

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 2019**

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Community of Arran Seabed Trust Limited
Scottish Charity No. SC042088

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Trustees' Report for the year ended 28 February 2019

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 2019.

Chair's Report

COAST has had another productive year. The 'Octopus Centre' has been open to the public for over a year and is proving popular with locals and visitors alike. In addition to being open daily it is used quite frequently for evening events such as film shows and talks on marine related topics and as a meeting place for local community groups like TAP (Think About Plastic) and it is one of EcoSavy's weekly venues for their 'food share' scheme.

COAST's continued existence and development could not happen without funding. During the current year we've received grants from a wide variety of sources including new funders such as the Schroder Foundation, Garfield Western, the Whitley Animal Protection Trust, Robert Barr Trust, the National Marine Aquarium, and the Sylvia Aitken Trust. Among returning funders are North Ayrshire Council, the Arran Trust, the Craignish Trust and Scottish Natural Heritage. We are grateful to them all for their support.

We have appointed three new employees during the current year and Jenny Stark has been promoted to Outreach and Communications Manager. Two of the new positions, Funding and Centre Manager and Centre Administration Assistant are part-time and the Marine Protected Area Project Officer is currently full-time for one year.

There are still issues regarding Multi-National Salmon Farms wanting to both increase the size of existing sites and apply for new large-sized fish farms around Arran. The latest development is a planning application to NAC from the Scottish Salmon Company. They have applied for permission to site a mega-sized fish farm off the north east coast of Arran, a development that is being fiercely contested by the majority of Arran residents including COAST.

COAST's objective to improve the overall health and biodiversity of our seas and Scotland's marine environment, with particular focus on the Firth of 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.

Russell Cheshire
COAST Chair

Trustees' Report for the year ended 28 February 2019 (continued)

Objectives and Activities

Our purposes are:

- a) To improve the overall health and biodiversity of our seas and Scotland's marine environment, with particular focus on the Firth of Clyde.
- b) To continue to work with the local community on the island of Arran and people of all ages and backgrounds to increase awareness of marine environmental issues, and press for effective management and recovery of Arran's coastal waters.
- c) To build relationships with other communities and organisations at regional, national and international levels, to create a unified and stronger voice in support of promoting healthier and more productive oceans.

Achievements and performance

During 2018-19 COAST has continued to focus 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 partnering with academics on scientific research and monitoring of the No Take Zone and Marine Protected Area by university students.

The Marine Activities and Learning Centre (The Octopus Centre) that is situated at the Old Pavilion and was officially opened in September 2018, has been open to the public for over a year now. It is proving to be a big attraction to locals and visitors, both adults and children alike, and visitor numbers to date are approximately 11,000. Volunteers have continued to give many hours of their time helping in the running of the Centre and assisting with various COAST activities, especially during the very busy holiday period. New to this summer, two volunteers organised regular snorkel sessions for locals and visitors. These sessions have been incredibly successful and have generated extra income for COAST for which we are extremely grateful.

This year we launched our MPA Management Plan Project to promote best practice and establish an effective model for managing the South Arran MPA which can be shared across the Scottish MPA network. We are active members of the Clyde Marine Planning Partnership and are continually working for the improvement of fisheries management in the Clyde and around Scotland.

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 2019 was £391,166 (2018: £292,682) against an actual six month spend of £64,364 (2018: £56,353).

Future plans

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

We have just received confirmation from the John Ellerman Foundation of £90,000 core funding over 3 years but continue to seek further core funding for up to a minimum of 3 years.

Having concentrated on improving the look and running of the 'Octopus' Centre during the current year, we will be putting in place the planned outdoor activity facility and adding, subject to planning permission, an outdoor access stair at the back of the Old Pavilion in order to turn the large attic area into a useful space for accommodating summer students and volunteers. Our aim remains to work to improve the health and biodiversity of our seas by raising peoples' awareness of the marine environment and the need to protect it, by collaborating on local, regional and national campaigns and by ensuring COAST is a well-funded and governed, vibrant and sustainable organisation.

