

Co Reg No. SC 299917
Charity No. SC 042088

Community of Arran Seabed Trust Limited

**Trustees' Report and
Financial Statements for the year ended
28th February 2018**

THURSDAY



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Community of Arran Seabed Trust Limited
Scottish Charity No. SC042088

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Trustees' Report for the year ended 28 February 2018

The trustees, who are also the directors for the purposes of company law, have pleasure in presenting their report, together with the financial statements for the year ended 28 February 2018.

Chair's Report

COAST has had another busy year. The move to the Old Pavilion in Lamlash took place mid-November 2017. Soon after staff had settled in, the focus moved to planning how to turn the main area of the building into a Marine Activities and Learning Centre, open to the public.

This has now been achieved and the 'Octopus Centre' opened its doors to everyone in July 2018, with an 'official' opening ceremony taking place on 22nd September to coincide with the 10th anniversary of the implementation of the Lamlash Bay 'No Take Zone'. About 250 people attended the event.

The creation of the Octopus Centre could not have happened without specific grants awarded to COAST from, among others, North Ayrshire Council, the Arran Trust, Van Neste, the Scottish Government and the European Community Argyll and the Islands LEADER 2014-2020 Programme, and continued core funding from Esmee Fairbairn and the John Ellerman trust. We also received a very generous donation from an Island individual to be spent as we saw fit.

The ideas for the interior layout of the Centre came initially from our staff, in particular Manuela de los Rios, who sadly left COAST in August this year, following three years of enthusiastic and creative work. Our many volunteers played a large part in putting the ideas into practice and transforming the Centre into what it is today.

There are still issues regarding Multi-National Salmon Farms wanting to both increase the size of existing sites and apply for new large-sized fish farms around Arran.

COAST's objective to improve the health of the Clyde continues to be our main focus. Our strategic objectives are reviewed on an annual basis by all involved.

COAST continues to outreach and build relationships with other communities on regional, national and international levels. Together we hope to create one voice, to realise healthier and more productive oceans.

Howard Wood
COAST Chair

Trustees' Report for the year ended 28 February 2018 (continued)

Objectives and Activities

Our purposes are:

- a) to identify and secure for the community areas of seabed around Arran and to promote and protect marine life
- b) to protect and improve the surrounding waters for the advancement of environmental protection and to promote sustainable marine stocks
- c) to educate the community and organisations in relation to the need for marine conservation.

Achievements and performance

During 2017- 18 COAST has remained focused on materially improving the health and productivity of the coastal waters around Arran, ongoing marine education to both the wider community and schools on the island and the facilitation of scientific research by university students studying for marine biology degrees.

The move to the Old Pavilion has taken place and this year the creation of a marine activities and learning centre has been completed, the 'Octopus' Centre being opened to the public during the summer and an 'official' opening event, attended by about 250 people, took place on 22nd September 2018. Volunteers have continued to give many hours help to make the summer opening of the Octopus Centre a reality.

Financial Review

Reserves policy

The trustees aim to maintain reserves at a level that equates to approximately six months of total expenditure. The trustees consider that this level will provide sufficient funds to cover the operational costs.

The balance held at 28 February 2018 was £292,682 (2017 £178,787) against an actual six month spend of £56,353 (2017 £58,046). There is also a grant of £50,000 due in October and one for £60,000 was received in September 2018.

Future plans

COAST will continue its operations in line with its articles of association and charitable status. We will work closely with the local community to achieve our objectives.

We have secured core funding for another year but continue to seek further core funding for up to a minimum of 3 years. As well as putting the finishing touches to the 'Octopus' Centre we hope to develop an outdoor activity facility for locals and visitors alike. Our aim remains to raise peoples' awareness of the marine environment and the need to improve its health.

Structure, governance and management

The Community of Arran Seabed Trust Limited is a company limited by guarantee, governed by its directors, in line with its written Constitution. The governing document comprises Memorandum and Articles of Association.

Charitable status was granted on 11th February 2011.

Appointment of Trustees

As set out in the Articles of Association the trustees may appoint any individual aged 18 years or over to be a trustee. The minimum number of trustees is three, there is no maximum number.

Trustees induction and training

New trustees are briefed on their legal obligations under charity and company law, and are informed about the content of the Memorandum and Articles of Association, the committee and decision making processes and recent financial performance of the charity. They also meet the employees and other trustees.

