

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 2017**

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Trustees' Report for the year ended 28 February 2017

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 2017.

The trustees have adopted the provisions of 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) (effective 1 January 2015).

Chair's Report

COAST has had a busy year. The purchase of the Old Pavilion in Lamlash towards the end of 2016 and its subsequent renovation has proved to be a big challenge and the help of volunteers has been invaluable. The work could not have been achieved without specific grants awarded to us from, among others, several North Ayrshire Council funds and Argyll and the Islands Leader Fund, and the continued core funding from Esmee Fairbairn and the John Ellerman Foundation has been vital.

COAST's Director Andrew Binnie left COAST in June 2017, and Paul Chandler, an experienced geoscientist and diver, has joined the team and is settling into his new role, working with COAST Trustees, volunteers and partners and engaging in COAST's many projects and activities.

Unexpectedly, we are now having to dedicate resources to campaigning against an application to expand the existing open-cage salmon farm in Lamlash Bay, next to the No Take Zone and within our Marine Protected Area. An earlier application to expand the fish farm was withdrawn by the Scottish Salmon Company in August of last year after Roseanna Cunningham, Cabinet Secretary for the Environment, called in the application as a result of a coordinated campaign against the expansion by ourselves and other West Coast communities.

Unfortunately, the Scottish Salmon Company has recently announced its intention of putting in another application for an expansion that would double the size of the existing fish farm facility.

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 2017 (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 2016-17 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 visiting universities within the above area.

Towards the end of 2016 COAST purchased the Old Pavilion and tennis courts in Lamlash, near the shore of the South Arran Marine Protected Area. Since then a lot of our focus has been on raising funds to enable the renovation of the Old Pavilion (phase 1) to go ahead and in managing the project. COAST has been helped by a huge increase in volunteers, and over 50 of them have given more than 600 hours of their time helping with the renovation of the pavilion and tennis courts. The pavilion is now almost ready for us to move into and during the next 5 months we will be preparing to open to the public as there will be a marine tourism information point and exhibition space in addition to the COAST office.

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 2017 was £178,787 (2016: £154,027) against an actual six month spend of £58,046 (2016: £53,428). There are also further grants, currently deferred, totaling £40,850 which will be released next year and others pledged of £70,000 expected during next year.

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.

Once settled into our new office, we will consolidate our financial position, especially with regard to securing core funding for a minimum of three years. We then plan to fund-raise for, and eventually build, a Marine Discovery Centre and outdoor activity facility for locals and visitors alike. Our aim is 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 2017 (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 18.

Pay policy for senior 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 18 to the accounts.

The pay of the senior 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 2017 (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)
Dr. T Appleby (resigned 13/12/16)
Mr. J Henderson
Ms. C Gill

SECRETARY

Ms J Martin

MEMBERS

Mr. H L Wood
Dr. T Appleby (resigned 13/12/16)
Ms J Martin
Mr. R Cheshire (instated 18/01/17)
Ms S Sangster (instated 18/01/17)
Mr. J Henderson (instated 18/01/17)

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 1TJ

LAW AGENTS

Buchanan Dickson Frame
Old Embroidery Mill
Paisley
PA1 1TJ

BANKERS

Bank of Scotland
Brodict
Isle of Arran

Approved by the Trustees on 22.11.17

and signed on their behalf by:



J Martin – Secretary

**Statement of Financial Activities (Incorporating Income and Expenditure Account)
 For the year ended 28 February 2017**

	Notes	Unrestricted Funds			2017 Total £	2016 Total £
		General Fund £	Designated Funds £	Restricted Funds £		
Income						
Donations and legacies	3	1,831	-	-	1,831	2,108
<i>From charitable activities:</i>						
Grants Received	4	-	-	131,123	131,123	97,000
<i>Other incoming resources:</i>						
Other trading activities	5	5,679	-	-	5,679	6,552
Investment income	6	520	-	-	520	360
Other income	7	1,118	-	582	1,700	1,633
Total Income		9,148	-	131,705	140,853	107,653
Expenditure						
Cost of raising funds	8	1,365	-	-	1,365	1,379
Expenditure on Charitable activities	9	1,403	-	113,325	114,728	105,476
Total Expenditure		2,768	-	113,325	116,093	106,855
Net income/(expenditure)		6,380	-	18,380	24,760	798
Exceptional item	14	-	-	-	-	100,000
Net income/(expenditure) before recognised gains		6,380	-	18,380	24,760	100,798
Other recognised gains/(losses)						
Gains on investment assets		-	-	-	-	-
Net movement in funds		6,380	-	18,380	24,760	100,798
Reconciliation of Funds:						
Total funds brought forward		30,628	100,000	23,399	154,027	53,229
Transfer of funds		-	-	-	-	-
Total funds carried forward		37,008	100,000	41,779	178,787	154,027

All income and expenditure derives from continuing activities.