Trustees' Report for the year ended 28 February 2019 (continued)

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.

Organisation

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

Related parties and co-operation with other organisations

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

Pay policy for staff

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

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

Risk management

The trustees have a risk management strategy that comprises:

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

Trustees responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, for the period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Trustees' Report for the year ended 28 February 2019 (continued)

Trustees responsibilities in relation to the financial statements (continued)

- 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.

Reference and Administrative Information/

Trustees' Report for the year ended 28 February 2019 (continued)

Reference and Administrative Information

DIRECTORS AND TRUSTEES

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

SECRETARY

Ms J Martin

MEMBERS

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

REGISTERED OFFICE

Old Pavilion
Lamlash
Isle of Arran
KA27 8LS

REGISTERED NUMBER

299917 (Scotland)

CHARITY REFERENCE

SC 042088

ACCOUNTANTS

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

LAW AGENTS

Buchanan Dickson Frame
Old Embroidery Mill
Paisley
PA1 1TJ

BANKERS

Bank of Scotland
Brodict
Isle of Arran

Triodos Bank
Deanery Road
Bristol
BS1 5AS

Nationwide Building Society
Kings Park Road
Northampton
NN3 6NW

Approved by the Trustees on 15th November 2019 and signed on their behalf by:

J Martin – Secretary



Statement of Financial Activities (Incorporating Income and Expenditure Account)
For the year ended 28 February 2019

	Notes	Unrestricted Funds			2019 Total £	2018 Total £
		General Fund £	Designated Funds £	Restricted Funds £		
Income						
Donations and legacies	3	12,201	-	15,000	27,201	60,279
<i>From charitable activities:</i>						
Grants Received	4	70,000	-	113,538	183,538	160,442
<i>Other incoming resources:</i>						
Other trading activities	5	15,500	-	-	15,500	5,021
Investment income	6	324	-	-	324	95
Other income	7	316	-	333	649	765
Total Income		98,341		128,871	227,212	226,602
Expenditure						
Cost of raising funds	8	4,220	-	741	4,961	1,054
Expenditure on Charitable activities	9	32,809	2,341	88,617	123,767	111,653
Total Expenditure		37,029	2,341	89,358	128,728	112,707
Net income/(expenditure)		61,312	(2,341)	39,513	98,484	113,895
Exceptional item		-	-	-	-	-
Net income/(expenditure) before recognised gains		61,312	(2,341)	39,513	98,484	113,895
Other recognised gains/(losses)						
<i>Gains on investment assets</i>		-	-	-	-	-
Net movement in funds		61,312	(2,341)	39,513	98,484	113,895
Reconciliation of Funds:						
Total funds brought forward		95,443	96,631	100,608	292,682	178,787
Transfer of funds		820	-	(820)	-	-
Total funds carried forward		157,575	94,290	139,301	391,166	292,682

All income and expenditure derives from continuing activities.

Balance Sheet as at 28 February 2019

	Notes	£ Unrestricted	£ Restricted	Year to 28/02/19 £ Total	Year to 28/02/2018 £ Total
Fixed Assets	14	108,567	77,493	186,060	148,194
Current Assets					
Stock		2,543	-	2,543	1,109
Debtors and prepayments	15	-	-	-	51,678
Bank account		141,398	130,274	271,672	115,561
Petty cash		152	-	152	157
		<u>144,093</u>	<u>130,274</u>	<u>274,367</u>	<u>168,505</u>
Current Liabilities					
Trade creditors		795	996	1,791	5,433
Accruals		-	3,330	3,330	2,552
Credit card		-	59	59	348
Deferred grants	16	-	62,500	62,500	14,000
PAYE liability		-	1,341	1,341	1,684
Pension control	11	-	240	240	-
		<u>795</u>	<u>68,466</u>	<u>69,261</u>	<u>24,017</u>
Net Current Assets		<u>143,298</u>	<u>61,808</u>	<u>205,106</u>	<u>144,488</u>
Total Assets less Liabilities		<u>251,865</u>	<u>139,301</u>	<u>391,166</u>	<u>292,682</u>
Represented by:					
Unrestricted Funds					
General Fund	18	157,575	-	157,575	95,443
Designated Fund	18	94,290	-	94,290	96,631
Restricted Fund	18		139,301	139,301	100,608
Total Funds		<u>251,865</u>	<u>139,301</u>	<u>391,166</u>	<u>292,682</u>