Trustees' Report for the year ended 28 February 2018 (continued)

Organisation

The board of trustees administers the charity. The board normally meets quarterly and there are sub-committees covering development and finance which usually meet monthly.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work for the charity. Any connection between a trustee or senior manager of the charity and a supplier of goods or services must be disclosed to the board of trustees in the same way as any other contractual relationship with a related party. In the current year, these transactions are reported at note 17.

Pay policy for staff

The directors consider that the board of directors (who are the Trust's trustees), together with the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses are disclosed in note 17 to the accounts.

The pay of the staff is reviewed on an annual basis and is determined taking into account national average earnings and performance.

Risk management

The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Trustees responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing a trustees' annual report and 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, for the period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees' Report for the year ended 28 February 2018 (Continued)

Reference and Administrative Information

DIRECTORS AND TRUSTEES

Mr. H L Wood (Chair)
Mr. R Cheshire (Vice Chair)
Ms S Sangster (Treasurer)
Ms J Martin (Secretary)
Mr. J Henderson
Ms. C Gill

SECRETARY

Ms J Martin

MEMBERS

Mr. H L Wood
Ms J Martin
Mr. R Cheshire
Ms S Sangster
Mr. J Henderson

REGISTERED OFFICE

Old Pavilion
Lamlash
Isle of Arran
KA27 8LS

REGISTERED NUMBER

299917 (Scotland)

CHARITY REFERENCE

SC 042088

ACCOUNTANTS

John M Taylor & Co
Chartered Accountants
9, Glasgow Road
Paisley
PA1 3QS

LAW AGENTS

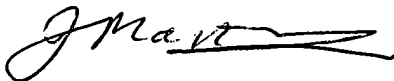
Buchanan Dickson Frame
Old Embroidery Mill
Paisley
PA1 1TJ

BANKERS

Bank of Scotland
Brodict
Isle of Arran

Triodos Bank
Deanery Road
Bristol
BS1 5AS

Approved by the Trustees on



J Martin – Secretary

7/11/18

and signed on their behalf by:

**Statement of Financial Activities (Incorporating Income and Expenditure Account)
 For the year ended 28 February 2018**

	Notes	Unrestricted Funds			2018 Total £	2017 Total £
		General Fund £	Designated Funds £	Restricted Funds £		
Income						
Donations and legacies	3	59,779	500	-	60,279	1,831
<i>From charitable activities:</i>						
Grants Received	4	-	-	160,442	160,442	131,123
<i>Other incoming resources:</i>						
Other trading activities	5	5,021	-	-	5,021	5,679
Investment income	6	95	-	-	95	520
Other income	7	44	-	721	765	1,700
Total Income		64,939	500	161,163	226,602	140,853
Expenditure						
Cost of raising funds	8	929	-	125	1,054	1,365
Expenditure on Charitable activities	9	5,575	3,869	102,209	111,653	114,728
Total Expenditure		6,504	3,869	102,334	112,707	116,093
Net income/(expenditure)		58,435	(3,369)	58,829	113,895	24,760
Exceptional item		-	-	-	-	-
Net income/(expenditure) before recognised gains		58,435	(3,369)	58,829	113,895	24,760
Other recognised gains/(losses)						
<i>Gains on investment assets</i>		-	-	-	-	-
Net movement in funds		58,435	(3,369)	58,829	113,895	24,760
Reconciliation of Funds:						
Total funds brought forward		37,008	100,000	41,779	178,787	154,027
Transfer of funds		-	-	-	-	-
Total funds carried forward		95,443	96,631	100,608	292,682	178,787

All income and expenditure derives from continuing activities.

Balance Sheet as at 28 February 2018

	Notes	£ Unrestricted	£ Restricted	Year to 28/02/18 £ Total	Year to 28/02/2017 £ Total
Fixed Assets	14	94,532	53,662	148,194	71,887
Current Assets					
Stock		1,109	-	1,109	1,203
Debtors and prepayments	15	51,669	9	51,678	4,505
Bank account		47,686	67,875	115,561	148,217
Petty cash		67	90	157	113
		<u>100,531</u>	<u>67,974</u>	<u>168,505</u>	<u>154,038</u>
Current Liabilities					
Trade creditors		2,899	2,534	5,433	1,121
Accruals		-	2,552	2,552	3,086
Credit card		90	258	348	259
Deferred grants	16	-	14,000	14,000	40,850
PAYE liability		-	1,684	1,684	1,822
		<u>2,989</u>	<u>21,028</u>	<u>24,017</u>	<u>47,138</u>
Net Current Assets		<u>97,542</u>	<u>46,946</u>	<u>144,488</u>	<u>106,900</u>
Total Assets less Liabilities		<u>192,074</u>	<u>100,608</u>	<u>292,682</u>	<u>178,787</u>
Represented by:					
Unrestricted Funds					
General Fund	18	95,443	-	95,443	37,008
Designated Fund	18	96,631	-	96,631	100,000
Restricted Fund	18	-	100,608	100,608	41,779
Total Funds		<u>192,074</u>	<u>100,608</u>	<u>292,682</u>	<u>178,787</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28th February 2018. The members have not required the Company to obtain an audit of its financial statements for the year ended 28th February 2018 in accordance with Section 476 of the Companies Act 2006.

