

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

CHARITY NO. SC006185

COMPANY NO. SC045381

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1997



Henderson, Black & Co.
Chartered Accountants

THE SCOTTISH FISHERIES MUSEUM TRUST

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FOR THE YEAR ENDED 31 OCTOBER 1997

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THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

REPORT BY THE TRUSTEES AND BOARD TO THE THIRTIETH ANNUAL GENERAL MEETING OF THE COMPANY

The Trustees and Executive Board present their report and Accounts of the Company for the year ending 31st October, 1997.

TRUSTEES

CHAIRMAN

PRESIDENT

VICE PRESIDENT

EX OFFICIO

The Trustees during the year were:-

B.J.L. Minto C.A. FRSA

T.A. Murray

G.T. Clarkson Msc. (To January 1997)

Prof. Struther Arnott, FRS, Principal, University of St. Andrews

H.L. Melville, Chairman, National Trust for Scotland

Earl of Crawford & Balcarres, Chairman East Neuk of Fife Preservation Society

Cllr. J. McDougall, Convenor 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, M.B.E., Scottish Fisheries Federation

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

CO-OPTED

Mrs. W. Anderson - C.A. Norton - D.N. Tod

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.

H. London from May 1997

W.W. Motion to May 1997

S. McDowall C.B.E. M.A. (Co-opted October 1996)

P.I. Murray, M.B.E.

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. L.L.B.

T. Sunter (Co-opted October 1997)

J. Tarvit, I.S.O.

D.N. Tod

W.M. Wood from May 1997

Election of Board Members

1. The following were elected members of the Board at the 1997 AGM. Messrs W.D.Batchelor, H.London, B.J.L.Minto D.Smith and W.M.Wood.
2. One third of the members of the Board are required to retire each year; S.McDowall, R.G.W.Prescott, A.C.Scott and D.B.B.Smith retire on this occasion.

Election of Trustees

No Elected Trustees are due to retire this year, but the four Co-opted Trustees, Messrs J.Bellany, J.Mayes, D.Stoddart and P.Young will all have served three years.

Results

The Accounts show a deficit for the year of £135, which has been deducted from the General Fund brought forward from last year £353,252. 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 £355,535. The movement of funds is as detailed in note 13 of the accounts.

Review Of The Business

The Trust operates the Scottish Fisheries Museum at St. Ayles, Harbourhead, Anstruther. During the year income increased by £12,510 ; increased expenditure on Current Account, particularly vessel costs, resulted in a deficit for the year of £135.

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 near the LifeBoat shed (referred to in the last report) did not find favour with the local community. In September the Trust deposited applications for purchase and conversion of the Sun Tavern site adjacent to the Museum for the same purpose with the Local Authority and Heritage Lottery Fund.

Fixed Assets

The boats owned by the Museum continue to be depreciated on an original cost basis, to comply with accounting standards, but their historic nature in the opinion of the Board, give them a current market value in excess of their original costs.

Reporting Accountants

A resolution proposing the re-appointment of Henderson, Black & Co., at the Annual General Meeting.



W.D. Batchelor. Secretary.

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 1997 set out on pages 6 to 14.

Respective responsibilities of executive board members and reporting accountants

As described on page 7 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 6 to 14 from the accounting records and from the information and explanations supplied to us. We have not carried out an audit.

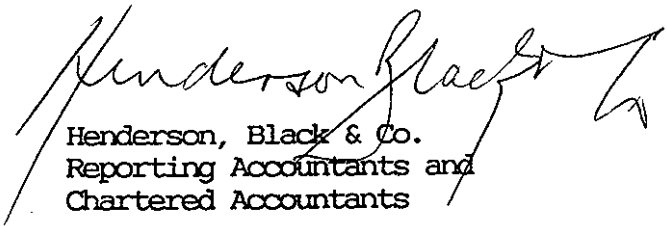
Basis of Opinion

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.
Reporting Accountants and
Chartered Accountants