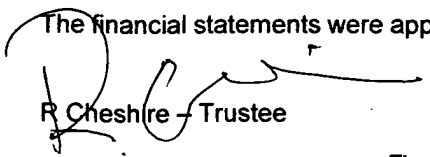
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28th February 2019. The members have not required the Company to obtain an audit of its financial statements for the year ended 28th February 2019 in accordance with Section 476 of 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 15th November 2019 and signed on their behalf by,


R Cheshire - Trustee

The notes on pages 9 to 18 form part of these financial statements

Cash Flow Statement for the year ended 28 February 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	155,782	(32,707)
Net cash provided by (used in) operating activities		<u>155,782</u>	<u>(32,707)</u>
Cash flows from investing activities:			
Interest received		324	95
Net cash provided by (used in) investing activities		<u>324</u>	<u>95</u>
Change in cash and cash equivalents in the reporting period		<u>156,106</u>	<u>(32,612)</u>
Cash and cash equivalents at the beginning of the reporting period		115,718	148,330
Cash and cash equivalents at the end of the reporting period		<u>271,824</u>	<u>115,718</u>

Notes to the Cash Flow Statement for the year ended 28 February 2019

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

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	98,484	113,895
Adjustments for:		
Less interest received	(324)	(95)
Add depreciation	11,163	3,637
Decrease (increase) in stock	(1,434)	94
Decrease (increase) in debtors	51,678	(47,173)
Increase (decrease) in creditors	45,244	(23,121)
Purchase of fixed assets	<u>(49,029)</u>	<u>(79,944)</u>
Net cash provided by (used in) operating activities	<u>155,782</u>	<u>(32,707)</u>

Notes to the Financial Statements for the year ended 28 February 2019

1. Accounting policies

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

(a) Basis of preparation and assessment of going concern

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

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

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

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

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

The trustees are of the view that given the level of grant funding committed for 2019/20 together with initiatives to manage operating costs that they have secured the future of the Trust for the next 12 to 18 months and that on this basis the charity is a going concern.

(b) Funds structure

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

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

Further details of each fund are disclosed in note 18.

(c) Income recognition

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

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

Incoming resources with related expenditure

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

Grants and Donations

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

Investment income

This is included in the accounts when receivable.

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

(d) Expenditure and irrecoverable VAT

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

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

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

(e) Allocation of support costs

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

(f) Tangible fixed assets for use by the charity

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

Depreciation is calculated at such a rate as to write off the asset, less any estimated residual value, over the period of its estimated useful life.

- Plant, office equipment and furniture - 25% straight-line basis.
- Property - 2% straight-line basis

(g) Stock

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

(h) Debtors and prepayments

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

(i) Creditors and accruals

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

Accrued charges are normally valued at their settlement amount.

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

In the administration of the charity all directors give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2018: £nil).

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

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

3. Donations and legacies

	Unrestricted		Restricted	Total 2019	Total 2018
	General	Designated			
	£	£	£	£	£
Sundry donations	5,701	-	15,000	20,701	59,205
Gift Aid recoverable	6,500	-	-	6,500	1,074
	12,201	-	15,000	27,201	60,279