Balance Sheet as at 28 February 2017

	Notes	£ Unrestricted	Year to 28/02/2017 £ Restricted	£ Total	Year to 29/02/2016 £ Total
Fixed Assets	15	65,304	6,583	71,887	5,167
Current Assets					
Stock		1,203	-	1,203	2,052
Debtors and prepayments	16	4,270	235	4,505	834
Bank account		68,038	80,179	148,217	154,254
Petty cash		113	-	113	55
		<u>73,624</u>	<u>80,414</u>	<u>154,038</u>	<u>157,195</u>
Current Liabilities					
Trade creditors		-	1,121	1,121	1,832
Accruals		1,920	1,166	3,086	4,391
Credit card		-	259	259	142
Deferred grants	17	-	40,850	40,850	-
PAYE liability		-	1,822	1,822	1,970
		<u>1,920</u>	<u>45,218</u>	<u>47,138</u>	<u>8,335</u>
Net Current Assets		<u>71,704</u>	<u>35,196</u>	<u>106,900</u>	<u>148,860</u>
Total Assets less Liabilities		<u>137,008</u>	<u>41,779</u>	<u>178,787</u>	<u>154,027</u>
Represented by:					
Unrestricted Funds					
General Fund	19	37,008	-	37,008	30,628
Designated Fund	19	100,000	-	100,000	100,000
Restricted Fund	19	-	41,779	41,779	23,399
Total Funds		<u>137,008</u>	<u>41,779</u>	<u>178,787</u>	<u>154,027</u>

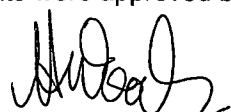
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28th February 2017. The members have not required the Company to obtain an audit of its financial statements for the year ended 28th February 2017 in accordance with Section 476 of 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 22/11/17 and signed on their behalf by,

H L Wood - Trustee 

The notes on pages 8 to 16 form part of these financial statements

Cash Flow Statement for the year ended 28th February 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	(6,499)	95,567
Net cash provided by (used in) operating activities		<u>(6,499)</u>	<u>95,567</u>
Cash flows from investing activities:			
Interest received		520	360
Net cash provided by (used in) investing activities		<u>520</u>	<u>360</u>
Change in cash and cash equivalents in the reporting period		<u>(5,979)</u>	<u>95,927</u>
Cash and cash equivalents at the beginning of the reporting period		154,309	58,382
Cash and cash equivalents at the end of the reporting period		<u>148,330</u>	<u>154,309</u>

Notes to the Cash Flow Statement for the year ended 28th February 2017

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

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	24,760	100,798
Adjustments for:		
Less interest received	(520)	(360)
Add depreciation	2,974	5,750
Decrease (increase) in stock	849	(213)
Decrease (increase) in debtors	(3,671)	464
Increase (decrease) in creditors	38,803	(9,396)
Purchase of fixed assets	(69,694)	(1,476)
Net cash provided by (used in) operating activities	<u>(6,499)</u>	<u>95,567</u>

Notes to the Financial Statements for the year ended 28th February 2017

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, assessment of going concern and effect of transition to FRS 102

The financial statements 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.

This is the first year in which the financial statements have been prepared under FRS 102. The last financial statements for the year ended 28th February 2016, were prepared under the previous UK GAAP. In preparing these financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 any restatement of comparative items was required. No restatements were required.

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 2017/18 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 19.

(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 2017 (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 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 and which is currently under renovation and not yet in use, has not yet been 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.

(j) Transition to FRS 102

The opening fund balances at the date of transition (1 March 2015) did not require to be restated.

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 (2016: £nil). For expenses reimbursed and transactions with trustees/related parties see note 18.

Notes to the Financial Statements for the year ended 28th February 2017 (continued)

3. Donations and legacies

	Unrestricted		Restricted £	Total 2017 £	Total 2016 £
	General £	Designated £			
Sundry donations	1,831	-	-	1,831	2,108
	<u>1,831</u>	<u>-</u>	<u>-</u>	<u>1,831</u>	<u>2,108</u>

4. Income from charitable activities

	Unrestricted		Restricted £	Total 2017 £	Total 2016 £
	General £	Designated £			
Grants - Esmee Fairbairn	-	-	100,000	100,000	50,000
- John Ellerman	-	-	20,000	20,000	25,000
- Kilfinan Trust	-	-	10,000	10,000	10,000
- Sundry	-	-	1,123	1,123	5,000
- North Ayrshire Community Planning Partnership	-	-	850	850	-
- North Ayrshire Ventures Trust	-	-	30,000	30,000	-
- Van Neste Foundation	-	-	10,000	10,000	-
Grants deferred (North Ayrshire CPP, North Ayrshire Ventures Trust and Van Neste Foundation – note 17)	-	-	(40,850)	(40,850)	-
Release of deferred grants (Arran Trust/North Ayrshire Council/University of the West of England – note 17)	-	-	-	-	7,000
	<u>-</u>	<u>-</u>	<u>131,123</u>	<u>131,123</u>	<u>97,000</u>