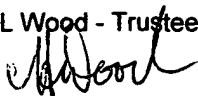
The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 7/11/18 and signed on their behalf by,

H L Wood - Trustee



The notes on pages 8 to 17 form part of these financial statements

Cash Flow Statement for the year ended 28th February 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	(32,707)	(6,499)
Net cash provided by (used in) operating activities		<u>(32,707)</u>	<u>(6,499)</u>
Cash flows from investing activities:			
Interest received		95	520
Net cash provided by (used in) investing activities		<u>95</u>	<u>520</u>
Change in cash and cash equivalents in the reporting period		<u>(32,612)</u>	<u>(5,979)</u>
Cash and cash equivalents at the beginning of the reporting period		148,330	154,309
Cash and cash equivalents at the end of the reporting period		<u>115,718</u>	<u>148,330</u>

Notes to the Cash Flow Statement for the year ended 28th February 2018

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	113,895	24,760
Adjustments for:		
Less interest received	(95)	(520)
Add depreciation	3,637	2,974
Decrease (increase) in stock	94	849
Decrease (increase) in debtors	(47,173)	(3,671)
Increase (decrease) in creditors	(23,121)	38,803
Purchase of fixed assets	<u>(79,944)</u>	<u>(69,694)</u>
Net cash provided by (used in) operating activities	<u><u>(32,707)</u></u>	<u><u>(6,499)</u></u>

Notes to the Financial Statements for the year ended 28th February 2018

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

The financial statements of the charitable company (limited by guarantee) have been prepared under the historic cost convention, with items recognised at cost or transaction value, unless otherwise stated in the relevant notes and in accordance with:

- The Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS 102
- Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) (effective January 2015)
- The Charities and Trustee Investment (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006 (as amended)
- The Companies Act 2006

The charity meets the definition of a public benefit entity as defined by FRS 102.

The accounts are presented in sterling which is the functional currency of the charity and are rounded to the nearest £

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees are of the view that given the level of grant funding committed for 2018/19 together with initiatives to reduce operating costs that they have secured the future of the Trust for the next 12 to 18 months and that on this basis the charity is a going concern.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Further details of each fund are disclosed in note 18.

(c) Income recognition

Income is recognised and included in the Statement of Financial Activities (SoFA) when:

- The charity becomes entitled to the resource;
- The directors are virtually certain they will receive the resources; and
- The monetary value can be measured with sufficient reliability.

Incoming resources with related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the Statement of Financial Activities.

Grants and Donations

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resource.

Investment income

This is included in the accounts when receivable.

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

(d) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation committing the charity to pay out resources, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Cost of raising funds comprise the costs of promotional merchandising and costs associated with online selling of merchandise.
- Charitable activities include the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(e) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. These costs are allocated entirely to expenditure on charitable activities. For a detailed breakdown of support costs see note 12.

(f) Tangible fixed assets for use by the charity

Items are capitalised if they have an estimated useful life in excess of one year and have an initial cost of at least £100. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation is calculated at such a rate as to write off the asset, less any estimated residual value, over the period of its estimated useful life. Both plant and office equipment are written down on a 25% straight-line basis. Property recently acquired by the charity, that was under renovation at 28/02/18 was not depreciated.

(g) Stock

Stock relates to items of promotional merchandising (baseball caps, polo shirts and stickers etc) purchased for resale. Stock is included at the lower of cost or net realisable value. Donated items are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

(h) Debtors and prepayments

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(i) Creditors and accruals

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured, or estimated reliably. Creditors are normally recognised at their settlement amount, usually the invoice amount.

Accrued charges are normally valued at their settlement amount.

2. Related party transactions and director's expenses and remuneration

In the administration of the charity all directors give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2017: £nil).

