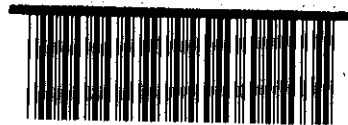


Company Registration No. SC045381 (Scotland)
Charity Registration No. SC006185 (Scotland)

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2005



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COMPANIES HOUSE 31/05/06

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

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**THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED
REPORT BY THE BOARD OF TRUSTEES
TO THE THIRTY-EIGHTH ANNUAL GENERAL MEETING
OF THE COMPANY**

The Board of Trustees presents their Report and Accounts of the Company for the year ended 31st October 2005.

BOARD OF TRUSTEES

CHAIRMAN	A Gardner
VICE CHAIRMAN	D Turner
	A Dodds T Gardner Rev G Craig MBE Mrs J Henderson J Noble RGW Prescott MA PhD FSA I Pringle Mrs E Riches BA D Smith MBE J Tarvit ISO DN Tod DBB Smith OBE MA LLB W Fox
SECRETARY	I Reekie MA FEIS
TREASURER	MJ Robertson BA CA

ADVISORY COUNCIL

CHAIRMAN	A Gardner
PRESIDENT	TA Murray
EX OFFICIO	Dr B Lang, Principal, University of St Andrews D McAllister, Chairman, National Trust for Scotland Cllr T Dair, Convener of Fife Council Lord Wilson of Tillyorn, Chairman, National Museums of Scotland
NOMINATED	A Lindsay, National Trust for Scotland Cllr JA Liston, Fife Council Cllr J Smith, Fife Council
ELECTED	Mrs W Anderson, J Main, D Stoddart
CO-OPTED	AC Scott Ms D Mechan
PATRONS	Sir James Cayzer Bt Lord Ewing of Kirkford David Miller CBE Sir Bob Reid

**SCOTTISH FISHERIES MUSEUM TRUST LIMITED
REPORT BY THE BOARD OF TRUSTEES**

ELECTION OF BOARD MEMBERS

1. Mrs J Henderson, T Gardner and J Tarvit were elected to the board at the 2005 AGM
2. Under the Constitution there will be no elections to the Board of Trustees this year.

RESULTS

The Accounts show a surplus for the year of £2,911 after receipt of a Running Grant of £62,500 from the Scottish Executive and subvention of £46,550 from Fife Council. Opening Members Funds of £1,626,970 increased to £1,629,881 at 31 October 2005. The movement within the individual funds is detailed in the Statement of Financial Activities.

REVIEW OF THE BUSINESS

The Trust operates the Scottish Fisheries Museum at St Ayles, Harbourhead, Anstruther and is registered as a National Museum. The Trust is the recipient of a two year revenue support grant from the Scottish Executive for the years 2005-7. The Trust also receives significant financial support from Fife Council. Entry is free to accompanied children and there are a number of "Days Open" throughout the year.

RESERVES

The reserves of the Trust are mainly contained in the land, buildings and exhibits. It has no liquid reserves and operates with an overdraft facility, when required, which continues to reduce. No major capital expenditure is currently planned.

AIMS AND MAJOR RISKS

The Trust's aim is to collect, preserve, interpret and display the fishing heritage of Scotland for the public benefit. It has an agreed Collections Policy defining and limiting the range of artefacts to be accessioned. The main asset of the Trust is the collection, much of which is by its very nature and age is irreplaceable. The policy of the Trust is therefore to utilise full-time professional curatorial staff to regularly review the state of the collection. There are also established rolling maintenance and refurbishment programmes which ensure that the museum buildings housing the collection, are adequately maintained and that the artefacts themselves are stored, preserved, displayed and interpreted to the public's benefit. In addition the Trust has installed modern fire protection and burglar alarm systems and carries reasonable insurance cover.

The trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate our exposure to these.

AUDITORS

The Accounts for the year to 31st October 2005 have been audited and the Auditor's Report is on page 4. A Resolution proposing the re-appointment of Henderson Black & Co will be made at the Annual General Meeting.

