

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED
CHARITY NO. SC006185
COMPANY NO. SC045381

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1998



Henderson, Black & Co.
Chartered Accountants

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

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FOR THE YEAR ENDED 31 OCTOBER 1998

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

The Trustees and Executive Board present their Report and Accounts of the Company for the year ending 31 October 1998.

TRUSTEES	The Trustees during the year were:-
CHAIRMAN	B.J.L. Minto, C.A., FRSA
PRESIDENT	T.A. Murray
EX OFFICIO	Prof. Struther Arnott, Principal, University of St. Andrews H.L. Melville, Chairman, National Trust for Scotland D. Pirie, Chairman, East Neuk of Fife Preservation Society Cllr. J. McDougall, Convener of Fife Council R.H. Smith, C.A., Chairman, National Museums of Scotland
NOMINATED	Cllr. J. Braid, J.P., Fife Council Cllr. P. Douglas, Fife Council C. Finn, Scottish Fishermen's Federation, to August 1998 A. Smith, Scottish Fishermen's Federation, from August 1998 A. Lindsay, National Trust for Scotland Cllr. Mrs. E. Riches, Fife Council A.C. Scott, D.A., East Neuk of Fife Preservation Society Cllr. Miss J. Smith, Fife Council G. Sprott, Royal Museum of Scotland
ELECTED	Mrs. W. Anderson, C.A. Norton, D.N. Tod
CO-OPTED	J. Bellany, J. Mayes, D. Stoddart, P. Young
EXECUTIVE BOARD	The Members are:-
CHAIRMAN	B.J.L. Minto, C.A., FRSA
VICE-CHAIRMAN	A.C. Scott, D.A.
SECRETARY & TREASURER	W.D. Batchelor, M.A., C.A. T. Gardner, from May 1998 H. London S. McDowall, C.B.E., M.A. (Co-opted June 1998) P.I. Murray, M.B.E., to June 1998 R.G.W. Prescott, M.A., Ph.D., F.S.A. I. Reekie, M.A., F.E.I.S. D. Smith, M.B.E. D.B.B. Smith, O.B.E., M.A., LL.B. T. Sunter (Co-opted October 1997) J. Tarvit, I.S.O. D.N. Tod W.M. Wood

ELECTION OF BOARD MEMBERS

Election of Board Members

1. The following were elected Members of the Board at the 1998 A.G.M.
Messrs T. Gardner, R.G.W. Prescott, A.C. Scott and D.B.B. Smith
2. One third of the Members of the Board are required to retire each year;
S. McDowall, I. Reekie, J. Tarvit and D.N. Tod retire on this occasion.

Election of Trustees

All three elected Trustees are due to retire this year – Mrs. W. Anderson, C.A. Norton and D.N. Tod.

Results

The Accounts show a surplus for the year of £2584 which has been added to the General Fund brought forward from last year of £353,535. In line with the policy established in previous years, a transfer has been made from the Life Membership Fund of 10% of the balance of that Fund. After this transfer, and the income from the Development Appeal, there is accumulated on General Fund £365,578. The movement of funds is as detailed in Note 14 of the Accounts.

Review of Business

The Trust operates the Scottish Fisheries Museum at St. Ayles, Harbourhead, Anstruther. During the year income decreased by £24,198; reduced expenditure on Current Account, however, resulted in a surplus for the year of £2584.

We continue to receive support from the local authority and from institutions and commerce.

Plans and Prospects

The plans for the housing of the Zulu "Research" in a new purpose-built gallery on the site of the Sun Tavern adjacent to the Museum received Planning Approval and support from the Heritage Lottery Fund. Purchase was completed on 17 April 1998 and the reconstruction is scheduled for completion by the end of October 1999.

Fixed Assets/

Fixed Assets

To accord with the requirements of the Government's Registration Scheme for Museums, the value of boats owned by the Trust no longer appears separately in the listing of assets, but has been included in the totals of Exhibits, Fixtures and Fittings.

Reporting Accountants

A Resolution proposing the re-appointment of Henderson, Black & Co. will be made at the Annual General Meeting.



