

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED
Charity No. SC006185
Company No. SC045381

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1999



Henderson, Black & Co.
Chartered Accountants

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

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FOR THE YEAR ENDED 31 OCTOBER 1999

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

The Board of Trustees present their Report and Accounts of the Company for the year ending 31 October 1999.

BOARD OF TRUSTEES

CHAIRMAN B.J.L. Minto, O.B.E., C.A., FRSA
VICE-CHAIRMAN A.C. Scott, D.A.
SECRETARY & TREASURER W.D. Batchelor, M.A., C.A.

T. Gardner
H. London
R.G.W. Prescott, M.A., Ph.D., F.S.A.
I. Reekie, M.A., F.E.I.S.
Mrs E. Riches, B.A.
D. Smith, M.B.E.
D.B.B. Smith, O.B.E., M.A., LL.B.
T. Sunter
J. Tarvit, I.S.O.
D.N. Tod
W.M. Wood

ADVISORY COUNCIL

CHAIRMAN B.J.L. Minto, O.B.E., C.A., FRSA
PRESIDENT T.A. Murray
EX OFFICIO Prof. Struther Arnott, F.R.S., Principal, University of St. Andrews
Prof. J. Cunningham, Chairman, National Trust for Scotland
Cllr. J. McDougall, Convener of Fife Council
A. Smith, President, Scottish Fishermen's Federation
Sir R.H. Smith, C.A., Chairman, National Museums of Scotland

NOMINATED A. Lindsay, National Trust for Scotland
Cllr. M. Scott-Hayward, Fife Council
Cllr. Miss J. Smith, Fife Council
G. Spratt, Royal Museum of Scotland

ELECTED Mrs. W. Anderson, J. Main, D. Stoddart

PATRONS Sir James Cayzer, Bt.
Lord Ewing of Kirkford
David Miller, C.B.E.
Sir Bob Reid

Election of Board Members

1. The following were elected Members of the Board at the 1999 A.G.M.
Mr. I. Reekie, Mrs E. Riches, Mr. J. Tarvit and Mr. D.N. Tod
2. One third of the Members of the Board are required to retire each year;
W.D. Batchelor, H. London, D. Smith, T. Sunter and W.M. Wood retire on this occasion.

Election of Advisors

No Elected Advisors are due to retire this year.

Results

The Accounts show a deficit for the year of £2762 which has been deducted from the Funds brought forward from last year. 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 including the income of £65,850 from the Zulu Development Appeal, there are accumulated Funds of £430,839 at 31 October 1999. The movement of funds is as detailed in the Statement of Financial Activities.

Review of Business

The Trust operates the Scottish Fisheries Museum at St. Ayles, Harbourhead, Anstruther. During the year Revenue Account income increased by £14,692. Expenditure, however, increased by £20,039, producing a deficit for the year of £2,762.

The Trust continues to receive substantial support from the Local Authority and from other public and private sector sources.

Plans and Prospects

The Zulu Project had made substantial progress by the year-end, largely funded by the Heritage Lottery Fund. The planned date for the official opening of this gallery is the 18th of April 2000.

Auditors

The Accounts for the year to 31st October 1999 have been audited, rather than reported upon, as in recent years, since our total income in the year exceeded the legal limit set allowing a Report rather than an Audit.

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 1999

	£	1999 £	£	1998 £
INCOME				
Admissions	27,917		30,923	
Annual Subscriptions & Donations	3,605		2,484	
Boat Club Contributions	23,211		3,583	
Running Expense Grants	46,550		47,837	
Shop Sales	43,999		46,209	
Tea Room Sales	43,054		42,194	
Other Income	4,051		4,465	
Sponsorship	7,000		7,000	
	<u>199,387</u>		<u>184,695</u>	
		199,387		184,695
COST OF SALES				
Shop Purchases	29,645		29,403	
Tea Room Purchases	21,943		21,761	
	<u>51,588</u>		<u>51,164</u>	
		(51,588)		(51,164)
GROSS SURPLUS		147,799		133,531
OTHER INCOME				
Bank Interest		1		-
EXPENDITURE				
Rates and Insurance	6,634		7,883	
Light and Heat	6,213		5,458	
Repairs and Maintenance	5,818		2,988	
Boat Expenses	17,821		4,439	
Wages and salaries	79,703		76,652	
Printing, Postage and Stationery	2,064		2,280	
Advertising	6,763		6,740	
Telephone	1,378		1,179	
Travel Expenses	1,987		1,251	
Curatorial Expenses	6,240		4,782	
Leasing - Plant	329		164	
Accounting Fees	1,250		1,250	
Legal and professional fees	-		272	
Subscriptions	1,137		640	
General Expenses	1,021		1,143	
Bank Interest	2,749		4,605	
Loan Interest	500		1,000	
Interest on NIC	-		57	
Depreciation	16,182		15,302	
Grant Amortisation	(7,227)		(7,138)	
	<u>150,562</u>		<u>130,947</u>	
TOTAL OVERHEAD EXPENSES		(150,562)		(130,947)
SURPLUS/(DEFICIT)		<u>£ (2,762)</u>		<u>£ 2,584</u>

