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Co Reg No. SC 299917
Charity No. SC 042088

Community of Arran Seabed Trust Limited

**Directors Report and
Financial Statements for the year ended
28th February 2014**

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Community of Arran Seabed Trust Limited
Scottish Charity No. SC042088

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Community of Arran Seabed Trust Limited
Scottish Charity No. SC042088

Directors' Report for the year ended 28 February 2014

The directors have pleasure in presenting their report, together with the financial statements for the year ended 28 February 2014.

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. T Appleby Mr. J Henderson Ms. C Gill
SECRETARY	Ms J Martin
MEMBERS	Mr. H L Wood Mr. T Appleby Ms J Martin
REGISTERED OFFICE	The Old Haybarn Park Terrace Lamlash Isle of Arran KA27 8NB
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

Structure, Governance and Management

Community of Arran Seabed Trust Limited is a company limited by guarantee, governed by its directors, in line with its written Constitution. Charitable status was granted on 11th February 2011.

Directors' Report for the year ended 28 February 2014 (Continued)

Objectives and Activities

Objectives and aims

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.

Significant activities

COAST's focus during 2013-14 was directed at the continued management of the Lamlash Community Marine Reserve, ongoing marine education to both the wider community and schools on the island and the facilitation of scientific research by visiting universities within the reserve.

COAST's proposal for a Marine Protected Area (MPA) progressed to the final stage of approval in 2013/14 and was designated in July 2014.

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.

Financial Review

Reserves policy

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

The balance held at 28 February 2014 was £107,808, against an actual six month spend of £49,567. The accounts for the year are attached and form part of this report.

Approved by the Directors on 10.09.14 and signed on their behalf by:



J Martin - Secretary

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

I report on the accounts of the Trust for the year ended 28 February 2014, which are set out on pages 4 to 11.

Respective responsibilities of Trustees and Independent Examiner

The Directors 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. 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.

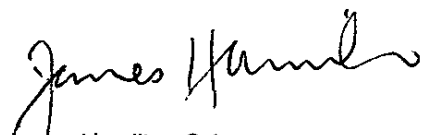
Basis of Independent Examiner's statement

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 the Directors 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:

15th September 2014

**Statement of Financial Activities (Incorporating Income and Expenditure Account)
 For the year ended 28 February 2014**

	Notes	Unrestricted Funds		Restricted Funds £	2014 Total £	2013 Total £
		General Fund £	Designated Funds £			
Incoming Resources						
<i>From generated funds</i>						
Voluntary income	3	3,384	-	-	3,384	4,964
Investment income	5	564	-	-	564	418
<i>From charitable activities</i>						
Other incoming resources	6	-	-	102,000	102,000	100,878
Total Incoming Resources		3,948	-	102,000	105,948	106,260
Resources Expended						
Cost of generating income	7	1,684	-	-	1,684	1,168
Charitable activities	8	-	-	85,828	85,828	62,738
Governance costs	9	1,861	-	858	2,719	3,678
Other resources expended	10	-	-	8,902	8,902	11,972
Total Resources Expended		3,545	-	95,588	99,133	79,556
Net incoming/(outgoing) resources before transfers		403	-	6,412	6,815	26,704
Gross transfers between funds		-	-	-	-	-
Net incoming/(outgoing) resources before recognised gains		403	-	6,412	6,815	26,704
Other recognised gains		-	-	-	-	-
<i>Gains on investment assets</i>		-	-	-	-	-
Net movement in funds		403	-	6,412	6,815	26,704
Reconciliation of Funds						
Total funds brought forward		20,242	-	80,751	100,993	74,289
Total funds carried forward		20,645	-	87,163	107,808	100,993