W.D. Batchelor
Secretary

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1998

	£	<u>1998</u> £	£	<u>1997</u> £
INCOME				
Admissions	30,923		30,990	
Annual Subscriptions & Donations	2,484		4,194	
Boat Club Donations	3,583		2,266	
Running Expense Grants	47,837		67,580	
Shop Sales	46,209		51,921	
Tea Room Sales	42,194		41,179	
Other Income	4,465		3,763	
Sponsorship	7,000		7,000	
	<u>184,695</u>		<u>208,893</u>	
		184,695		208,893
COST OF SALES				
Shop Purchases	29,403		33,036	
Tea Room Purchases	21,761		21,060	
	<u>51,164</u>		<u>54,096</u>	
		(51,164)		(54,096)
GROSS SURPLUS		133,531		154,797
OTHER INCOME				
Bank Interest		-		54
EXPENDITURE				
Rates and Insurance	7,883		8,478	
Light and Heat	5,458		4,803	
Repairs and Maintenance	2,988		4,409	
Boat Expenses	4,439		33,606	
Wages and salaries	76,652		74,659	
Printing, Postage and Stationery	2,280		1,643	
Advertising	6,740		4,575	
Telephone	1,179		1,098	
Travel Expenses	1,251		2,150	
Curatorial Expenses	4,782		3,274	
Leasing - Plant	164		-	
Accounting Fees	1,250		1,325	
Legal and professional fees	272		215	
Subscriptions	640		794	
General Expenses	1,143		2,317	
Bank Interest	4,605		1,550	
Loan Interest	1,000		1,750	
Interest on NIC	57		-	
Depreciation	15,302		13,789	
Grant Amortisation	(7,138)		(5,449)	
	<u>130,947</u>		<u>154,986</u>	
TOTAL OVERHEAD EXPENSES		(130,947)		(154,986)
SURPLUS/(DEFICIT)		<u>£ 2,584</u>		<u>£ (135)</u>

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1998

	<u>Notes</u>	<u>£</u>	<u>1998</u> <u>£</u>	<u>£</u>	<u>1997</u> <u>£</u>
TURNOVER			184,695		208,893
COST OF SALES			51,164		54,096
GROSS SURPLUS			133,531		154,797
ADMINISTRATION COSTS			125,285		151,686
OPERATING PROFIT	2/3		8,246		3,111
Interest receivable	4	-		54	
Interest payable	5	(5,662)		(3,300)	
			(5,662)		(3,246)
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION			2,584		(135)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES			£ 2,584		£ (135)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 1998

Profit/(Loss) for the Financial Year	2,584	(135)
Donation to Development Projects	9,218	200
TOTAL RECOGNISED GAIN RELATING TO THE YEAR	£ 11,802	£ 65

Continuing Operations

None of the company's activities was acquired or discontinued during the current and previous years.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

BALANCE SHEET
AS AT 31 OCTOBER 1998

	Notes	£	1998 £	£	1997 £
FIXED ASSETS					
Tangible assets	7		1,237,061		965,015
CURRENT ASSETS					
Stocks	8	10,529		10,883	
Debtors	9	2,651		13,586	
Cash at bank and in hand		107		120	
		13,287		24,589	
CREDITORS - amounts falling due within one year	10	(106,772)		(50,766)	
NET CURRENT (LIABILITIES)			(93,485)		(26,177)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,143,576		938,838
CREDITORS - amounts falling due after more than one year	11		(1,800)		(11,800)
Accruals and Deferred Income	13		(774,025)		(571,539)
NET ASSETS			£ 367,751		£ 355,499
Financed by:					
CAPITAL AND RESERVES					
Life Membership Fund			2,173		1,964
General Fund			365,578		353,535
MEMBERS FUNDS			£ 367,751		£ 355,499

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ending 31 October 1998.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The executive board members acknowledge their responsibilities for:

- (a) ensuring that the company keep accounting records which comply with Section 221 of the Companies Act 1985 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 and loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

Signed on behalf of the board of directors.