5. Other trading activities

	Unrestricted		Restricted £	Total 2017 £	Total 2016 £
	General £	Designated £			
Merchandise income	1,394	-	-	1,394	1,077
Income from gas sales	219	-	-	219	247
Camera hire/media images	246	-	-	246	1,006
Boat hire charged	1,000	-	-	1,000	-
Consultancy	2,820	-	-	2,820	4,222
	<u>5,679</u>	<u>-</u>	<u>-</u>	<u>5,679</u>	<u>6,552</u>

6. Investment income

	Unrestricted		Restricted £	Total 2017 £	Total 2016 £
	General £	Designated £			
Bank interest received	520	-	-	520	360
	<u>520</u>	<u>-</u>	<u>-</u>	<u>520</u>	<u>360</u>

Notes to the Financial Statements for the year ended 28th February 2017 (continued)

7. Other income

	Unrestricted			Total 2017 £	Total 2016 £
	General £	Designated £	Restricted £		
Travel expenses reimbursed	87	-	573	660	993
Vehicle expenses reimbursed	312	-	4	316	640
Postage reimbursed	-	-	5	5	-
Entertainment reimbursed	319	-	-	319	-
Compensation from bank	400	-	-	400	-
	<u>1,118</u>	<u>-</u>	<u>582</u>	<u>1,700</u>	<u>1,633</u>

8. Cost of raising funds

	Unrestricted			Total 2017 £	Total 2016 £
	General £	Designated £	Restricted £		
Merchandise purchases	1,342	-	-	1,342	1,353
Paypal charges	23	-	-	23	26
	<u>1,365</u>	<u>-</u>	<u>-</u>	<u>1,365</u>	<u>1,379</u>

9. Charitable activities

	Unrestricted			Total 2017 £	Total 2016 £
	General £	Designated £	Restricted £		
Projects and activities	36	-	1,153	1,189	473
Research costs	360	-	1,728	2,088	610
Rent and electricity	-	-	4,717	4,717	5,490
Website development and Internet	-	-	275	275	309
Travel and subsistence	-	-	4,508	4,508	4,742
Printing	540	-	1,544	2,084	66
Office equipment	-	-	164	164	312
Training	-	-	-	-	210
Grants awarded (see note 10)	-	-	1,026	1,026	1,020
Staff costs (see note 11)	-	-	71,060	71,060	61,344
Charter of dive boat	-	-	10,036	10,036	10,626
Seminar costs	-	-	329	329	432
Postage, stationery and advertising	66	-	1,872	1,938	2,403
Equipment repairs and maintenance	-	-	1,589	1,589	1,046
Telephone and fax	-	-	1,117	1,117	917
Insurance	-	-	1,411	1,411	1,005
Vehicle expenses	-	-	2,922	2,922	3,550
Subscriptions	-	-	180	180	210
Depreciation	101	-	2,873	2,974	5,750
Donations	300	-	-	300	-
Support costs (see note 12)	-	-	4,821	4,821	4,961
	<u>1,403</u>	<u>-</u>	<u>113,325</u>	<u>114,728</u>	<u>105,476</u>

Notes to the Financial Statements for the year ended 28th February 2017 (continued)

10. Grants awarded

	Unrestricted			Total 2017 £	Total 2016 £
	General	Designated	Restricted		
	£	£			
Grants to individual volunteers to assist with travel expenses etc.	-	-	1,026	1,026	1,020
	-	-	1,026	1,026	1,020

11. Analysis of staff costs

	Unrestricted			Total 2017 £	Total 2016 £
	General	Designated	Restricted		
	£	£			
Salaries	-	-	67,866	67,866	57,753
Social security costs	-	-	3,194	3,194	3,591
	-	-	71,060	71,060	61,344
Average number of staff employed				3	2

No employee received total emoluments of more than £60,000 during the year (2016: none).

12. Support costs

	Unrestricted			Total 2017 £	Total 2016 £
	General	Designated	Restricted		
	£	£			
Governance costs (note 13)	-	-	1,933	1,933	1,933
Bank interest and charges	-	-	120	120	223
HMRC interest on late payment	-	-	72	72	-
Book-keeping and payroll	-	-	2,501	2,501	2,331
Recruitment costs	-	-	-	-	451
Sundry	-	-	195	195	23
	-	-	4,821	4,821	4,961

13. Governance costs

	Unrestricted			Total 2017 £	Total 2016 £
	General	Designated	Restricted		
	£	£			
Independent Examiner's fee	-	-	1,920	1,920	1,920
Filing fees	-	-	13	13	13
	-	-	1,933	1,933	1,933

Notes to the Financial Statements for the year ended 28th February 2017 (continued)

14. Exceptional item

During the previous year, one of the trustees donated £100,000 to the Trust, there were no conditions attached but the trustees decided to set these funds aside for the Marine Discovery and Learning Centre. During the current year, £65,000 was paid for the purchase of the Lamlash Tennis Courts and Pavilion.