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1999

	Notes	£	1999 £	£	1998 £
TURNOVER			199,387		184,695
COST OF SALES			51,588		51,164
GROSS SURPLUS			147,799		133,531
ADMINISTRATION COSTS			147,313		125,285
OPERATING SURPLUS/(DEFICIT)	3/4		486		8,246
Interest receivable	5	1		-	
Interest payable	6	(3,249)		(5,662)	
			(3,248)		(5,662)
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION			(2,762)		2,584
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES			£ (2,762)		£ 2,584

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 1999

Surplus/(Deficit) for the Financial Year	(2,762)	2,584
Donations to Development Appeal	-	9,218
Donations to Development Fund	65,850	-
TOTAL RECOGNISED GAIN RELATING TO THE YEAR	£ 63,088	£ 11,802

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 1999

	Notes	£	1999 £	£	1998 £
FIXED ASSETS					
Tangible assets	8		1,555,793		1,237,061
CURRENT ASSETS					
Stocks	9	8,923		10,529	
Debtors	10	38,159		2,651	
Cash at bank and in hand		255		107	
			47,337	13,287	
CREDITORS - amounts falling due within one year	11	(84,851)		(106,772)	
NET CURRENT (LIABILITIES)			(37,514)		(93,485)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,518,279		1,143,576
CREDITORS - amounts falling due after more than one year	12		(1,800)		(1,800)
Accruals and Deferred Income	14		(1,085,640)		(774,025)
NET ASSETS			£ 430,839		£ 367,751
Financed by:					
CAPITAL AND RESERVES					
General Fund			363,033		365,578
Life Membership Fund			1,956		2,173
Development Fund			65,850		-
MEMBERS FUNDS			£ 430,839		£ 367,751

Signed on behalf of the Board of Trustees.


B J L Minto C.A. Chairman


W D Batchelor C.A. Treasurer

The financial statements were approved by the Board on 21 March 2000

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 1999

	<u>1999</u>	<u>1999</u>	<u>1999</u>	<u>1999</u>	<u>1998</u>
		Life			
	General	Membership	Development		
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
INCOMING RESOURCES:					
Admissions	27,917	-	-	27,917	30,923
Annual Subscriptions & Donations	3,605	-	-	3,605	2,484
Boat Club Contributions	23,211	-	-	23,211	3,583
Donations to Development Fund	-	-	65,850	65,850	-
Donations to Development Appeal	-	-	-	-	9,218
Grants and Sponsorship receivable	372,392	-	-	372,392	264,461
Less Deferred Income	(311,615)	-	-	(311,615)	(202,486)
Shop Sales	43,999	-	-	43,999	46,209
Tea Room Sales	43,054	-	-	43,054	42,194
Other Income	4,051	-	-	4,051	4,465
Bank Interest	1	-	-	1	-
Total incoming resources	<u>206,615</u>	<u>-</u>	<u>65,850</u>	<u>272,465</u>	<u>201,051</u>
RESOURCES EXPENDED:					
Direct Charitable Expenditure	208,112	-	-	208,112	187,984
Other Expenditure	1,265	-	-	1,265	1,265
Total resources expended	<u>209,377</u>	<u>-</u>	<u>-</u>	<u>209,377</u>	<u>189,249</u>
NET INCOMING/(OUTGOING)					
RESOURCES BEFORE TRANSFERS	(2,762)	-	65,850	63,088	11,802
Transfer between funds	217	(217)	-	-	-
NET MOVEMENT IN FUNDS	<u>(2,545)</u>	<u>(217)</u>	<u>65,850</u>	<u>63,088</u>	<u>11,802</u>
FUND BALANCES BROUGHT FORWARD					
AT 1 November 1998	365,578	2,173	-	367,751	355,949
FUND BALANCES CARRIED FORWARD					
AT 31 October 1999	<u>£363,033</u>	<u>£1,956</u>	<u>£65,850</u>	<u>£430,839</u>	<u>£367,751</u>

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1999

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 Comparatives

The comparatives have not been audited as an Independent Examination was carried out for the year ended 31 October 1998.

1.7 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.

1.8 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.

2. FUNDS

The Development Fund is an Endowment Fund for the purposes of funding the Zulu Gallery.