B J L Minto C.A. Chairman


W D Batchelor C.A. Treasurer

The financial statements were approved by the Board on 9th March 1999

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 1998

	<u>1998</u>	<u>1998</u>	<u>1997</u>	<u>1997</u>
	<u>Unrestricted</u>	<u>Unrestricted</u>	<u>Unrestricted</u>	<u>Unrestricted</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£	£
INCOMING RESOURCES:				
Admissions		30,923		30,990
Annual Subscriptions & Donations		2,484		4,194
Boat Club Donations		3,583		2,266
Donation to Development Appeal		9,218		200
Grants and Sponsorship receivable	264,461		104,385	
Less Deferred Income	(202,486)		(24,356)	
		61,975		80,029
Shop Sales		46,209		51,921
Tea Room Sales		42,194		41,179
Other Income		4,465		3,763
Bank Interest		-		54
		<u>£201,051</u>		<u>£214,596</u>
RESOURCES EXPENDED:				
Direct Charitable Expenditure		187,984		213,491
Other Expenditure		1,265		1,040
		<u>£189,249</u>		<u>£214,531</u>
NET MOVEMENT IN FUNDS		11,802		65
FUND BALANCES BROUGHT FORWARD				
AT 1 November 1997		<u>355,949</u>		<u>355,434</u>
FUND BALANCES CARRIED FORWARD				
AT 31 October 1998		<u>£367,751</u>		<u>£355,499</u>

Henderson, Black & Co.

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention and are in accordance with the Statement of Recommended Practice for Accounting by Charities.

1.2 Turnover

This represents income, net of value added tax, of the General Fund received during the year.

1.3 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings:	1.0% per annum on straight line basis
Fixtures and fittings:	10.0% per annum on reducing balance

1.4 Stocks

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

1.5 Grants

Capital grants on capital expenditure are treated as Deferred Income and credited to the Profit & Loss Account by instalments over the expected useful economic life of the related asset. Grants of a revenue nature are credited to income in the period to which they relate.

1.6 Cashflow statements

The company is entitled to the exemptions in Sections 246 and 247 of the Companies Act 1985 for small companies when filing accounts with the Registrar of Companies, and is therefore not required to prepare a cashflow statement under Financial Reporting Standard No.1.

1.7 Pensions

The company operates a defined contribution scheme for one employee. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1998

- continued

2.	OPERATING PROFIT	<u>1998</u> £	<u>1997</u> £
	This is stated after charging (crediting):		
	Staff costs	76,652	74,659
	Depreciation - owned assets	15,302	13,789
	Operating lease rentals - plant	164	-
		<u> </u>	<u> </u>
3.	EMPLOYEE INFORMATION	<u>1998</u> £	<u>1997</u> £
3.1	Staff costs:		
	Wages and salaries	69,236	69,019
	Social security costs	4,416	3,640
	Other pension costs	3,000	2,000
		<u> </u>	<u> </u>
		£ 76,652	£ 74,659
		<u> </u>	<u> </u>
3.2	The average monthly number of employees during the year was made up as follows:	No.	No.
	Management, Office and General Staff	11	11
	Curatorial	1	1
		<u> </u>	<u> </u>
		12	12
		<u> </u>	<u> </u>
4.	INTEREST RECEIVABLE	<u>1998</u> £	<u>1997</u> £
	Bank interest	-	54
		<u> </u>	<u> </u>
		£ -	£ 54
		<u> </u>	<u> </u>
5.	INTEREST PAYABLE	<u>1998</u> £	<u>1997</u> £
	On bank loans and overdrafts	4,605	1,550
	On other loans	1,000	1,750
	On National Insurance Contributions	57	-
		<u> </u>	<u> </u>
		£ 5,662	£ 3,300
		<u> </u>	<u> </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 ACCOUNTS AS AT 31 OCTOBER 1998