For expenses reimbursed and transactions with trustees/related parties see note 17.

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

3. Donations and legacies

	Unrestricted			Total 2018 £	Total 2017 £
	General £	Designated £	Restricted £		
Sundry donations	58,705	500	-	59,205	1,831
Gift Aid recoverable	1,074	-	-	1,074	-
	<u>59,779</u>	<u>500</u>	<u>-</u>	<u>60,279</u>	<u>1,831</u>

4. Income from charitable activities

	Unrestricted			Total 2018 £	Total 2017 £
	General £	Designated £	Restricted £		
Grants - Esmee Fairbairn	-	-	100,000	100,000	100,000
- John Ellerman	-	-	-	-	20,000
- Kilfinan Trust	-	-	-	-	10,000
- Sundry	-	-	-	-	1,123
- North Ayrshire Community Planning Partnership	-	-	-	-	850
- North Ayrshire Ventures Trust	-	-	-	-	30,000
- Van Neste Foundation	-	-	10,000	10,000	10,000
- CRH Trust	-	-	5,000	5,000	-
- Arrantrust	-	-	2,600	2,600	-
- Greggs	-	-	2,000	2,000	-
- NAC (Nurturing Excellence in Communities)	-	-	2,100	2,100	-
- Yorkshire and Clydesdale Bank Foundation	-	-	5,000	5,000	-
- Fishmongers Hall	-	-	2,000	2,000	-
- Argyll and the Islands LEADER	-	-	4,892	4,892	-
Grants deferred (Greggs, Fishmongers Hall and Van Neste – note 16)	-	-	(14,000)	(14,000)	(40,850)
Release of deferred grants (North Ayrshire CPP, North Ayrshire Ventures Trust and Van Neste Foundation – note 16)	-	-	40,850	40,850	-
	<u>-</u>	<u>-</u>	<u>160,442</u>	<u>160,442</u>	<u>131,123</u>

5. Other trading activities

	Unrestricted			Total 2018 £	Total 2017 £
	General £	Designated £	Restricted £		
Merchandise income	783	-	-	783	1,394
Income from gas sales	189	-	-	189	219
Camera hire/media images	50	-	-	50	246
Boat hire charged	-	-	-	-	1,000
Consultancy	2,410	-	-	2,410	2,820
Tennis court fees	1,589	-	-	1,589	-
	<u>5,021</u>	<u>-</u>	<u>-</u>	<u>5,021</u>	<u>5,679</u>

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

6. Investment income

	Unrestricted		Restricted	Total 2018	Total 2017
	General	Designated			
	£	£	£	£	£
Bank interest received	95	-	-	95	520
	95	-	-	95	520

7. Other income

	Unrestricted		Restricted	Total 2018	Total 2017
	General	Designated			
	£	£	£	£	£
Travel expenses reimbursed	-	-	12	12	660
Vehicle expenses reimbursed	44	-	288	332	316
Postage reimbursed	-	-	-	-	5
Entertainment reimbursed	-	-	-	-	319
Refund	-	-	56	56	-
Compensation	-	-	315	315	400
Cashback scheme	-	-	50	50	-
	44	-	721	765	1,700

8. Cost of raising funds

	Unrestricted		Restricted	Total 2018	Total 2017
	General	Designated			
	£	£	£	£	£
Merchandise purchases	889	-	-	889	1,342
Paypal charges	40	-	-	40	23
Directory of Grants	-	-	125	125	-
	929	-	125	1,054	1,365

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

9. Charitable activities

	Unrestricted			Total 2018 £	Total 2017 £
	General	Designated	Restricted		
	£	£	£		
Projects and activities	259	-	1,567	1,826	1,189
Research costs	-	-	-	-	2,088
Rent and electricity	400	-	3,164	3,564	4,717
Website development and Internet	-	-	520	520	275
Travel and subsistence	25	-	3,162	3,187	4,508
Printing	1,193	-	265	1,458	2,084
Office equipment	-	-	-	-	164
Grants awarded (see note 10)	-	-	-	-	1,026
Staff costs (see note 11)	2,374	-	75,677	78,051	71,060
Charter of research boat	141	-	2,767	2,908	10,036
Seminar costs	-	-	65	65	329
Postage, stationery and advertising	56	-	1,257	1,313	1,938
Equipment repairs and maintenance	-	3,578	1,111	4,689	1,589
Telephone and fax	44	90	638	772	1,117
Insurance	-	-	1,376	1,376	1,411
Vehicle expenses	679	-	1,685	2,364	2,922
Subscriptions	-	-	8	8	180
Depreciation	169	201	3,267	3,637	2,974
Donations	10	-	-	10	300
Support costs (see note 12)	225	-	5,680	5,905	4,821
	<u>5,575</u>	<u>3,869</u>	<u>102,209</u>	<u>111,653</u>	<u>114,728</u>

