strong and effective partnership working with a range of organisations (statutory and third sector), particularly with our local Job Centre. One of our staff members continues to attend Inverness Job Centre in person on Tuesday afternoons and Wednesday mornings to do client engagement and support. During the reporting period this staff member, at the request of DWP, has also helped to facilitate and deliver a series of group learning programmes focussed on CVs and completing job applications.
- Feedback from people accessing our project shows that the most important benefits for them are being able to access services in a local community venue, being treated with respect and dignity, no matter what issues or difficulties they are experiencing and being able to get a range of advice and information in the one location.

Our organisation supported people in a person centred way by doing the following:

Engaged with those people in our community who have been the hardest hit by the cost of living crisis, are experiencing hardship and inequalities, are furthest away from the labour market, who are hard to reach and who are facing barriers preventing them from moving into employment. Provided support for local families who are experiencing poverty in order to alleviate hardship. Supported people to build skills and confidence so that their employment opportunities are increased and improved.

Community led regeneration:

All of our project activities were designed, developed and delivered in response to the needs of the local community, local people shape all of our activities and they are tailored to what people tell us they need, what their priorities are. This engagement process is on-going and forms a key part of our work in Merkinch and South Kessock. During the course of the project we involved local people in a range of different ways: Through our Trustees who live in the area and interact with the local community.

Setting up focus groups and community panels to identify priorities and draw up Action Plans.

Attend local community meetings and events to talk to local people about services in their area and any gaps

MERKINCH PARTNERSHIP LTD

Trustees' Annual Report for the year ended 31 March 2026

Objectives and activities (cont)

Transition to Net Zero:

During the course of the reporting period we were able to achieve the following outcomes:

Staff reduced usage of their own transport for business purposes, this was mainly achieved by either using public transport or travelling on foot. Using Microsoft Teams for meetings also reduced the need for travelling.

Employees were requested to conserve electricity and gas usage in their daily work. This was achieved through reduced use of overhead electric lights, especially in public areas such as toilets, foyer and stairway. We introduced flexible working for staff, which enabled them to work from home one day per week, thus helping to reduce gas and electric usage.

We limited the use of single use plastics, reduced food waste and as much as possible we used office resources which were produced from recycled materials.

We looked at the potential to install solar panels on our building and alternative sources of heating other than a gas boiler. We have not made any decisions on this currently.

Learning:

During the reporting period we have discovered that, with the right support, people who have been very long term unemployed (10+ years) are able to progress and move forward with their lives in a relatively short space of time. The support requires passing on relevant information, identifying strengths and skills, increasing motivation and building positive outlooks. We also found that after care is vital for people who have been long term unemployed, for at least the first three months of their new destination in order that progress can be sustained.

Project sustainability:

We are submitting applications to a range of funders for 2026-27 so that we can continue to provide our services, for which there is such a great need. Our local Job Centre has informed us that the UK Government's priority is addressing those people in receipt of benefits who are economically inactive, they will be asked to attend JC+ in person and will be referred on to our services for job search support. Due to this we foresee that the demand for our services will be even greater in going forward into 2026-27.

Financial review

During the year the company generated an overall deficit of £43,077 (2025 - £23,012 surplus). The overall deficit consists of a restricted funds deficit of £25,233 (2025 - £12,604 deficit) and an unrestricted funds deficit of £17,824 (2025 - £35,616 surplus). At the year end the charity had total funds of £57,344 (2025 - £100,411) which included restricted funds of £13,500 (2025 - £38,753) and unrestricted funds of £43,844 (2025 - £61,658).

Reserves Policy

The company's policy is to retain sufficient funds to cover its financial and legal obligations and to allow it to develop its existing services and adjust them in light of the needs of the community. The sum required is re-assessed each year according to the circumstances of the company. The company is satisfied that the level of funds held is sufficient to meet its liabilities as they fall due.

MERKINCH PARTNERSHIP LTD

Trustees' Annual Report for the year ended 31 March 2026

Risk Management

The board of directors meet monthly with the exception of July and December and at other times if considered appropriate. Minutes are retained in respect of all meetings. The directors actively review the principal risks faced by the company and have internal control policies and procedures in place which provide reasonable but not absolute assurance against material mis-statement or loss. Day to day management of the charitable company is delegated to the Project Manager who operates within authority limits set and monitored by the board. The Project Manager and the board identify measurable targets for the key areas of activity. Progress against these targets is set out in the annual report available to all members. All directors are aware of the organisational risks involved in running the company.

Plans for future periods

We will continue to deliver our priorities in our current three year Development Plan:

- **Employability**

We will work with people in our community aged from 16 to 70 years who are unemployed and economically inactive, supporting them to build skills, experience and confidence and achieve qualifications so that they can move into sustained employment and improve their economic circumstances.