- continued

7. TANGIBLE FIXED ASSETS

	Freehold <u>land</u>	Freehold <u>buildings</u>	Exhibits and Fixtures and <u>fittings</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1 November 1997	56,560	913,124	105,403	1,075,087
Additions	-	258,475	28,873	287,348
	<u>56,560</u>	<u>1,171,599</u>	<u>134,276</u>	<u>1,362,435</u>
At 31 October 1998				
Depreciation:				
At 1 November 1997	-	46,591	63,481	110,072
Charge for year	-	9,130	6,172	15,302
	<u>-</u>	<u>55,721</u>	<u>69,653</u>	<u>125,374</u>
At 31 October 1998				
Net book value at 31 October 1998	<u>£56,560</u>	<u>£1,115,878</u>	<u>£64,623</u>	<u>£1,237,061</u>
Net book value at 31 October 1997	<u>£56,560</u>	<u>£866,533</u>	<u>£41,922</u>	<u>£965,015</u>

Freehold Buildings include Assets under construction of £257,943.
Assets under construction are not depreciated.

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 shall 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 £169,930 (1997 £169,793)

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1998

- continued

8.	STOCKS	<u>1998</u> £	<u>1997</u> £
	Publications and consumables	<u>10,529</u>	<u>10,883</u>
9.	DEBTORS	<u>1998</u> £	<u>1997</u> £
	Trade debtors	162	235
	Social security and other taxes	1,393	-
	Other debtors	-	300
	Prepayments	<u>1,096</u>	<u>13,051</u>
		<u>£ 2,651</u>	<u>£ 13,586</u>
10.	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1998</u> £	<u>1997</u> £
	Bank overdraft	91,154	31,678
	Trade creditors	1,702	2,808
	Other taxes and social security costs	1,099	3,463
	Other creditors	1,567	817
	Loans: National Trust for Scotland	10,000	10,000
	Others	<u>1,250</u>	<u>2,000</u>
		<u>£106,772</u>	<u>£ 50,766</u>
11.	CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>1998</u> £	<u>1997</u> £
	National Trust for Scotland Loan (see note 11.1)	-	10,000
	Secured Bond over Property	<u>1,800</u>	<u>1,800</u>
		<u>£ 1,800</u>	<u>£ 11,800</u>

- 11.1 The National Trust for Scotland has made an interest bearing loan of £20,000 at 5%. Repayment terms require a repayment of £10,000 in the year to 31 October 1999. The other Loans, which are interest free, have no fixed terms for repayment. The National Trust for Scotland Loan and bank overdraft are secured over properties.

12. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE

The commitments under non-cancellable operating leases are as follows:

	TOTAL £
Operating leases, other than land and buildings which expire:	
Within one year	-
In years two to five inclusive	329
Over five years	-
	<u>£329</u>

13. DEFERRED INCOME	1998	1997
Deferred Grants and Sponsorship:	£	£
Brought Forward	571,539	547,183
Received in this year - Lottery	211,424	17,147
- Other	51,550	38,058
Transferred to Revenue Account	(46,350)	(18,400)
Current Year Grant Amortisation	(7,138)	(5,449)
Transfer to Sponsorship	(7,000)	(7,000)
	<u>£774,025</u>	<u>£571,539</u>

14. MOVEMENT IN FUNDS	1998	1997
	£	£
14.1 General Fund		
Balance as at 1 November 1997	353,535	353,252
Surplus/(Deficit) for year	2,584	(135)
Transfer from Life Membership Fund	241	218
Donations to Development Projects	9,218	200
	<u>£365,578</u>	<u>£353,535</u>

14.2 Life Membership Fund		
Balance as at 1 November 1997	2,414	2,182
Less: 10% Transfer to General Fund	(241)	(218)
	<u>£2,173</u>	<u>£1,964</u>

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1998

- continued

15. CAPITAL COMMITMENTS	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
Expenditure contracted for	<u>424,574</u>	<u>19,200</u>

16. 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 1998 there were 331 members (1997 - 360)

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

ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF
THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

We report on the accounts for the year ended 31 October 1998 set out on pages 5 to 13.

Respective responsibilities of executive board members and reporting accountants

As described on page 6 the executive board members are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

In order to assist the directors to fulfil their responsibilities, we have prepared the accounts on pages 5 to 13 from the accounting records and from the information and explanations supplied to us. We have not carried out an audit.

Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion :

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1), a-f.

Henderson Black & Co

Henderson, Black & Co.
Reporting Accountants and
Chartered Accountants

Edenbank House
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20 APRIL 1999