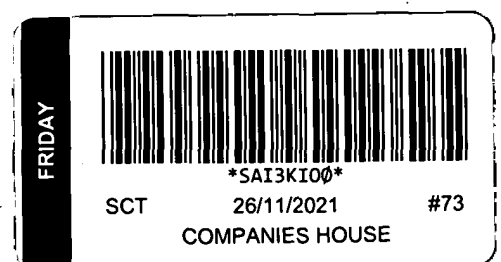


**Community of Arran Seabed Trust Limited**

**Trustees' Report and  
Financial Statements for the year ended  
28th February 2021**



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## **Trustees' Report for the year ended 28<sup>th</sup> February 2021**

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 28th February 2021.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **Chair's Report**

As was the case for all companies and charities, the financial year up to 28 February 2021 was extremely challenging for COAST. This period encompassed the onset and worst effects of the Covid 19 pandemic. We are therefore relieved to report that all of our staff and colleagues remained healthy throughout this period and that we were able to maintain most of our normal operations throughout.

However, the pandemic impacted on us in a number of ways and continues to proscribe our activities. Although, happily, we were not obliged to furlough any of our staff most were working from home for the entire period. Only essential staff and volunteers were present in the COAST Discovery Centre (formally Octopus Centre) which as a visitor attraction we have been able to keep open during the pandemic following strict Covid19 health guidelines. This would not have been possible without the hardwork, creativity and dedication of our staff, board members and volunteers. Keeping the Centre open was very important for local morale on the Isle of Arran and meant that COAST employees and volunteers maintained a strong sense of purpose. Visitor numbers and income from the Centre were down though on the previous year.

To maintain stability throughout the period following the departure of our Director in March, we engaged Andrew Binnie our previous Director to manage the organisation during the pandemic and develop a new five year strategy for COAST. This has now been completed and renews our focus on the marine environment ensuring that everything we do contributes to the protection and restoration of our precious marine ecosystem.

In addition to Covid challenges we are still working with many islanders to prevent a large fish farm being installed on Arran's north shore within a nationally recognised scenic area. We expect North Ayrshire Council planning committee to decide on this shortly and are hopeful that it will be rejected.

As always none of our work would be possible without wide community and volunteer support on Arran and the financial assistance from our donors. These donors include individuals and small and large grant making bodies. We are very grateful to them for their support.

Russell Cheshire  
COAST Past Chair

**Trustees' Report for the year ended 28<sup>th</sup> February 2021 (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**

At the start of the financial year it was becoming apparent that Covid 19 would become a pandemic which would affect all of our lives and the organisations we work for. It soon became clear that we would have to temporarily close the COAST Discovery Centre and for all staff to work from home. We were fortunate not to have to furlough staff but our mode of working completely changed to ensure the health of our staff and the local community.

In the summer of 2020 Covid guidelines enabled us to reopen our Centre on a restricted access basis and this remains the case. Although our takings are down due to lower visitor numbers, donations and purchases still contributed to our income. Events were able to restart and provide another source of income, and our Outreach Manager Jenny Stark managed to run several rock pooling events with strict risk assessments in place. Reopening under Covid restrictions was a major achievement for the organisation and all staff. It meant that we were able to continue our work with the public and contribute to the island's economy which has been badly affected. COAST's van was made available for Covid related deliveries. During the pandemic, people have become increasingly aware of how Green (and Blue) spaces can benefit their mental health and well-being. Our Discovery Centre site offers a place for tennis and recreation (restrictions permitting) right by the shores of Arran's seas. We've had fitness classes, art classes, coffee clubs and a book share who have all recognised our Centre and grounds as a hub to continue their activities in a safe, open space and we're delighted they use our site to come together.

During the period staff working from home have been able to continue our work with a focus on materially improving the health and productivity of the coastal waters around Arran, ongoing marine education to both the wider community and schools (virtually) and the partnering with academics on scientific research and monitoring of the No Take Zone and Marine Protected Area. Research work was conducted without student participation this year due to Covid and was led by our Marine Protected Area Officer, Lucy Kay.