- **Social Isolation**

We will address the issues of loneliness and social isolation which are harmful to our health: research shows that lacking social connections is as damaging to our health as smoking 15 cigarettes a day. Social networks and friendships not only have an impact on reducing the risk of mortality or developing certain diseases, but they also help individuals to recover when they do fall ill. We will provide opportunities for people to make new links and build healthy, positive networks and relationships within their own community.

- **Developing young people**

We will work with young people in our community aged from 16 to 24 years to address the issues of lack of skills, confidence, attainment and qualifications. We will provide employability skills and personal development skills to help young people move into employment, education or training.

Plans for future periods (cont)

- **Health improvement**

We will address the issue of health inequalities in our community through providing a range of health improvement and learning activities for people of all ages, encouraging them to lead more active and healthy lives and make healthier and more positive lifestyle choices.

Structure, governance and management

The charity is a company limited by guarantee incorporated on 31 August 2011. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

MERKINCH PARTNERSHIP LTD

Trustees' Annual Report for the year ended 31 March 2026

Structure, governance and management (cont)

The trustees, who are also the directors for the purposes of company law, and who served during the period from 1 April 2025 to the date the financial statements were approved were as follows:

Alistair Locke, Elizabeth Young, Yvonne Stewart and Kathleen Maclean

Recruitment and Appointment of Directors

The directors of the company are also charity trustees for the purpose of charity law. Members of the company may apply in writing to join the board. Applications are accepted at any time up to the commencement of the annual general meeting and are voted upon by the members present at that meeting. Directors may be co-opted by the board during the year. Co-opted members must stand down at the annual general meeting and offer themselves for re-election. New members of the board receive an induction with a briefing on the company's constitution, embodied in the Memorandum and Articles of Association. The induction process also includes a review of the management handbook which covers the financial procedures and responsibilities for directors. Directors are encouraged to attend training courses relevant to their duties and responsibilities.

Organisational Structure

Merkinch Partnership Ltd is governed by a board of directors comprising a maximum of 10 and a minimum of 3 members. The chief executive also attends the board meetings but does not vote. Sub groups are set up as required to deal with areas such as staffing and finance. When staff are recruited a board member will sit on the selection panel.

MERKINCH PARTNERSHIP LTD

Independent Examiner's Report To The Trustees of Merkinch Partnership Ltd

I report to the charity trustees on my examination of the financial statements of the charity for the year ended 31 March 2026, which are set out on pages 9 to 19.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements.

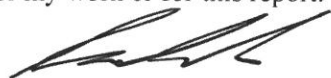
Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Use of our report

This report is made to the charitable company's board of directors, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's financial statements on behalf of the charitable company's board of directors and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's board of directors as a body, for my work or for this report.



Kevin Leitch FCCA
Leitch Accountancy Services Limited
3 Beech Avenue
Inverness, IV2 4NN

Date: 09/08/2026

MERKINCH PARTNERSHIP LTD

Statement of Financial Activities for the year ended 31 March 2026

	Note	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
Income and endowments from:					
Donations and legacies	1	14,146	73,360	87,506	138,513
Charitable activities	2	2,692	-	2,692	32,826
Investment income	4	30	-	30	41
Other income	3	10,500	-	10,500	5,000
Total income		27,368	73,360	100,728	176,380
Expenditure on:					
Charitable activities	5	45,192	98,613	143,805	153,369
Total expenditure		45,192	98,613	143,805	153,369
Net income/(expenditure) before gains and losses on investments		(17,824)	(25,253)	(43,077)	23,012
Net gains/losses on investments		-	-	-	-
Net income/(expenditure)		(17,824)	(25,253)	(43,077)	23,012
Transfer between funds		-	-	-	-
Net movement in funds		(17,824)	(25,253)	(43,077)	23,012
Reconciliation of funds:					
Total funds brought forward		61,658	38,753	100,411	77,399
Total Funds carried forward		43,834	13,500	57,334	100,411

MERKINCH PARTNERSHIP LTD**Balance Sheet as at 31 March 2026**

	Note	2026 £	2025 £
Fixed Assets	8		
Tangible assets		934	-
Other assets		-	-
		<u>934</u>	<u>-</u>
Current Assets			
Stock in hand	9	-	-
Debtors	10	-	-
Cash at bank		62,191	106,197
		<u>62,191</u>	<u>106,197</u>
Current Liabilities			
Trade creditors & accruals	11	5,791	5,786
		<u>5,791</u>	<u>5,786</u>
Net Assets		<u>57,334</u>	<u>100,411</u>
Funds	12		
Restricted funds		13,500	38,753
Unrestricted funds		43,834	61,658
		<u>57,334</u>	<u>100,411</u>
Total charity funds		<u>57,334</u>	<u>100,411</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 8.