4. Income from charitable activities

	Unrestricted		Restricted	Total 2019	Total 2018
	General	Designated			
	£	£	£	£	£
Grants					
- Esmee Fairbairn	-	-	50,000	50,000	100,000
- Van Neste Foundation	-	-	-	-	10,000
- CRH Trust	-	-	-	-	5,000
- Arrantrust	-	-	4,000	4,000	2,600
- Greggs	-	-	-	-	2,000
- NAC (Nurturing Excellence in Communities)	-	-	-	-	2,100
- Yorkshire and Clydesdale Bank Foundation	-	-	-	-	5,000
- Fishmongers Hall	-	-	-	-	2,000
- Argyll and the Islands LEADER	-	-	13,578	13,578	4,892
- Woodroffe Benton Foundation	-	-	500	500	-
- Goldman Foundation	-	-	28,460	28,460	-
- Scottish Natural Heritage	-	-	3,000	3,000	-
- National Marine Aquarium	-	-	2,500	2,500	-
- Garfield Weston	60,000	-	-	60,000	-
- Craignish Charitable Trust	10,000	-	-	10,000	-
- Schroder Foundation	-	-	60,000	60,000	-
Grants deferred (National Marine Aquarium and Schroder Foundation – note 16)	-	-	(62,500)	(62,500)	(14,000)
Release of deferred grants (Greggs, Fishmongers Hall and Van Neste – note 16)	-	-	14,000	14,000	40,850
	70,000	-	113,538	183,538	160,442

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

5. Other trading activities

	Unrestricted			Total 2019 £	Total 2018, £
	General £	Designated £	Restricted £		
Merchandise income	4,293	-	-	4,293	783
Income from gas sales	192	-	-	192	189
Film and photography sales	254	-	-	254	50
Boat hire charged	-	-	-	-	-
Consultancy	4,690	-	-	4,690	2,410
Tennis court fees	2,882	-	-	2,882	1,589
Café income	726	-	-	726	-
Activity and event sales	2,463	-	-	2,463	-
	<u>15,500</u>	<u>-</u>	<u>-</u>	<u>15,500</u>	<u>5,021</u>

6. Investment income

	Unrestricted			Total 2019 £	Total 2018 £
	General £	Designated £	Restricted £		
Bank interest received	324	-	-	324	95
	<u>324</u>	<u>-</u>	<u>-</u>	<u>324</u>	<u>95</u>

7. Other income

	Unrestricted			Total 2019 £	Total 2018 £
	General £	Designated £	Restricted £		
Travel expenses reimbursed	242	-	112	354	12
Vehicle expenses reimbursed	56	-	221	277	332
Postage reimbursed	10	-	-	10	-
Entertainment reimbursed	-	-	-	-	-
Refund	-	-	-	-	56
Compensation	-	-	-	-	315
Cashback scheme	-	-	-	-	50
HMRC interest received	8	-	-	8	-
	<u>316</u>	<u>-</u>	<u>333</u>	<u>649</u>	<u>765</u>

8. Cost of raising funds

	Unrestricted			Total 2019 £	Total 2018 £
	General £	Designated £	Restricted £		
Merchandise purchases	3,663	-	39	3,702	889
Paypal charges	49	-	-	49	40
Directory of Grants	-	-	-	-	125
Café purchases	414	-	77	491	-
Merchant card reader charges	85	-	73	158	-
Foreign exchange charges	-	-	561	561	-
	<u>4,211</u>	<u>-</u>	<u>750</u>	<u>4,961</u>	<u>1,054</u>

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

9. Charitable activities

	Unrestricted		Restricted	Total 2019	Total 2018
	General	Designated			
	£	£	£	£	£
Projects and activities	1,228	-	1,590	2,818	1,826
Rent and electricity	101	-	1,281	1,382	3,564
Website development, internet and newsletter	1,677	-	4,925	6,602	520
Travel and subsistence	1,536	-	1,900	3,436	3,187
Printing	-	-	218	218	1,458
Grants awarded (see note 10)	2,293	-	1,700	3,993	-
Staff costs (see note 11)	20,305	-	56,988	77,293	78,051
Charter of research boat	-	-	-	-	2,908
Conference/seminar costs	88	-	-	88	65
Postage, stationery and advertising	744	-	2,101	2,845	1,313
Equipment repairs and maintenance	660	287	2,125	3,072	4,689
Telephone and fax	342	-	411	753	772
Insurance	1,220	-	-	1,220	1,376
Vehicle expenses	63	-	2,550	2,613	2,364
Subscriptions	-	-	39	39	8
Depreciation	1,011	2,054	8,098	11,163	3,637
Donations	-	-	-	-	10
Support costs (see note 12)	1,541	-	4,691	6,232	5,905
	<u>32,809</u>	<u>2,341</u>	<u>88,617</u>	<u>123,767</u>	<u>111,653</u>