During the lockdown COAST conducted an island survey and, on the basis of this and interviews with staff and board members, we up dated our five year strategy. We have refocused all of our work around improving the marine environment and identified major new initiatives which will support this. This work was carried out by Andrew Binnie, who returned to COAST after a 3 year absence to manage the organisation during the pandemic. He joined Andrew Telford, another previous employee who is now our Operations and Finance Officer. Liz Sutton was engaged as a freelance fundraiser in the Autumn of 2020 further strengthening our team during a difficult period.

**Financial Review**

***Reserves policy/***

## **Trustees' Report for the year ended 28<sup>th</sup> February 2021 (continued)**

### ***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 of liquid assets held at 28 February 2021 was £170,657 (2020: £210,275) against an actual six month spend of £75,525 (2020: £80,758).

### ***Future plans***

As the Covid crisis eases and vaccines become widely available we are hopeful that COAST's operations and engagement with the public can return to near normality in the summer of 2021. Our focus will remain on the health of our staff, volunteers and visitors and we will continue to be creative in the ways that we operate.

Overall our aim will remain 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. 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.

### **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 11<sup>th</sup> 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/**

**Trustees' Report for the year ended 28th February 2021 (continued)**

**Risk management**

The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- continuous assessment and adaptation to the ongoing Covid pandemic
- 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;
- 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<sup>th</sup> February 2021 (continued)**

**Reference and Administrative Information**

**DIRECTORS AND TRUSTEES**

Mr. R Cheshire  
Mrs. P. Templeton (Treasurer)  
Ms. J Martin  
Mr. J Henderson  
Ms. C Gill (Chair)  
Mr. H L Wood  
Ms. S Sangster  
Ms. C Jenks (Secretary)  
Mr. G Walker

**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  
Studio 3005  
Mile End  
Abbey Mill Business Centre  
Paisley  
PA1 1JS

**BANKERS**

Bank of Scotland  
Brodict  
Isle of Arran

Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

Nationwide Building Society  
Kings Park Road  
Northampton  
NN3 6NW

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on November 2021 and signed on their behalf by:

*Catherine Jenks. 23.11.21*

Catherine Jenks – Secretary

**Statement of Financial Activities (Incorporating Income and Expenditure Account)**  
**For the year ended 28<sup>th</sup> February 2021**

|   | Notes | Unrestricted Funds |                       | Restricted Funds<br>£ | 2021<br>Total<br>£ | 2020<br>Total<br>£ |
|---|-------|--------------------|-----------------------|-----------------------|--------------------|--------------------|
|   |       | General Fund<br>£  | Designated Funds<br>£ |                       |                    |                    |
| <b>Income</b>   |       |                    |                       |                       |                    |                    |
| Donations and legacies                                  | 4     | 6,090              | -                     | -                     | 6,090              | 14,738             |
| <i>From charitable activities:</i>                      |       |                    |                       |                       |                    |                    |
| Grants Received   | 5     | -                  | -                     | 54,495                | 54,495             | 116,161            |
| <i>Other incoming resources:</i>                        |       |                    |                       |                       |                    |                    |
| Other trading activities                                | 6     | 13,200             | -                     | -                     | 13,200             | 22,642             |
| Investment income                                       | 7     | 202                | -                     | -                     | 202                | 818                |
| Other income  | 8     | 467                | -                     | -                     | 467                | 306                |
| <b>Total Income</b>                                     |       | <b>19,959</b>      | <b>-</b>              | <b>54,495</b>         | <b>74,454</b>      | <b>154,665</b>     |
| <b>Expenditure</b>                                      |       |                    |                       |                       |                    |                    |
| Cost of raising funds                                   | 9     | 4,858              | -                     | -                     | 4,858              | 7,337              |
| Expenditure on Charitable activities                    | 10    | 66,748             | 2,035                 | 77,410                | 146,193            | 154,180            |
| <b>Total Expenditure</b>                                |       | <b>71,606</b>      | <b>2,035</b>          | <b>77,410</b>         | <b>151,051</b>     | <b>161,517</b>     |
| <b>Net income/(expenditure)</b>                         |       | <b>(51,647)</b>    | <b>(2,035)</b>        | <b>(22,915)</b>       | <b>(76,597)</b>    | <b>(6,852)</b>     |
| <b>Exceptional item</b>                                 |       | <b>-</b>           | <b>-</b>              | <b>-</b>              | <b>-</b>           | <b>-</b>           |
| <b>Net income/(expenditure) before recognised gains</b> |       | <b>(51,647)</b>    | <b>(2,035)</b>        | <b>(22,915)</b>       | <b>(76,597)</b>    | <b>(6,852)</b>     |
| <b>Transfers between funds</b>                          |       | <b>(329)</b>       | <b>-</b>              | <b>329</b>            | <b>-</b>           | <b>-</b>           |
| <b>Other recognised gains/(losses)</b>                  |       |                    |                       |                       |                    |                    |
| <i>Gains on investment assets</i>                       |       | <b>-</b>           | <b>-</b>              | <b>-</b>              | <b>-</b>           | <b>-</b>           |
| <b>Net movement in funds</b>                            |       | <b>(51,976)</b>    | <b>(2,035)</b>        | <b>(22,586)</b>       | <b>(76,597)</b>    | <b>(6,852)</b>     |
| <b>Reconciliation of Funds:</b>                         |       |                    |                       |                       |                    |                    |
| Total funds brought forward                             |       | 157,030            | 92,045                | 135,239               | 384,314            | 391,166            |
| <b>Total funds carried forward</b>                      |       | <b>105,054</b>     | <b>90,010</b>         | <b>112,653</b>        | <b>307,717</b>     | <b>384,314</b>     |