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.



Alistair Locke
Trustee

Date: 12/8/26



Kathleen Maclean
Trustee

Date: 12/8/26

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

1A Accounting policies

Charity information

Merkinch Partnership Ltd is a charitable company limited by guarantee incorporated in Scotland. The company is also a charity registered in Scotland with OSCR. The registered office is 30 Grant Street, Inverness, IV3 8BN.

1A.1 Accounting convention

These financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), including the provisions of section 1A applicable to Small Entities and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of section 396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No.409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1A.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the next 12 months. The directors are satisfied that the charity has sufficient reserves and cash to continue into the future for at least the next 12 months from the date of sign off. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1A.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

Accounting Policies (continued)

1A.4 Income

Income is recognised when the charity is entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised when receivable. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants, including government grants, and donations are usually recognised on receipt, unless performance conditions satisfy early recognition or deferral of the income.

Income from charitable activities is recognised as it becomes receivable and represents amounts receivable for goods and services provided in the normal course of the charity's activities.

Income from investments is included in the SOFA in the year in which it is receivable.

1A.5 Expenditure

All expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities are those costs incurred directly in advancement of the objects of the charitable company. Support costs are those costs incurred which are not connected to the charitable activity directly but indirectly support the achievement of those activities. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements. Support and governance costs are included within expenditure on charitable activities.

1A.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Office equipment	20% straight line
IT equipment	33% straight line
Sports equipment	20% straight line

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

Accounting Policies (continued)

1A.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1A.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at banks.

1A.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

Basic financial liabilities

Basic financial liabilities, including creditors, are recognised at transaction price.

1A.10 Employee benefits

Employees' benefits are recognised as an expense and a liability in the period in which the employee services are delivered.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1A.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
1 - Donations and legacies				
Donations and gifts	14,146	73,360	87,506	138,513
Grants				-
	<u>14,146</u>	<u>73,360</u>	<u>87,506</u>	<u>138,513</u>
HC - Engagement Challenge Fund		-	-	8,000
The Scottish Government - People and Communities Fund		42,010	42,010	39,287
The Robertson Trust		-	-	25,000
CMHWP 2024		-	-	5,000
LIF 2024		-	-	10,000
HC - CRF		-	-	25,000
Central Ward Budget		-	-	-
Household Hardship Fund		15,000	15,000	-
SIALF		16,350	16,350	15,990
SGN		-	-	-
Other donations	14,146		14,146	10,236
	<u>14,146</u>	<u>73,360</u>	<u>87,506</u>	<u>138,513</u>
2 - Charitable activities				
Highland Council employability	1,890	-	1,890	6,540
Misc Income	302	-	302	1,286
Peoples Postcode Trust	-	-	-	25,000
	<u>2,192</u>	<u>-</u>	<u>2,192</u>	<u>32,826</u>

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
3 - Other income				
Employers Allowance	10,500	-	10,500	5,000
	<u>10,500</u>	<u>-</u>	<u>10,500</u>	<u>5,000</u>
4 - Investment income				
Bank and deposit interest	30	-	30	41
	<u>30</u>	<u>-</u>	<u>30</u>	<u>41</u>
5 - Expenditure and Charitable activities				
Employee costs	19,210	97,113	116,323	113,875
Depreciation and impairment	85	-	85	-
Other costs on charitable activities	25,897	1,500	27,397	39,494
	<u>45,192</u>	<u>98,613</u>	<u>143,805</u>	<u>153,369</u>
Analysis by fund				
Unrestricted funds	45,192	-	45,192	14,995
Restricted funds	-	98,613	98,613	138,374
	<u>45,192</u>	<u>98,613</u>	<u>143,805</u>	<u>153,369</u>
6 - Expenditure for other costs - Support costs				
Independent examination	3,024	-	3,024	3,024
	<u>3,024</u>	<u>-</u>	<u>3,024</u>	<u>3,024</u>
7 - Employees				
Employment costs:				
Wages & salaries			108,855	103,243
Social security costs			4,964	5,900
Employer's pension contribution			2,504	4,732
			<u>116,323</u>	<u>113,875</u>
Average number of staff employed			<u>3</u>	<u>3</u>

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

7 - Employees (Cont.)

No trustees or persons connected with them received any remuneration from the charity.

The key management personnel of the company include the directors and the Centre Manager.

