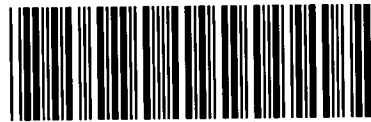


Community of Arran Seabed Trust Limited

**Directors' Report and
Financial Statements for the year ended
28th February 2015**

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Community of Arran Seabed Trust Limited

Scottish Charity No. SC042088

Directors' Report for the year ended 28 February 2015

The directors have pleasure in presenting their report, together with the financial statements for the year ended 28 February 2015.

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 2015 (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 2014-15 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. Coast is now advocating sound management proposals for the area.

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

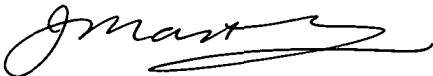
The Directors aim to maintain reserves at a level that equates to approximately six months of total expenditure. The Directors consider that this level will provide sufficient funds to cover the operational costs.

The balance held at 28 February 2015 was £53,229, against an actual six month spend of £50,131. There are also deferred grants of £7,000 which will be released in 2015/16 and further grants pledged of £55,000 over the next two years. The accounts for the year are attached and form part of this report.

Approved by the Directors on

20/9/15

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 2015, 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.

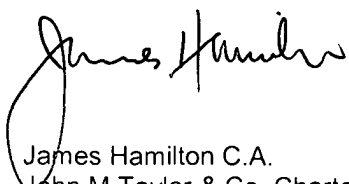
Basis of Independent Examiner's statement

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: 5th October 2015

Statement of Financial Activities (Incorporating Income and Expenditure Account)
For the year ended 28 February 2015

	Notes	Unrestricted Funds			2015 Total £	2014 Total £
		General Fund £	Designated Funds £	Restricted Funds £		
Incoming Resources						
<i>From generated funds</i>						
Voluntary income	3	4,588	-	770	5,358	3,384
Investment income	5	326	-	-	326	564
<i>From charitable activities</i>						
Other incoming resources	6	-	-	40,000	40,000	102,000
Total Incoming Resources		4,914	-	40,770	45,684	105,948
Resources Expended						
Cost of generating income	7	1,132	-	-	1,132	1,684
Charitable activities	8	-	-	86,802	86,802	85,828
Governance costs	9	1,753	-	360	2,113	2,719
Other resources expended	10	4	-	10,212	10,216	8,902
Total Resources Expended		2,889	-	97,374	100,263	99,133
Net incoming/(outgoing) resources before transfers		2,025		(56,604)	(54,579)	6,815
Gross transfers between funds						
Net incoming/(outgoing) resources before recognised gains		2,025		(56,604)	(54,579)	6,815
Other recognised gains						
<i>Gains on investment assets</i>		-	-	-	-	-
Net movement in funds		2,025	-	(56,604)	(54,579)	6,815
Reconciliation of Funds						
Total funds brought forward		20,645	-	87,163	107,808	100,993
Total funds carried forward		22,670	-	30,559	53,229	107,808

Balance Sheet as at 28 February 2015

	Notes	Year to 28/02/2015		Year to 28/02/2014	
		£	£	£	£
Fixed Assets	11		9,441		12,238
Current Assets					
Stock		1,839		1,560	
Current Account		7,326		4,650	
Instant Access Bank Account		43,376		87,279	
Income Generating Bank Account		7,633		6,664	
Petty Cash		47		160	
Debtors and Prepayments	12	1,298		320	
		61,519		100,633	
Current Liabilities					
Trade creditors		536		373	
Accruals		5,725		2,205	
Credit card		460		-	
Deferred Grants		7,000		-	
PAYE Liability		4,010		2,485	
		17,731		5,063	
Net Current Assets			43,788		95,570
Total Assets less Liabilities			53,229		107,808
Represented by:					
Unrestricted Funds					
General Fund	15		22,670		20,645
Restricted Fund	15		30,559		87,163
Total Funds			53,229		107,808