10. Grants awarded

	Unrestricted			Total 2018 £	Total 2017 £
	General	Designated	Restricted		
	£	£	£		
Grants to individual volunteers to assist with travel expenses etc.	-	-	-	-	1,026
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,026</u>

11. Analysis of staff costs

	Unrestricted			Total 2018 £	Total 2017 £
	General	Designated	Restricted		
	£	£	£		
Salaries	2,374	-	71,279	73,653	67,866
Social security costs	-	-	3,787	3,787	3,194
Employer pension contributions	-	-	611	611	-
	<u>2,374</u>	<u>-</u>	<u>75,677</u>	<u>78,051</u>	<u>71,060</u>
Average number of staff employed				<u>3</u>	<u>3</u>

No employee received total emoluments of more than £60,000 during the year (2017: none). The company operates a defined contribution pension scheme, contributions payable are shown above. There were no outstanding contributions due to the pension company at the balance sheet date.

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

12. Support costs

	Unrestricted		Restricted £	Total 2018 £	Total 2017 £
	General £	Designated £			
Governance costs (note 13)	-	-	1,993	1,993	1,933
Bank interest and charges	2	-	276	278	120
HMRC interest on late payment	-	-	-	-	72
Book-keeping and payroll	223	-	2,553	2,776	2,501
Recruitment costs	-	-	671	671	-
Sundry	-	-	187	187	195
	225	-	5,680	5,905	4,821

13. Governance costs

	Unrestricted		Restricted £	Total 2018 £	Total 2017 £
	General £	Designated £			
Independent Examiner's fee	-	-	1,980	1,980	1,920
Filing fees	-	-	13	13	13
	-	-	1,993	1,993	1,933

14. Fixed Assets

	Property £	Plant and Equipment £	Office Equipment and Furniture £	Total £
At Cost				
At 1 March 2017	68,850	33,426	6,740	109,016
Additions	74,379	-	5,565	79,944
Disposals	-	-	-	-
	143,229	33,426	12,305	188,960
Depreciation				
At 1 March 2017	-	31,851	5,278	37,129
Charge for year	-	1,575	2,062	3,637
On disposals	-	-	-	-
	-	33,426	7,340	40,766
Net Book Value at 28 February 2018	143,229	-	4,965	148,194
Net Book Value at 28 February 2017	68,850	1,575	1,462	71,887

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

15. Debtors and Prepayments

	Unrestricted General £	Designated £	Restricted £	Total 2018 £	Total 2017 £
Trade debtors	250	-	-	250	3,825
Paypal	327	-	(166)	161	450
Prepayments	-	-	-	-	230
Gift Aid recoverable	1,074	-	-	1,074	-
Donor	50,000	-	-	50,000	-
Sundry debtor	18	-	175	193	-
	<u>51,669</u>	<u>-</u>	<u>9</u>	<u>51,678</u>	<u>4,505</u>

16. Deferred Grants

	Unrestricted General £	Designated £	Restricted £	Total 2018 £	Total 2017 £
Balance at 1 March 2017	-	-	40,850	40,850	-
Released to income from charitable activities (note 4)	-	-	(40,850)	(40,850)	-
Amount deferred in year	-	-	14,000	14,000	40,850
Balance at 28 February 2018	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>14,000</u>	<u>40,850</u>

17. Related Party Transactions

	Total 2018 £	Total 2017 £
Charter of dive boat	-	6,922
Sundry office costs reimbursed (stationery/telephone/posts etc.)	68	430
Rent and electricity for barn	1,015	667
Directors' travel and subsistence reimbursed	859	1,482
Equipment purchases reimbursed	-	104
Equipment repairs and maintenance reimbursed	562	-
	<u>2,504</u>	<u>9,605</u>

The above transactions all took place with four of the directors (or their companies) on normal business terms and rates. At 28.02.18, £113 was owed to directors (2017: £134).