Signed on Behalf of the Board of Trustees
I Reekie, Secretary

Ian Reekie

2/5/2006

A Gardner, Chairman

A. J. Gardner

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

STATEMENT OF THE BOARD OF TRUSTEES RESPONSIBILITIES

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Board of Trustees are required to:

1. Select suitable accounting policies and then apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board of Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

We have audited the financial statements of The Scottish Fisheries Museum Trust Limited on pages 5 to 12 for the year ended 31 October 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the members, as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the statement of trustees responsibilities on page 3, the company's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the trust is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

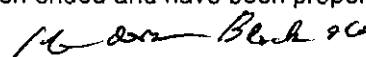
Basis of audit opinion

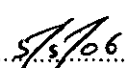
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 October 2005 and of its income and expenditure, its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Henderson Black & Co
Chartered Accountants
Registered Auditor


Edenbank House
22 Crossgate
Cupar
KY15 5HW

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2005

	Notes	2005 £	2004 £
Turnover		357,163	288,734
Cost of sales		(44,891)	(49,440)
Gross profit		312,272	239,294
Administrative expenses		(309,360)	(227,302)
Operating (loss)/profit	4	2,912	11,992
Interest payable and similar charges	5	(1)	(401)
(Loss)/profit on ordinary activities before taxation		2,911	11,591
Tax on (loss)/profit on ordinary activities	6	-	-
(Loss)/profit on ordinary activities after taxation		2,911	11,591

Henderson, Black & Co.

The profit and loss account has been prepared on the basis that all operations are continuing operations.


There are no recognised gains and losses other than those passing through the profit and loss account.

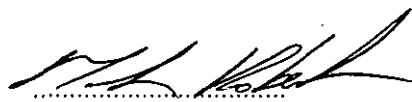
THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

BALANCE SHEET AS AT 31 OCTOBER 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Tangible assets	7		1,613,804		1,631,627
Current assets					
Stocks	8	9,380		12,225	
Debtors	9	3,033		2,296	
Cash at bank and in hand		133,968		40,586	
			<u>146,381</u>		<u>55,107</u>
Creditors: amounts falling due within one year	10	<u>(15,289)</u>		<u>(11,689)</u>	
Net current assets			<u>131,092</u>		<u>43,418</u>
Total assets less current liabilities			<u>1,744,896</u>		<u>1,675,045</u>
Creditors: amounts falling due after more than one year	11		(1,800)		(1,800)
Provisions for liabilities and charges	12		(67,525)		-
Accruals and deferred income	13		(45,690)		(46,275)
Net assets			<u><u>1,629,881</u></u>		<u><u>1,626,970</u></u>
Financed by:					
Capital and reserves					
General fund - unrestricted			466,616		453,048
Life membership fund - unrestricted			3,585		2,783
Grants fund - restricted			1,089,366		1,100,115
Development fund - endowment			70,314		71,024
Members funds			<u><u>1,629,881</u></u>		<u><u>1,626,970</u></u>

Signed on behalf of the Board of Trustees


A Gardner Chairman


M Robertson C.A. Treasurer

The financial statements were approved by the Board on 2nd May 2006

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2005

	2005	2005	2005	2005	2005	2004
	General fund	Life membership fund	Grants fund	Development fund	Total	Total
	£	£	£	£	£	£
Incoming resources:						
Admissions	36,573				36,573	35,780
Subscriptions & donations	3,823	1,200			5,023	6,379
Legacies	500				500	7,236
Boat club contributions	14,643				14,643	14,661
Grants received			6,000		6,000	-
Running expense grant	108,010				108,010	106,550
Shop sales	38,004				38,004	42,137
Tea room sales	58,592				58,592	61,220
Other income	10,043				10,043	10,771
Sponsorship	1,625				1,625	4,000
Model boats	-				-	-
East Green Recovery income	78,150				78,150	-
Total incoming resources	349,963	1,200	6,000	-	357,163	288,734
Resources expended:						
On charity's objects	351,807				351,807	272,918
Administration	2,445				2,445	4,225
Total resources expended	354,252	-	-	-	354,252	277,143
Net incoming/(outgoing)						
Resources before transfers	(4,289)	1,200	6,000	-	2,911	11,591
Transfers between funds	17,857	(398)	(16,749)	(710)	-	-
Net movement in funds	13,568	802	(10,749)	(710)	2,911	11,591
Total funds brought forward at 1 November 2004	453,048	2,783	1,100,115	71,024	1,626,970	1,615,379
Total funds carried forward at 31 October 2005	466,616	3,585	1,089,366	70,314	1,629,881	1,626,970
Represented by:						
Fixed Assets	454,124		1,089,366	70,314	1,613,804	1,631,627
Current Assets	142,796	3,585			146,381	55,107
Current Liabilities	(15,289)				(15,289)	(11,689)
Longterm Liabilities	(1,800)				(1,800)	(1,800)
Provisions	(67,525)				(67,525)	-
Deferred Income	(45,690)				(45,690)	(46,275)
	466,616	3,585	1,089,366	70,314	1,629,881	1,626,970

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities, applicable accounting standards and the Companies Act 1985.