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 28th February 2015. The members have not required the Company to obtain an audit of its financial statements for the period ended 28th February 2015 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 30/9/15 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	Total
	General	Designated		2015	2014
	£	£	£	£	£
Merchandise Income	928	-	-	928	528
Income from Gas Sales	-	-	-	-	1,598
Camera Hire/Media Images	236	-	-	236	500
Donations (Note 4)	3,424	-	770	4,194	758
	4,588	-	770	5,358	3,384

Notes to the Financial Statements (continued)

4. Donations (Note 3)

	Unrestricted			Total 2015 £	Total 2014 £
	General £	Designated £	Restricted £		
Individual donor	1,000	-	-	1,000	-
Sundry donations	1,986	-	-	1,986	758
Scottish Government/S.I.F.T.	-	-	770	770	-
Gift Aid Recoverable	438	-	-	438	-
	<u>3,424</u>	<u>-</u>	<u>770</u>	<u>4,194</u>	<u>758</u>

5. Investment Income

	Unrestricted			Total 2015 £	Total 2014 £
	General £	Designated £	Restricted £		
Bank interest received	326	-	-	326	564
	<u>326</u>	<u>-</u>	<u>-</u>	<u>326</u>	<u>564</u>

6. Other Incoming Resources

	Unrestricted			Total 2015 £	Total 2014 £
	General £	Designated £	Restricted £		
Grants Received - Esmee Fairbairn Foundation	-	-	-	-	50,000
- The Underwood Trust	-	-	-	-	50,000
- British Ecological Society	-	-	-	-	2,000
- John Ellerman Foundation	-	-	30,000	30,000	-
- The Kilfinan Trust	-	-	10,000	10,000	-
	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>	<u>102,000</u>

Notes to the Financial Statements (continued)

7. Cost of Generating Voluntary Funds

	Unrestricted		Restricted	Total 2015	Total 2014
	General	Designated			
	£	£	£	£	£
Merchandise purchases	1,092	-	-	1,092	1,673
Paypal charges	40	-	-	40	11
	<u>1,132</u>	<u>-</u>	<u>-</u>	<u>1,132</u>	<u>1,684</u>

8. Charitable Activities

	Unrestricted		Restricted	Total 2015	Total 2014
	General	Designated			
	£	£	£	£	£
Projects and activities	-	-	959	959	175
Research costs	-	-	559	559	120
P.R. Literature and brochures	-	-	3,526	3,526	6,973
Rent and electricity	-	-	4,955	4,955	4,456
Website development and Internet	-	-	153	153	-
Travel and subsistence	-	-	3,923	3,923	2,827
Printing	-	-	710	710	230
Office equipment	-	-	423	423	419
Training	-	-	359	359	160
Grants awarded	-	-	1,891	1,891	4,175
Wages and Employers NIC	-	-	53,948	53,948	54,213
Charter of dive boat	-	-	9,783	9,783	6,675
Seminar costs	-	-	721	721	273
Postage, stationery and advertising	-	-	1,148	1,148	1,609
Equipment repairs and maintenance	-	-	272	272	149
Telephone and fax	-	-	1,252	1,252	1,939
Insurance	-	-	980	980	1,435
Vehicle expenses	-	-	1,240	1,240	-
	<u>-</u>	<u>-</u>	<u>86,802</u>	<u>86,802</u>	<u>85,828</u>
Average number of staff employed				<u>2</u>	<u>2</u>

Notes to the Financial Statements (continued)

9. Governance Costs

	Unrestricted		Restricted £	Total 2015 £	Total 2014 £
	General £	Designated £			
Accountancy fees	1,740	-	-	1,740	1,848
Other professional fees	-	-	-	-	318
Office Administration	-	-	-	-	-
Filing Fees	13	-	-	13	13
Consultancy	-	-	360	360	540
	<u>1,753</u>	<u>-</u>	<u>360</u>	<u>2,113</u>	<u>2,719</u>