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

18. Movements in Funds

	At 1 March 2017 £	Incoming resources £	Outgoing resources £	Transfer £	At 28 February 2018 £
Restricted Funds					
Core costs	28,554	50,178	(59,203)	-	19,529
Monitoring and research	2,992	-	(2,992)	-	-
Marine interpretation vehicle	2,260	-	(245)	-	2,015
Communication materials	165	-	(58)	-	107
Marine Discovery and Learning Centre					
- Core costs	7,808	50,543	(35,707)	-	22,644
- Renovation	-	49,892	(1,054)	-	48,838
Tennis courts	-	850	(850)	-	-
Engaging visitors	-	9,700	(2,225)	-	7,475
Unrestricted Funds					
General Fund	37,008	64,939	(6,504)	-	95,443
Designated Fund	100,000	500	(3,869)	-	96,631
	<u>178,787</u>	<u>226,602</u>	<u>(112,707)</u>	<u>-</u>	<u>292,682</u>

Restricted Funds:

Core costs – Several grants have been received with the same, very wide-ranging scope, their main purposes include:

- Supporting the employment of COAST's manager, together with all necessary support and administration costs.
- Improving publicity leaflets and educational material.
- Funding local diver surveys, including boat and equipment costs.
- Develop skills and confidence of Committee members and to train community stakeholders in marine sustainability issues.

Monitoring and research – This grant was received specifically towards the costs of research and monitoring.

Marine interpretation vehicle – Grants were received towards the costs of providing a mobile marine interpretation vehicle (including vehicle artwork, fitting-out and equipping of suitable vehicle).

Communication materials – This grant was received towards the costs of a travelling/pop-up MPA exhibition (including leaflets and educational materials).

Marine Discovery and Learning Centre (Core costs) – This grant is part of a £150,000 three year award, and was received towards the core costs of developing a marine focused visitor centre.

Marine Discovery and Learning Centre (Renovation)/

Notes to the Financial Statements for the year ended 28th February 2018 (continued)

Marine Discovery and Learning Centre (Renovation) - Various grants were received towards the costs of renovating, adding a conservatory, solar panels, energy efficient heating and fitting out the tennis pavilion.

Tennis Courts – This grant was received towards the costs of operating the tennis courts.

Engaging Visitors – Various grants were received towards the costs of engaging with visitors. These grants will fund interpretation boards, website development, gazebos, touch tanks, scientific equipment, tables, laptop, computer and software licenses.

Unrestricted Funds:

General Fund – This fund arises out of generated income and unrestricted grants and donations, it finances the costs not specifically provided for by the other funds.

Designated Funds – The trust received an unrestricted donation of £100,000 which has been set aside for the capital costs of the Marine Discovery and Learning Centre. The Trust has purchased the Lamlash Tennis Courts and Pavillion for this purpose.

19. Analysis of net assets between funds

	Unrestricted General	Designated	Restricted	Total 2018 £	Total 2017 £
Fixed Assets	5,523	89,009	53,662	148,194	71,887
Stock	1,109	-	-	1,109	1,203
Debtors and Prepayments	51,669	-	9	51,678	4,505
Bank	37,089	10,597	67,875	115,561	148,217
Cash	67	-	90	157	113
Trade Creditors	(14)	(2,885)	(2,534)	(5,433)	(1,121)
Accruals	-	-	(2,552)	(2,552)	(3,086)
Credit Card	-	(90)	(258)	(348)	(259)
Deferred Grants	-	-	(14,000)	(14,000)	(40,850)
PAYE Liability	-	-	(1,684)	(1,684)	(1,822)
	<u>95,443</u>	<u>96,631</u>	<u>100,608</u>	<u>292,682</u>	<u>178,787</u>

20. Ultimate Controlling Party

The charity is ultimately controlled by the Board of Trustees.

Independent Examiner's Report to the Trustees of the Community of Arran Seabed Trust

I report on the accounts of the Trust for the year ended 28 February 2018, which are set out on pages 5 to 17.

Respective responsibilities of Trustees and Independent Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charity and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006(as amended). The Directors consider the audit requirement of Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 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.

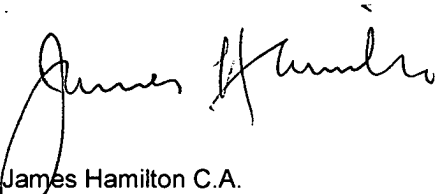
Basis of Independent Examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Trust 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 you as 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 8 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.



James Hamilton C.A.
John M Taylor & Co, Chartered Accountants
9 Glasgow Road
Paisley
PA1 3QS

Date: 12th November 2018