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

The General Fund consists of non-designated unrestricted funds.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1999

- continued

3. OPERATING SURPLUS/(DEFICIT)	<u>1999</u> £	<u>1998</u> £
This is stated after charging (crediting):		
Staff costs	79,703	76,652
Depreciation - owned assets	16,182	15,302
Operating lease rentals - plant	329	164
	<u> </u>	<u> </u>

4. EMPLOYEE INFORMATION	<u>1999</u> £	<u>1998</u> £
4.1 Staff costs:		
Wages and salaries	74,361	69,236
Social security costs	3,842	4,416
Other pension costs	1,500	3,000
	<u> </u>	<u> </u>
	£ 79,703	£ 76,652
	<u> </u>	<u> </u>

4.2 The average monthly number of employees during the year was made up as follows:	No.	No.
Management, Office and General Staff	12	11
Curatorial	1	1
	<u> </u>	<u> </u>
	13	12
	<u> </u>	<u> </u>

5. INTEREST RECEIVABLE	<u>1999</u> £	<u>1998</u> £
Bank interest	1	-
	<u> </u>	<u> </u>
	£ 1	£ -
	<u> </u>	<u> </u>

6. INTEREST PAYABLE	<u>1999</u> £	<u>1998</u> £
On bank loans and overdrafts	2,749	4,605
On other loans	500	1,000
On National Insurance Contributions	-	57
	<u> </u>	<u> </u>
	£ 3,249	£ 5,662
	<u> </u>	<u> </u>

7. 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 1999

- continued

8. 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 1998	56,560	1,171,599	134,276	1,362,435
Additions	-	315,605	20,487	336,092
Disposals	-	(1,178)	-	(1,178)
	<u>56,560</u>	<u>1,486,026</u>	<u>154,763</u>	<u>1,697,349</u>
At 31 October 1999				
Depreciation:				
At 1 November 1998	-	55,721	69,653	125,374
Charge for year	-	9,130	7,052	16,182
	<u>-</u>	<u>64,851</u>	<u>76,705</u>	<u>141,556</u>
At 31 October 1999				
Net book value at 31 October 1999	<u>£56,560</u>	<u>£1,421,175</u>	<u>£78,058</u>	<u>£1,555,793</u>
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>

Freehold Buildings, Exhibits and Fixtures and Fittings include Assets under construction of £586,959. 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 £201,000 (1997 £169,930)

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1999

- continued

9.	STOCKS	<u>1999</u> £	<u>1998</u> £
	Publications and consumables	8,923	10,529
10.	DEBTORS	<u>1999</u> £	<u>1998</u> £
	Trade debtors	337	162
	Social security and other taxes	10,781	1,393
	Other debtors	25,447	-
	Prepayments	1,594	1,096
		<u>£ 38,159</u>	<u>£ 2,651</u>
11.	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1999</u> £	<u>1998</u> £
	Bank overdraft	43,162	91,154
	Trade creditors	3,930	1,702
	Other taxes and social security costs	2,491	1,099
	Other creditors	33,768	1,567
	Loans: National Trust for Scotland	-	10,000
	Others	1,500	1,250
		<u>£ 84,851</u>	<u>£106,772</u>
12.	CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>1999</u> £	<u>1998</u> £
	Secured Bond over Property	1,800	1,800
		<u>£ 1,800</u>	<u>£ 1,800</u>

- 12.1 The National Trust for Scotland has made an interest bearing loan of £20,000 at 5%. Repayment terms required a repayment of £10,000 in the year to 31 October 1999. This Loan was repaid in full by the year end. The other Loans, which are interest free, have no fixed terms for repayment. The bank overdraft is secured over properties.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 1999

- continued

13. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE

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

	<u>1999</u> £	<u>1998</u> £
Operating leases, other than land and buildings which expire:		
Within one year	-	-
In years two to five inclusive	329	329
Over five years	-	-
	<u>£329</u>	<u>£329</u>

14. DEFERRED INCOME

Deferred Grants and Sponsorship:

	<u>1999</u> £	<u>1998</u> £
Brought Forward	774,025	571,539
Received in this year - Lottery	324,954	211,424
- Other	47,438	51,550
Transferred to Revenue Account	(46,550)	(46,350)
Current Year Grant Amortisation	(7,227)	(7,138)
Transfer to Sponsorship	(7,000)	(7,000)
	<u>£1,085,640</u>	<u>£774,025</u>

15. CAPITAL COMMITMENTS

	<u>1999</u> £	<u>1998</u> £
Expenditure contracted for	<u>126,184</u>	<u>424,574</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 1999 there were 345 members (1998 - 331)

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.

THE SCOTTISH FISHERIES MUSEUM TRUST LTD

STATEMENT OF THE BOARD OF TRUSTEES RESPONSIBILITIES

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

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

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

AUDITORS' REPORT TO THE MEMBERS OF
THE SCOTTISH FISHERIES MUSEUM TRUST
YEAR ENDED 31 OCTOBER 1999

We have audited the financial statements on pages 3 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of the Board of Trustees and Auditors

As described on page 12 the Board of Trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

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

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

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 1999 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Henderson Black & Co.

HENDERSON, BLACK & CO.
CHARTERED ACCOUNTANTS &
REGISTERED AUDITORS

19 April 2000

EDENBANK HOUSE
22 CROSSGATE
CUPAR