10. Grants awarded

	Unrestricted		Restricted	Total 2019	Total 2018
	General	Designated			
	£	£	£	£	£
Grants to individual volunteers to assist with travel expenses etc.	2,293	-	1,700	3,993	-
	<u>2,293</u>	<u>-</u>	<u>1,700</u>	<u>3,993</u>	<u>-</u>

11. Analysis of staff costs

	Unrestricted		Restricted	Total 2019	Total 2018
	General	Designated			
	£	£	£	£	£
Salaries	18,491	-	53,986	72,477	73,653
Social security costs	1,264	-	2,163	3,427	3,787
Employer pension contributions	550	-	839	1,389	611
	<u>20,305</u>	<u>-</u>	<u>56,988</u>	<u>77,293</u>	<u>78,051</u>
Average number of staff employed				<u>3</u>	<u>3</u>

No employee received total emoluments of more than £60,000 during the year (2018: none).
 The company operates a defined contribution pension scheme, contributions payable, are shown above.
 Outstanding contributions due to the pension company at the balance sheet date were £240 (2018: £nil).

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

12. Support costs

	Unrestricted		Restricted £	Total 2019 £	Total 2018 £
	General £	Designated £			
Governance costs (note 13)	-	-	2,053	2,053	1,993
Bank interest and charges	51	-	71	122	278
Book-keeping and payroll	850	-	1,971	2,821	2,776
Recruitment costs	-	-	-	-	671
Disclosure Scotland	177	-	-	177	-
Sundry	463	-	596	1,059	187
	<u>1,541</u>	<u>-</u>	<u>4,691</u>	<u>6,232</u>	<u>5,905</u>

13. Governance costs

	Unrestricted		Restricted £	Total 2019 £	Total 2018 £
	General £	Designated £			
Independent Examiner's fee	-	-	2,040	2,040	1,980
Filing fees	-	-	13	13	13
	<u>-</u>	<u>-</u>	<u>2,053</u>	<u>2,053</u>	<u>1,993</u>

14. Fixed Assets

	Property £	Plant and Equipment £	Office Equipment and Furniture £	Total £
At Cost				
At 1 March 2018	143,229	33,426	12,305	188,960
Additions	26,234	16,286	6,509	49,029
Disposals	-	-	-	-
	<u>169,463</u>	<u>49,712</u>	<u>18,814</u>	<u>237,989</u>
Depreciation				
At 1 March 2018	-	33,426	7,340	40,766
Charge for year	3,436	4,071	3,656	11,163
On disposals	-	-	-	-
	<u>3,436</u>	<u>37,497</u>	<u>10,996</u>	<u>51,929</u>
Net Book Value at 28 February 2019	<u>166,027</u>	<u>12,215</u>	<u>7,818</u>	<u>186,060</u>
Net Book Value at 28 February 2018	<u>143,229</u>	<u>-</u>	<u>4,965</u>	<u>148,194</u>

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

15. Debtors and Prepayments

	Unrestricted General £	Designated £	Restricted £	Total 2019 £	Total 2018 £
Trade debtors	-	-	-	-	250
Paypal	-	-	-	-	161
Gift Aid recoverable	-	-	-	-	1,074
Donor	-	-	-	-	50,000
Sundry debtor	-	-	-	-	193
	-	-	-	-	<u>51,678</u>

16. Deferred Grants

	Unrestricted General £	Designated £	Restricted £	Total 2019 £	Total 2018 £
Balance at 1 March 2018	-	-	14,000	14,000	40,850
Released to income from charitable activities (note 4)	-	-	(14,000)	(14,000)	(40,850)
Amount deferred in year	-	-	62,500	62,500	14,000
Balance at 28 February 2019	-	-	62,500	<u>62,500</u>	<u>14,000</u>

17. Related Party Transactions

	Total 2019 £	Total 2018 £
Sundry office costs reimbursed (stationery/telephone/posts etc.)	209	68
Rent and electricity for barn	-	1,015
Directors' travel and subsistence reimbursed	861	859
Equipment purchases reimbursed	-	-
Equipment repairs and maintenance reimbursed	584	562
Conference/seminar costs reimbursed	88	-
Subscriptions reimbursed	30	-
	<u>1,772</u>	<u>2,504</u>

The above transactions all took place with four of the directors (or their companies) on normal business terms and rates. At 28.02.19, £271 was owed to directors (2018: £113).