1.2 Incoming resources and resources expended

Incoming resources are recognised, net of VAT, when receivable.

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	1% per annum on straight line basis.
Computer equipment	33.3% per annum on straight line basis
Exhibits, fixtures and equipment	10% per annum on reducing balance
Boats	10% per annum on reducing balance

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.6 Government grants

Capital grants on capital expenditure are allocated to the Grants Fund and a transfer is made to the General Fund equivalent to the depreciation charge of the assets acquired. Grants of a revenue nature are credited to income in the period to which they relate.

2 Funds

The Development Fund is an Endowment Fund for the purposes of funding the Zulu Gallery. A transfer is made to the general fund equivalent to depreciation on assets acquired by development funding.

The Grants Fund is a restricted fund relating to capital grants received for the acquisition of fixed assets. A transfer is made to the General Fund equivalent to the depreciation charge on the fixed assets acquired.

The Life Membership Fund is an unrestricted designated fund for the purposes of accounting for life membership subscriptions.

The General Fund consists of non-designated unrestricted funds.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

3 Employee Information	2005	2004
	£	£
Staff costs:		
Wages and salaries	118,822	114,021
Social security costs	5,991	6,061
Pension costs	2,000	2,000
	<u>126,813</u>	<u>122,082</u>

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	No.	No.
Management, office and general staff	8	8
Curatorial	2	2
	<u>10</u>	<u>10</u>

4 Operating (loss)/profit	2005	2004
	£	£
Operating (loss)/profit is stated after charging:		
Staff costs	126,813	122,082
Depreciation	23,225	23,781
Operating lease rentals - plant	1,440	1,385
Auditors' remuneration	2,445	4,225
	<u>153,923</u>	<u>151,473</u>

5 Interest payable	2005	2004
	£	£
On bank loans and overdrafts	1	401
	<u>1</u>	<u>401</u>

6 Taxation

It has been agreed with the Inland Revenue that the Company is not liable to United Kingdom taxation due to its charitable status.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

7 Tangible fixed assets	Freehold land	Freehold buildings	Exhibits, fixtures and equipment	Boats	Total
	£	£	£	£	£
Cost					
At 1 November 2004	56,560	1,663,481	128,212	49,349	1,897,602
Additions	-	-	5,402	-	5,402
At 31 October 2005	<u>56,560</u>	<u>1,663,481</u>	<u>133,614</u>	<u>49,349</u>	<u>1,903,004</u>
Depreciation					
At 1 November 2004	-	147,816	76,734	41,425	265,975
Charge for the year	-	16,636	5,797	792	23,225
At 31 October 2005	<u>-</u>	<u>164,452</u>	<u>82,531</u>	<u>42,217</u>	<u>289,200</u>
Net book value					
At 31 October 2005	<u>56,560</u>	<u>1,499,029</u>	<u>51,083</u>	<u>7,132</u>	<u>1,613,804</u>
At 31 October 2004	<u>56,560</u>	<u>1,515,665</u>	<u>51,478</u>	<u>7,924</u>	<u>1,631,627</u>

The heritable property known as St. Ayles, Harbourhead, Anstruther was purchased by Anstruther Town Council from the National Trust for Scotland in 1967 and the Town Council later sold the property to the Scottish Fisheries Museum Trust Limited at the same price, the date of recording being 29 June 1970.

The Scottish Fisheries Museum Trust Limited then granted a Bond and Disposition in Security in favour of the Town Council for the same amount and this deed is also recorded 29 June 1970. The Bond is now vested in Fife Council as successors to Anstruther Town Council. By a Back Letter granted by the Town Clerk in favour of the Scottish Fisheries Museum Trust Limited, it is agreed that no interest shall be charged upon the loan, nor will the sum be called up unless and until steps have been initiated for the Scottish Fisheries Museum Trust Limited to be wound up voluntarily or otherwise in terms of the Companies Acts.

No value has been included under the heading of Exhibits as shown for those items either donated or loaned to the Museum. The Trustees are unable to put value on these exhibits, but for insurance purposes the total contents of the Museum have been valued at £272,753 (2004 £264,295).