15. Fixed Assets

	Property £	Plant and Equipment £	Office Equipment and Furniture £	Total £
At Cost				
At 1 March 2016	-	33,426	5,896	39,322
Additions	68,850	-	844	69,694
Disposals	-	-	-	-
	<u>68,850</u>	<u>33,426</u>	<u>6,740</u>	<u>109,016</u>
Depreciation				
At 1 March 2016	-	29,850	4,305	34,155
Charge for year	-	2,001	973	2,974
On disposals	-	-	-	-
	<u>-</u>	<u>31,851</u>	<u>5,278</u>	<u>37,129</u>
Net Book Value at 28 February 2017	<u>68,850</u>	<u>1,575</u>	<u>1,462</u>	<u>71,887</u>
Net Book Value at 29 February 2016	<u>-</u>	<u>3,576</u>	<u>1,591</u>	<u>5,167</u>

16. Debtors and Prepayments

	Unrestricted General	Designated	Restricted	Total 2017 £	Total 2016 £
Trade debtors	3,820	-	5	3,825	340
Paypal	450	-	-	450	200
Prepayments	-	-	230	230	294
	<u>4,270</u>	<u>-</u>	<u>235</u>	<u>4,505</u>	<u>834</u>

17. Deferred Grants

	Total 2017 £	Total 2016 £
Balance at 1 March 2016	-	7,000
Released to income from charitable activities (note 4)	-	(7,000)
Amount deferred in year	40,850	-
Balance at 28 February 2017	<u>40,850</u>	<u>-</u>

Notes to the Financial Statements for the year ended 28th February 2017 (continued)

18. Related Party Transactions

	Total 2017 £	Total 2016 £
Charter of dive boat	6,922	8,626
Sundry office costs reimbursed (stationery/telephone/posts etc.)	430	1,201
Rent and electricity for barn	667	738
Directors' travel and subsistence reimbursed	1,482	1,632
Equipment purchases reimbursed	104	84
	9,605	12,281

The above transactions all took place with four of the directors (or their companies) on normal business terms and rates. At 28.02.17, £134 was owed to directors (2016: £168).

19. Movements in Funds

	At 1 March 2016 £	Incoming resources £	Outgoing resources £	Transfer £	At 28 February 2017 £
Restricted Funds					
Core costs	19,695	70,578	(61,719)	-	28,554
Monitoring and research	1,174	10,000	(8,182)	-	2,992
Marine interpretation vehicle	2,530		(270)	-	2,260
Beach clean up	-	623	(623)	-	-
Communication materials	-	500	(335)	-	165
Marine Discovery and Learning Centre - Core costs		50,004	(42,196)	-	7,808
Unrestricted Funds					
General Fund	30,628	9,148	(2,768)	-	37,008
Designated Fund	100,000	-	-	-	100,000
	154,027	140,853	(116,093)	-	178,787

Notes to the Financial Statements for the year ended 28th February 2017 (continued)

19. Movement in Funds (continued)

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).

Beach clean up – This grant was received towards the costs of cleaning local beaches, these funds were fully utilized during the period.

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 – 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.

Unrestricted Funds:

General Fund – This fund arises out of generated income and unrestricted grants and 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.

20. Analysis of net assets between funds

	Unrestricted			Total	Total
	General	Designated	Restricted	2017	2016
				£	£
Fixed Assets	304	65,000	6,583	71,887	5,167
Stock	1,203	-	-	1,203	2,052
Debtors and Prepayments	4,270	-	235	4,505	834
Bank	33,038	35,000	80,179	148,217	154,254
Cash	113	-	-	113	55
Trade Creditors	-	-	(1,121)	(1,121)	(1,832)
Accruals	(1,920)	-	(1,166)	(3,086)	(4,391)
Credit Card	-	-	(259)	(259)	(142)
Deferred Grants	-	-	(40,850)	(40,850)	-
PAYE Liability	-	-	(1,822)	(1,822)	(1,970)
	37,008	100,000	41,779	178,787	154,027

21. 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 2017, which are set out on pages 5 to 16.

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.

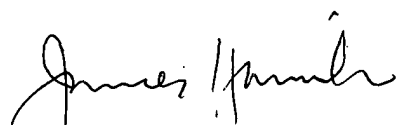
Basis of Independent Examiner's statement

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: 24/11/17