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

18. Movements in Funds

	At 1 March 2018 £	Incoming resources £	Outgoing resources £	Transfer £	At 28 February 2019 £
Restricted Funds					
Core costs	19,529	-	(336)	-	19,193
Monitoring and research					
- Underwater drone etc.	-	5,000	(1,008)	-	3,992
- Boat hire	-	2,081	(2,000)	(81)	-
- MPA Management	-	28,460	(26,097)	-	2,363
Marine interpretation vehicle	2,015	-	(1,202)	(733)	80
Communication materials	107	-	(30)	(47)	30
Marine Discovery and Learning Centre					
- Core costs	22,644	60,753	(46,569)	809	37,637
- Renovation	48,838	23,578	(7,921)	(759)	63,736
- Marine outdoor classroom	-	5,000	(692)	-	4,308
Engaging visitors	7,475	-	(2,708)	-	4,767
Marine recreation shed					
- Shed, drone and snorkeling gear	-	4,000	(805)	-	3,195
Unrestricted Funds					
General Fund	95,443	98,340	(37,019)	811	157,575
Designated Fund	96,631	-	(2,341)	-	94,290
	<u>292,682</u>	<u>227,212</u>	<u>(128,728)</u>	<u>-</u>	<u>391,166</u>

Restricted Funds:

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

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

Monitoring and research – Several grants were received towards the costs of monitoring the marine environment in the South Arran MPA.

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

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

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

Marine Discovery and Learning Centre (Renovation)/

Notes to the Financial Statements for the year ended 28 February 2019 (continued)

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

Marine Discovery and Learning Centre (Marine outdoor classroom) – A donation of £5,000 was received towards the cost of a marine outdoor classroom and recreational space.

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

Marine recreation shed – A grant of £4,000 was received towards the costs of purchasing and fitting-out a shed to house the compressor and to store equipment. This grant has also contributed to the cost of the underwater drone and to purchase snorkeling gear (available for hire by the public).

Unrestricted Funds:

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

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

19. Analysis of net assets between funds

	Unrestricted General	Designated	Restricted	Total 2019 £	Total 2018 £
Fixed Assets	14,486	94,081	77,493	186,060	148,194
Stock	2,543	-	-	2,543	1,109
Debtors and Prepayments					51,678
Bank	141,189	209	130,274	271,672	115,561
Cash	152	-	-	152	157
Trade Creditors	(795)	-	(996)	(1,791)	(5,433)
Accruals	-	-	(3,330)	(3,330)	(2,552)
Credit Card	-	-	(59)	(59)	(348)
Pension Control	-	-	(240)	(240)	-
Deferred Grants	-	-	(62,500)	(62,500)	(14,000)
PAYE Liability	-	-	(1,341)	(1,341)	(1,684)
	157,575	94,290	139,301	391,166	292,682

20. Ultimate Controlling Party

The charity is ultimately controlled by the Board of Trustees.

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

I report on the accounts of the Trust for the year ended 28 February 2019, which are set out on pages 6 to 17.

Respective responsibilities of Trustees and Independent Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charity and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006(as amended). The Directors consider the audit requirement of Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

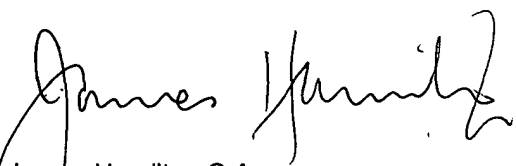
Basis of Independent Examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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

Date: 24th November 2019