Balance Sheet as at 28 February 2014

	Notes	Year to 28/02/2014		Year to 29/02/2013	
		£	£	£	£
Fixed Assets	11		12,238		17,125
Current Assets					
Stock		1,560		2,624	
Current Account		4,650		7,139	
Instant Access Bank Account		87,279		71,714	
Income Generating Bank Account		6,664		7,636	
Petty Cash		160		20	
Debtors and Prepayments	12	320		1058	
			<u>100,633</u>		<u>90,191</u>
Current Liabilities					
Trade creditors		373		249	
Accruals		2,205		2,370	
Credit card		-		123	
Deferred Grant		-		2,000	
PAYE Liability		2,485		1,581	
			<u>5,063</u>		<u>6,323</u>
Net Current Assets			<u>95,570</u>		<u>83,868</u>
Total Assets less Liabilities			<u>107,808</u>		<u>100,993</u>
Represented by:					
Unrestricted Funds					
General Fund	15		20,645		20,242
Restricted Fund	15		87,163		80,751
Total Funds			<u>107,808</u>		<u>100,993</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 28th February 2014. The members have not required the Company to obtain an audit of its financial statements for the period ended 28th February 2014 in accordance with Section 476 of the Companies Act 2006.

The directors 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 company as at the end of each financial year and of its profit or loss 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 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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Directors on 10/9/14..... and signed on their behalf by,


 H L Wood - Director

Notes to the Financial Statements

1. Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) (revised 2005).

2. Accounting Policies

Recognition of incoming resources

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.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance costs

Include costs of the preparation and examination of the statutory accounts, the costs of Directors' meetings and the cost of any legal advice sought by the Directors on governance and constitutional matters.

Support costs

Support costs include central functions and have been allocated entirely to Charitable Activities, see note 8 for a detailed breakdown of costs incurred during the year.

Tangible fixed assets for use by the charity

Items are capitalized if they have an estimated useful life in excess of one year and have an initial cost of at least £50. 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.

3. Voluntary Income

	Unrestricted		Restricted	Total 2014	Total 2013
	General	Designated			
	£	£	£	£	£
Merchandise Income	528	-	-	528	504
Income from Gas Sales	1,598	-	-	1,598	808
Camera Hire/Media Images	500	-	-	500	200
Donations (Note 4)	758	-	-	758	3,452
	<u>3,384</u>	-	-	<u>3,384</u>	<u>4,964</u>

Notes to the Financial Statements (continued)

4. Donations (Note 3)

	Unrestricted			Total 2014 £	Total 2013 £
	General £	Designated £	Restricted £		
Individual donor	-	-	-	-	1,000
Sundry donations	758	-	-	758	1,752
Gift Aid Recoverable	-	-	-	-	700
	<u>758</u>	<u>-</u>	<u>-</u>	<u>758</u>	<u>3,452</u>

5. Investment Income

	Unrestricted			Total 2014 £	Total 2013 £
	General £	Designated £	Restricted £		
Bank interest received	564	-	-	564	418
	<u>564</u>	<u>-</u>	<u>-</u>	<u>564</u>	<u>418</u>

6. Other Incoming Resources

	Unrestricted			Total 2014 £	Total 2013 £
	General £	Designated £	Restricted £		
Grants Received - Esmee Fairbairn Foundation	-	-	50,000	50,000	50,000
- The Underwood Trust	-	-	50,000	50,000	50,000
- British Ecological Society	-	-	2,000	2,000	-
- FFC	-	-	-	-	307
- MCS	-	-	-	-	375
Miscellaneous income	-	-	-	-	196
	<u>-</u>	<u>-</u>	<u>102,000</u>	<u>102,000</u>	<u>100,878</u>

Notes to the Financial Statements (continued)

7. Cost of Generating Voluntary Funds

	Unrestricted		Restricted £	Total 2014 £	Total 2013 £
	General £	Designated £			
Merchandise purchases	1,673	-	-	1,673	1,162
Paypal charges	11	-	-	11	6
	<u>1,684</u>	<u>-</u>	<u>-</u>	<u>1,684</u>	<u>1,168</u>

8. Charitable Activities

	Unrestricted		Restricted £	Total 2014 £	Total 2013 £
	General £	Designated £			
Projects and activities	-	-	175	175	28
Research costs	-	-	120	120	1,600
P.R. Literature and brochures	-	-	6,973	6,973	2,035
Rent and electricity	-	-	4,456	4,456	4,526
Website development and Internet	-	-	-	-	409
Travel and subsistence	-	-	2,827	2,827	5,178
Printing	-	-	230	230	156
Office equipment	-	-	419	419	-
Training	-	-	160	160	1,125
Grants awarded	-	-	4,175	4,175	2,500
Wages and Employers NIC	-	-	54,213	54,213	31,556
Charter of dive boat	-	-	6,675	6,675	8,245
Seminar costs	-	-	273	273	66
Postage, stationery and advertising	-	-	1,609	1,609	1,668
Equipment repairs and maintenance	-	-	149	149	249
Telephone and fax	-	-	1,939	1,939	1,094
Computers and software	-	-	-	-	1,048
Repairs	-	-	-	-	-
Insurance	-	-	1,435	1,435	1,255
	<u>-</u>	<u>-</u>	<u>85,828</u>	<u>85,828</u>	<u>62,738</u>
Average number of staff employed				<u>2</u>	<u>1</u>