 5 May 1998

Edenbank House
22 Crossgate
CUPAR
Fife
KY15 5HW

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1997

	£	1997 £	£	1996 £
INCOME				
Admissions	30,990		34,688	
Annual Subscriptions & Donations	4,194		2,281	
Boat Club Donations	2,266		2,807	
Running Expense Grants	67,580		49,042	
Shop Sales	51,921		55,987	
Tea Room Sales	41,179		38,915	
Other Income	3,763		5,913	
Sponsorship	7,000		6,750	
	<u>208,893</u>		<u>196,383</u>	
		208,893		196,383
COST OF SALES				
Shop Purchases	33,036		36,714	
Tea Room Purchases	21,060		19,528	
	<u>54,096</u>		<u>56,242</u>	
		(54,096)		(56,242)
GROSS SURPLUS		154,797		140,141
OTHER INCOME				
Bank Interest		54		188
EXPENDITURE				
Rates and Insurance	8,478		7,965	
Light and Heat	4,803		6,129	
Repairs and Maintenance	4,409		3,290	
Boat Expenses	33,606		5,223	
Wages and salaries	74,659		74,051	
Printing, Postage and Stationery	1,643		1,813	
Advertising	4,575		10,406	
Telephone	1,098		1,161	
Travel Expenses	2,150		2,699	
Curatorial Expenses	3,274		6,133	
Accounting Fees	1,325		650	
Legal and professional fees	215		-	
Subscriptions	794		605	
General Expenses	2,317		2,109	
Bank Interest	1,550		349	
Loan Interest	1,750		1,750	
Depreciation	13,789		12,367	
Grant Amortisation	(5,449)		(4,992)	
	<u>154,986</u>		<u>131,708</u>	
TOTAL OVERHEAD EXPENSES		(154,986)		(131,708)
SURPLUS/(DEFICIT)		<u>£ (135)</u>		<u>£ 8,621</u>

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1997

	<u>Notes</u>	£	<u>1997</u> £	£	<u>1996</u> £
TURNOVER			208,893		196,383
COST OF SALES			54,096		56,242
GROSS SURPLUS			154,797		140,141
ADMINISTRATION COSTS			151,686		129,609
OPERATING PROFIT	2/3		3,111		10,532
Interest receivable	4	54		188	
Interest payable	5	(3,300)		(2,099)	
			(3,246)		(1,911)
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION			(135)		8,621
(LOSS)/PROFIT ON ORDINARY ACTIVITIES			(135)		8,621

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 1997

Profit/(Loss) for the Financial Year	(135)	8,621
Donation to Development Projects	200	3,225
TOTAL RECOGNISED GAIN RELATING TO THE YEAR	65	11,846

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 1997

	<u>Notes</u>	£	<u>1997</u> £	£	<u>1996</u> £
FIXED ASSETS					
Tangible assets			965,015		933,691
CURRENT ASSETS					
Stocks	8	10,883		11,183	
Debtors	9	13,586		3,518	
Cash at bank and in hand		120		14,488	
		<u>24,589</u>		<u>29,189</u>	
CREDITORS - amounts falling due within one year	10	<u>(50,766)</u>		<u>(38,463)</u>	
NET CURRENT (LIABILITIES)			<u>(26,177)</u>		<u>(9,274)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			938,838		924,417
CREDITORS - amounts falling due after more than one year	11		(11,800)		(21,800)
Accruals and Deferred Income	12		(571,539)		(547,183)
NET ASSETS			<u>£ 355,499</u>		<u>£ 355,434</u>
Financed by:					
CAPITAL AND RESERVES					
Life Membership Fund			1,964		2,182
General Fund			353,535		353,252
MEMBERS FUNDS			<u>£ 355,499</u>		<u>£ 355,434</u>


The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ending 31 October 1997.

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 23 MARCH 1998

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 1997

	<u>1997</u> Unrestricted Funds £	<u>1996</u> Unrestricted Funds £
INCOMING RESOURCES:		
Income	209,093	199,608
Bank interest	54	188
Total incoming resources	<u>209,147</u>	<u>199,796</u>
RESOURCES EXPENDED:		
Direct Charitable Expenditure	208,042	187,010
Other Expenditure	1,040	940
Total resources expended	<u>209,082</u>	<u>187,950</u>
NET MOVEMENT IN FUNDS	65	11,846
FUND BALANCES BROUGHT FORWARD		
AT 1 November 1996	<u>355,434</u>	<u>343,588</u>
FUND BALANCES CARRIED FORWARD		
AT 31 October 1997	<u>355,499</u>	<u>355,434</u>

Note: Deferred Income is shown under note 12.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1997

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
Boats:	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 1997