The total employee benefit of the key management personnel are £51,544 (2025: £51,843)

8 - Tangible Fixed Assets

	Office Equipment £	IT Equipment £	Sports Equipment £	Total £
Cost				
As at 1 April 2025	5,095	6,644	6,213	17,952
Additions	-	1,019	-	1,019
Disposals	-	-	-	-
As at 31 March 2026	5,095	7,663	6,213	18,971
Depreciation				
As at 1 April 2025	5,095	6,644	6,213	17,952
Charge for year	-	85	-	85
On disposals	-	-	-	-
As at 31 March 2026	5,095	6,729	6,213	18,037
NBV at 31 March 2026	-	934	-	934
NBV at 31 March 2025	-	-	-	-

9 - Stocks

The accounting policy adopted in measuring the value of stocks was the lower of cost or net realisable value. The carrying value of stocks was £nil (2025 - £nil).

	2026 £	2025 £
Other debtors and prepayments	-	-
	-	-

11 - Creditors

Other taxation and social security	2,767	2,762
Deferred Income	-	-
Accruals	3,024	3,024
	5,791	5,786

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

12 - 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:

	As at 1 April 25	Incoming Resources	Outgoing Resources	Transfers	As at 31 March 26
	£	£	£	£	£
Restricted funds					
People and Communities Fund	-	42,010	(42,010)	-	-
HTSI Mental Health & Wellbeing	-	-	-	-	-
HADP	-	-	-	-	-
Robertsons Trust	28,753	-	(19,630)	(9,123)	-
CRF	-	-	-	-	-
LIF 2024	10,000	-	(19,123)	9,123	-
Household Hardship	-	15,000	(1,500)	-	13,500
SIALF	-	16,350	(16,350)	-	-
	<u>38,753</u>	<u>73,360</u>	<u>(98,613)</u>	<u>-</u>	<u>13,500</u>
Total funds	<u>38,753</u>	<u>73,360</u>	<u>(98,613)</u>	<u>-</u>	<u>13,500</u>

Purposes of Restricted Funds

People and Communities Fund

Funding for employability skills, poverty prevention activities and welfare reforms mitigation. The balance carried forward in 2022 reflects the net book value of amounts recorded as tangible fixed assets and this will continue to reduce in line with the depreciation policy.

HC Cost of Living

Funding for community foodbank, providing free supplies of food, cleaning materials and toiletries. Funding is to purchase these supplies and a fridge freezer as well as paying a co-ordinator for the project.

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

Purposes of Restricted Funds (cont)

LIF 2024

Funding for a Youth Hub project focussed on preventing and reducing the use of drugs and alcohol amongst young people aged 16 to 25 years, using early intervention, integrated approaches and engaging hard to reach groups.

HC Challenge Fund

Funding to contribution towards staff costs for Merkinch Work Club.

HADP

Funding to cover the work in reducing and raising awareness of drugs and alcohol in the area whilst improving employability.

The Robertson Trust

Funding towards the costs of running the Reach for the Future programme.

Common Good Fund

Funding to cover the hire of venue space/premises costs for our Inverness Youth Hub service.

CRF

Funding for a "One Stop Shop" advice and support service for people experiencing poverty and disadvantage, providing information, advice and tailored hands-on support.

HTSI Mental Health & Wellbeing

Contribution towards delivering an employability skills project for people experiencing mental health issues, allocated to staff salaries. The income for this project has been deferred until the charity has met the performance related conditions attached to the grant.

Household Hardship Fund

Funding awarded to be distributed to local families who are experiencing unemployment and living on a low income. The funding was to be given out as cash payments direct into people's bank accounts, ranging from £100 to £300 per family dependent on the number of children. The funding had to fully paid out by the end of June.

SIALF

Addressing the issues of loneliness, social isolation, lack of access to services and lack of resources. Addressing these issues by giving local people the opportunity to come together to build their skills, confidence and capacity so that they can take ownership of the Merkinch Locality Plan, play a lead role in delivering activities and contribute to improvements in their own community.

MERKINCH PARTNERSHIP LTD

Notes forming part of the financial statements for the year ended 31 March 2026

13 - Analysis of net assets between funds

	Unrestricted Funds 2026 £	Restricted Funds 2026 £	Total 2026 £
Fixed assets	-	-	-
Current assets/(liabilities)	43,834	13,500	57,334
	<u>43,834</u>	<u>13,500</u>	<u>57,334</u>

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £
Fixed assets	-	-	-
Current assets/(liabilities)	61,658	38,753	100,411
	<u>61,658</u>	<u>38,753</u>	<u>100,411</u>

14 Directors' expenses

No directors were reimbursed for expenses incurred during the year (2025 - £nil).

15 Related Party Transactions

There were no related party transactions during the year or the prior year.

16 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

17 Control

The company is controlled by the Trustees.