Notes to the Financial Statements (continued)

9. Governance Costs

	Unrestricted		Restricted £	Total 2014 £	Total 2013 £
	General £	Designated £			
Accountancy fees	1,848	-	-	1,848	2,328
Other professional fees	-	-	318	318	-
Office Administration	-	-	-	-	822
Filing Fees	13	-	-	13	28
Consultancy	-	-	540	540	500
	1,861	-	858	2,719	3,678

10. Other Resources Expended

	Unrestricted		Restricted £	Total 2014 £	Total 2013 £
	General £	Designated £			
Recruitment expenses	-	-	-	-	206
Depreciation	-	-	7,795	7,795	7,068
Subscriptions	-	-	256	256	246
Repairs	-	-	420	420	72
Irrecoverable input VAT	-	-	-	-	3,951
Bank interest and charges	-	-	22	22	30
Sundry	-	-	409	409	399
	-	-	8,902	8,902	11,972

11. Fixed Assets

	Plant and Equipment £	Office Equipment and Furniture £	Total £
At Cost			
At 1 March 2013	25,421	2,852	28,273
Additions	1,705	1,203	2,908
Disposals	-	-	-
	27,126	4,055	31,181
Depreciation			
At 1 March 2013	10,107	1,041	11,148
Charge for year	6,782	1,013	7,795
On disposals	-	-	-
	16,889	2,054	18,943
Net Book Value at 28 February 2014	10,237	2,001	12,238
Net Book Value at 29 February 2013	15,314	1,811	17,125

Notes to the Financial Statements (continued)

12. Debtors and Prepayments

	Unrestricted General	Designated	Restricted	Total 2014 £	Total 2013 £
Paypal	90	-	-	90	88
Prepayments	-	-	230	230	230
Gift Aid Recoverable	-	-	-	-	700
VAT	-	-	-	-	40
	<u>90</u>	<u>-</u>	<u>230</u>	<u>320</u>	<u>1,058</u>

13. Related Party Transactions

	Total 2014 £	Total 2013 £
Consultancy services	540	-
Charter of Dive Boat	5,430	8,245
Sundry office costs reimbursed (stationery/telephone/posts etc.)	252	1,088
Rent and electricity for barn	794	1,024
Directors' travel and subsistence reimbursed	887	3,292
	<u>7,903</u>	<u>13,649</u>

The above transactions all took place with directors (or their companies) at normal business rates.

14. Analysis of Net Assets between Funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fixed Assets	-	-	12,238	12,238
Current assets	22,325	-	78,308	100,633
Current liabilities	(1,680)	-	(3,383)	(5,063)
	<u>20,645</u>	<u>-</u>	<u>87,163</u>	<u>107,808</u>

Notes to the Financial Statements (continued)

15. Movements in Funds

	At 1 March 2013 £	Incoming resources £	Outgoing resources £	Transfer £	At 28 February 2014 £
Restricted Funds					
Esmee Fairbairn/Underwood Trust	80,751	100,000	93,588	-	87,163
British Ecological Society	-	2,000	2,000	-	-
Unrestricted Funds					
General Fund	20,242	3,948	3,545	-	20,645
	<u>100,993</u>	<u>105,948</u>	<u>99,133</u>	<u>-</u>	<u>107,808</u>

Restricted Funds

The Esmee Fairbairn/Underwood Trust Fund – These grants both have 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.

The British Ecological Society – This grant was received towards the cost of a series of family discovery days and was specifically to provide for the costs of boat hire in the summer of 2013.

The General Fund – This fund arises out of generated income and unrestricted grants (e.g. the Van Neste Foundation) and finances the costs not specifically provided for by the other funds.