8 Stocks	2005 £	2004 £
Publications and consumables	<u>9,380</u>	<u>12,225</u>

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

9 Debtors	2005 £	2004 £
Trade debtors	776	939
Prepayments	2,257	1,357
	<u>3,033</u>	<u>2,296</u>

10 Creditors: amounts falling due within one year	2005 £	2004 £
Trade creditors	2,951	6,674
Other taxes and social security costs	4,331	1,907
Accruals	8,007	3,108
	<u>15,289</u>	<u>11,689</u>

Clydesdale Bank plc holds a Standard Security over property at No.5 and No.11 East Shore, Anstruther.

11 Creditors: amounts falling due after more than one year	2005 £	2004 £
Bond secured over property (note 7)	1,800	1,800
	<u>1,800</u>	<u>1,800</u>

12 Provisions for liabilities and charges	Other £
Profit and loss account	67,525
Balance at 31 October 2005	<u>67,525</u>

This provision relates to costs incurred in repairing fire damage at East Green after the year end.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

13 Deferred income

Deferred revenue grants and sponsorship

	£
Balance at 1 November 2004	46,275
Grants received during the year	109,050
Transferred to revenue account	(108,010)
Transferred to sponsorship	(1,625)
	<hr/>
Balance at 31 October 2005	45,690
	<hr/> <hr/>

14 Financial commitments

At 31 October 2005 the company had annual commitments under non-cancellable operating leases as follows:

	2005	2004
	£	£
Operating leases, other than land and buildings which expire:		
Within one year	-	516
Between two and five years	920	876
	<hr/>	<hr/>
	920	1,392
	<hr/> <hr/>	<hr/> <hr/>

15 Legal

The Company Registration Number is SC045381 and the Charity Registration Number is SC006185. The Company does not have a share capital, but the liability of the members is limited by guarantee. In the event of the company being wound up each member may be required to contribute an amount not exceeding £1. As at 31 October 2005 there were 502 members (2004 - 480)

A Legal Liability exists to repay the STB and Heritage Lottery Fund Grants if the underlying assets are sold or otherwise disposed of, without prior approval of the Grantors, on closure or liquidation, events which the Trustees deem unlikely.

16 Related parties

The company has an ongoing connection with the Boats Club. The Boats Club maintains, crews and sails the 'Reaper', a sailing vessel which it takes to various events in the United Kingdom and in doing so carries out outreach work on behalf of the company. The company pays Boats Club expenses which are later reimbursed by the Club. The company also makes donations to the Boats Club in recognition of the valuable work it does in raising the profile of the Museum.

Income during the year from the Boats Club £14,643
Expenses incurred on behalf of the Boats Club £15,233
Donations made to the Boats Club £2,500
Included in debtors at 31 October 2005 £493
Included in creditors at 31 October 2005 £460

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2005

	£	2005 £	£	2004 £
Income				
Admissions	36,573		35,780	
Subscriptions and donations	5,023		6,379	
Legacies	500		7,236	
Boat club contributions	14,643		14,661	
Grants received	6,000		-	
Running expense grants	108,010		106,550	
Shop sales	38,004		42,137	
Tea room sales	58,592		61,220	
Other income	10,043		10,771	
Sponsorship	1,625		4,000	
East Green Recovery income	78,150		-	
	<u>357,163</u>		<u>288,734</u>	
		357,163		288,734
Cost of sales				
Shop purchases	22,275		26,124	
Tea room purchases	22,616		23,316	
	<u>44,891</u>		<u>49,440</u>	
		<u>(44,891)</u>		<u>(49,440)</u>
Gross surplus		312,272		239,294
Expenditure				
Rates and insurance	20,115		15,909	
Light and heat	6,293		5,341	
Repairs and maintenance	7,388		9,355	
Boat expenses	17,733		14,619	
East Green Recovery expenses	78,150		-	
Wages and salaries	124,813		120,082	
Printing, postage and stationery	2,776		2,904	
Advertising	13,012		17,292	
Telephone	1,726		2,025	
Travel expenses	611		872	
Curatorial expenses	4,167		4,023	
Leasing - plant	1,440		1,385	
Audit fees	2,445		4,225	
Accountancy fees	148		166	
Bank charges	1,026		808	
Subscriptions	1,207		1,325	
General expenses	1,085		1,190	
Bank interest	1		401	
Depreciation	23,225		23,781	
	<u>(309,361)</u>		<u>(227,703)</u>	
Total overhead expenses		<u>(309,361)</u>		<u>(227,703)</u>
Surplus/(Deficit)		<u>2,911</u>		<u>11,591</u>