10. Other Resources Expended

	Unrestricted		Restricted £	Total 2015 £	Total 2014 £
	General £	Designated £			
Recruitment expenses	-	-	-	-	-
Depreciation	-	-	9,462	9,462	7,795
Subscriptions	-	-	278	278	256
Repairs	-	-	-	-	420
Bank interest and charges	-	-	82	82	22
HMRC interest on late payment	4	-	-	4	-
Sundry	-	-	390	390	409
	<u>4</u>	<u>-</u>	<u>10,212</u>	<u>10,216</u>	<u>8,902</u>

11. Fixed Assets

	Plant and Equipment £	Office Equipment and Furniture £	Total £
At Cost			
At 1 March 2014	27,126	4,055	31,181
Additions	6,300	365	6,665
Disposals	-	-	-
	<u>33,426</u>	<u>4,420</u>	<u>37,846</u>
Depreciation			
At 1 March 2014	16,889	2,054	18,943
Charge for year	8,357	1,105	9,462
On disposals	-	-	-
	<u>25,246</u>	<u>3,159</u>	<u>28,405</u>
Net Book Value at 28 February 2015	<u>8,180</u>	<u>1,261</u>	<u>9,441</u>
Net Book Value at 28 February 2014	<u>10,237</u>	<u>2,001</u>	<u>12,238</u>

Notes to the Financial Statements (continued)

12. Debtors and Prepayments

	Unrestricted General	Designated	Restricted	Total 2015 £	Total 2014 £
Paypal	630	-	-	630	90
Prepayments	-	-	230	230	230
Gift Aid Recoverable	438	-	-	438	-
VAT	-	-	-	-	-
	<u>1,068</u>	<u>-</u>	<u>230</u>	<u>1,298</u>	<u>320</u>

13. Related Party Transactions

	Total 2015 £	Total 2014 £
Consultancy services	360	540
Charter of Dive Boat	7,783	5,430
Sundry office costs reimbursed (stationery/telephone/posts etc.)	40	252
Rent and electricity for barn	1,615	794
Directors' travel and subsistence reimbursed	1,076	887
	<u>10,874</u>	<u>7,903</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	-	-	9,441	9,441
Current assets	24,350	-	37,169	61,519
Current liabilities	(1,680)	-	(16,051)	(17,731)
	<u>22,670</u>	<u>-</u>	<u>30,559</u>	<u>53,229</u>

Notes to the Financial Statements (continued)

15. Movements in Funds

	At 1 March 2014 £	Incoming resources £	Outgoing resources £	Transfer £	At 28 February 2015 £
Restricted Funds					
Esmee Fairbairn/Underwood Trust/ John Ellerman Foundation	87,163	30,000	(86,604)	-	30,559
The Kilfinan Trust	-	10,000	(10,000)	-	-
The Scottish Government/S.I.F.T.	-	770	(770)	-	-
Unrestricted Funds					
General Fund	20,645	4,914	(2,889)	-	22,670
	<u>107,808</u>	<u>45,684</u>	<u>(100,263)</u>	<u>-</u>	<u>53,229</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 Kilfinan Trust – This grant was received towards the costs of research and monitoring.

The John Ellerman Foundation – This is a three year grant totalling £75,000 (Year 1 £30,000, Year 2 £25,000 and Year 3 £20,000) towards COAST's core costs and as such, will be pooled with The Esmee Fairbairn and Underwood Trust funds.

The Arran Trust/North Ayrshire Council – These grants (totalling £5,000) were received towards the costs of providing a mobile marine interpretation vehicle (including vehicle artwork, fitting-out and equipping of suitable vehicle). This work was not started until after the year end and as a result these grants have been deferred.

The University of the West of England - This grant (£2,000) was towards the costs of developing of a Marine Education Pack. This work was not started until after the year end and as a result this grant has been deferred.

The Scottish Government/S.I.F.T. – These were contributions towards leaflet printing and travel expenses, both fully utilised during the year.

Unrestricted Funds:

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.

16. Ultimate Controlling Party

The charity is ultimately controlled by the Board of Directors.