- continued

2.	OPERATING PROFIT	<u>1997</u> £	<u>1996</u> £
	This is stated after charging (crediting):		
	Staff costs	74,659	74,051
	Depreciation - owned assets	13,789	12,367
		<u> </u>	<u> </u>
3.	EMPLOYEE INFORMATION	<u>1997</u> £	<u>1996</u> £
3.1	Staff costs:		
	Wages and salaries	69,019	68,286
	Social security costs	3,640	3,765
	Other pension costs	2,000	2,000
		<u> </u>	<u> </u>
		£ 74,659	£ 74,051
		<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>1997</u> £	<u>1996</u> £
	Bank interest	54	188
		<u> </u>	<u> </u>
		£ 54	£ 188
		<u> </u>	<u> </u>
5.	INTEREST PAYABLE	<u>1997</u> £	<u>1996</u> £
	On bank loans and overdrafts	1,550	349
	On other loans	1,750	1,750
		<u> </u>	<u> </u>
		£ 3,300	£ 2,099
		<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 1997

- continued

7. TANGIBLE FIXED ASSETS

	Freehold land	Freehold buildings	Exhibits and Fixtures and fittings	Boats	Total
	£	£	£	£	£
Cost:					
At 1 November 1996	56,560	882,727	41,338	49,349	1,029,974
Additions	-	30,397	14,716	-	45,113
	<u>56,560</u>	<u>913,124</u>	<u>56,054</u>	<u>49,349</u>	<u>1,075,087</u>
At 31 October 1997					
Depreciation:					
At 1 November 1996	-	37,461	27,881	30,941	96,283
Charge for year	-	9,130	2,818	1,841	13,789
	<u>-</u>	<u>46,591</u>	<u>30,699</u>	<u>32,782</u>	<u>110,072</u>
At 31 October 1997					
Net book value at 31 October 1997	<u>£56,560</u>	<u>£866,533</u>	<u>£25,355</u>	<u>£16,567</u>	<u>£965,015</u>
Net book value at 31 October 1996	<u>£56,560</u>	<u>£845,266</u>	<u>£13,457</u>	<u>£18,408</u>	<u>£933,691</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 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 the total contents of the Museum have been valued at £169,793 (1996 £169,663)

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1997

- continued

8.	STOCKS	<u>1997</u>	<u>1996</u>
		£	£
	Publications and consumables	10,883	11,183
		<u> </u>	<u> </u>
9.	DEBTORS	<u>1997</u>	<u>1996</u>
		£	£
	Trade debtors	235	404
	Other debtors	300	-
	Prepayments	13,051	3,114
		<u> </u>	<u> </u>
		£ 13,586	£ 3,518
		<u> </u>	<u> </u>
10.	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1997</u>	<u>1996</u>
		£	£
	Bank loans and overdraft (see note 11.1)	31,678	-
	Trade creditors	2,808	2,576
	Other taxes and social security costs	3,463	5,161
	Other creditors	817	2,376
	Loans: National Trust for Scotland	10,000	15,000
	Others	2,000	13,350
		<u> </u>	<u> </u>
		£ 50,766	£ 38,463
		<u> </u>	<u> </u>
11.	CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>1997</u>	<u>1996</u>
		£	£
	National Trust for Scotland Loan (see note 11.1)	10,000	20,000
	Secured Bond over Property	1,800	1,800
		<u> </u>	<u> </u>
		£ 11,800	£ 21,800
		<u> </u>	<u> </u>

- 11.1 The National Trust for Scotland has made an interest bearing loan of £20,000 at 5%. Repayment terms require repayments of £10,000 in the year to 31 October 1998 and £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.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1997

- continued

12.	DEFERRED INCOME	<u>1997</u>	<u>1996</u>
	Deferred Grants and Sponsorship:	£	£
	Brought Forward	547,183	451,786
	Received in this year - Lottery	17,147	76,694
	- Other	38,058	50,445
	Transferred to Revenue Account	(18,400)	(20,000)
	Current Year Grant Amortisation	(5,449)	(4,992)
	Transfer to Sponsorship	(7,000)	(6,750)
		<u>571,539</u>	<u>547,183</u>
13.	MOVEMENT IN FUNDS	<u>1997</u>	<u>1996</u>
		£	£
13.1	General Fund		
	Balance as at 1 November 1996	353,252	341,164
	Surplus/(Deficit) for year	(135)	8,621
	Transfer from Life Membership Fund	218	242
	Donations to Development Projects	200	3,225
	Balance as at 31 October 1997	<u>353,535</u>	<u>353,252</u>
13.2	Life Membership Fund		
	Balance as at 1 November 1996	2,182	2,424
	Less: 10% Transfer to General Fund	(218)	(242)
	Balance as at 31 October 1997	<u>1,964</u>	<u>2,182</u>
14.	CAPITAL COMMITMENTS	<u>1997</u>	<u>1996</u>
		£	£
	Expenditure contracted for	<u>19,200</u>	<u>35,300</u>

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1997

- continued

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 1997 there were 360 members (1996 - 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.