All income and expenditure derives from continuing activities.



Balance Sheet as at 28<sup>th</sup> February 2021

|  | Notes     | £<br>Unrestricted | £<br>Restricted | 2021<br>£<br>Total | 2020<br>£<br>Total |
|--|-----------|-------------------|-----------------|--------------------|--------------------|
| <b>Tangible Fixed Assets</b>                           | <b>15</b> | 105,209           | 68,085          | 173,294            | 184,340            |
| <b>Current Assets</b>                                  |           |                   |                 |                    |                    |
| Stock  |           | 2,731             | -               | 2,731              | 2,056              |
| Debtors and prepayments                                | <b>16</b> | 298               | -               | 298                | 1,573              |
| Bank account   |           | 87,520            | 80,053          | 167,573            | 206,483            |
| Petty cash   |           | 55                | -               | 55                 | 163                |
|  |           | <u>90,604</u>     | <u>80,053</u>   | <u>170,657</u>     | <u>210,275</u>     |
| <b>Creditors – amounts falling due within one year</b> |           |                   |                 |                    |                    |
| Trade creditors  |           | 744               | 4,738           | 5,482              | 4,228              |
| Accruals   |           | 5                 | 4,385           | 4,390              | 5,473              |
| Credit card  |           | -                 | 31              | 31                 | 69                 |
| Deferred grants  | <b>17</b> | -                 | 23,000          | 23,000             | -                  |
| Wages control  |           | -                 | 3,024           | 3,024              | -                  |
| Pension control  | <b>12</b> | -                 | 307             | 307                | 531                |
|  |           | <u>749</u>        | <u>35,485</u>   | <u>36,234</u>      | <u>10,301</u>      |
| <b>Net Current Assets</b>                              |           | <u>89,855</u>     | <u>44,568</u>   | <u>134,423</u>     | <u>199,974</u>     |
| <b>Total Assets less Liabilities</b>                   |           | <u>195,064</u>    | <u>112,653</u>  | <u>307,717</u>     | <u>384,314</u>     |
| <b>Represented by:</b>                                 |           |                   |                 |                    |                    |
| Unrestricted Funds                                     |           |                   |                 |                    |                    |
| General Fund   | <b>19</b> | 105,054           | -               | 105,054            | 157,030            |
| Designated Fund  | <b>19</b> | 90,010            | -               | 90,010             | 92,045             |
| Restricted Fund  | <b>19</b> | -                 | 112,653         | 112,653            | 135,239            |
| <b>Total Funds</b>                                     |           | <u>195,064</u>    | <u>112,653</u>  | <u>307,717</u>     | <u>384,314</u>     |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28<sup>th</sup> February 2021. The members have not required the Company to obtain an audit of its financial statements for the year ended 28<sup>th</sup> February 2021 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 November 2021 and signed on their behalf by:

*C. M. Gill* 23<sup>rd</sup> Nov. 21

Cicely Gill – Chair

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

**Cash Flow Statement for the year ended 28<sup>th</sup> February 2021**

|   | Notes | 2021<br>£       | 2020<br>£       |
|---|-------|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                               |       |                 |                 |
| Cash generated from operations  | 1     | (39,220)        | (65,996)        |
| <b>Net cash provided by (used in) operating activities</b>                |       | <u>(39,220)</u> | <u>(65,996)</u> |
| <b>Cash flows from investing activities:</b>                              |       |                 |                 |
| Interest received   |       | 202             | 818             |
| <b>Net cash provided by (used in) investing activities</b>                |       | <u>202</u>      | <u>818</u>      |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <u>(39,018)</u> | <u>(65,178)</u> |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | 206,646         | 271,824         |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u>167,628</u>  | <u>206,646</u>  |

**Notes to the Cash Flow Statement for the year ended 28<sup>th</sup> February 2021**

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

|   | 2021<br>£       | 2020<br>£       |
|---|-----------------|-----------------|
| <b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b> | (76,597)        | (6,852)         |
| <b>Adjustments for:</b>   |                 |                 |
| Less interest received  | (202)           | (818)           |
| Add depreciation  | 13,373          | 13,016          |
| Decrease (increase) in stock  | (675)           | 487             |
| Decrease (increase) in debtors  | 1,275           | (1,573)         |
| Increase (decrease) in creditors  | 25,933          | (58,960)        |
| Purchase of fixed assets  | (2,327)         | (11,296)        |
| <b>Net cash provided by (used in) operating activities</b>  | <u>(39,220)</u> | <u>(65,996)</u> |

**Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021**

**1. Statutory Information**

Community of Arran Seabed Trust is a private company, limited by guarantee, registered in Scotland. The company registration number and registered address can be found on page 5.

**2. 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 1 January 2019)
- 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 2021/22 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 19.

**(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**

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**Investment income**

This is included in the accounts when receivable.

**Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (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 13.

**(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.

**(j) Pension costs and post-retirement benefits**

The charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable to the charity's pension scheme are charged to profit or loss in the period to which they relate.

**3. 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 (2020: £nil).

For expenses reimbursed and transactions with trustees/related parties see note 18.

Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)

4. Donations and legacies

|                      | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|----------------------|--------------|------------|------------|---------------|---------------|
|                      | General      | Designated |            |               |               |
|                      | £            | £          | £          | £             | £             |
| Sundry donations     | 6,090        | -          | -          | 6,090         | 12,265        |
| Donation-in-kind     | -            | -          | -          | -             | 2,000         |
| Gift Aid recoverable | -            | -          | -          | -             | 473           |
|                      | 6,090        | -          | -          | 6,090         | 14,738        |

The donation-in-kind refers to the deemed value of snorkeling gear donated during the year.

5. Income from charitable activities

|   | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|---|--------------|------------|------------|---------------|---------------|
|   | General      | Designated |            |               |               |
|   | £            | £          | £          | £             | £             |
| <b>Grants</b>   |              |            |            |               |               |
| - Argyll and the Islands LEADER   | -            | -          | 1,995      | 1,995         | -             |
| - National Marine Aquarium  | -            | -          | 2,500      | 2,500         | -             |
| - Sylvia Aitken Trust   | -            | -          | -          | -             | 2,000         |
| - The Hugh Fraser Foundation  | -            | -          | -          | -             | 10,000        |
| - Whitley Animal Protection   | -            | -          | 5,000      | 5,000         | 5,000         |
| - The Tides Foundation  | -            | -          | -          | -             | 4,578         |
| - John Ellerman Foundation  | -            | -          | 30,000     | 30,000        | 30,000        |
| - Community Marine Monitoring Fund  | -            | -          | -          | -             | 1,486         |
| - Green Health Partnership (NAC)  | -            | -          | -          | -             | 597           |
| - Sum of Us   | -            | -          | 3,000      | 3,000         | -             |
| - The Fishmonger Company  | -            | -          | 2,000      | 2,000         | -             |
| - NAC (Covid business support grant)  | -            | -          | 10,000     | 10,000        | -             |
| - Anonymous   | -            | -          | 5,000      | 5,000         | -             |
| - The Waterloo Foundation   | -            | -          | 18,000     | 18,000        | -             |
| <br>Grants deferred (Anonymous and The Waterloo Foundation – note 17)                       | -            | -          | (23,000)   | (23,000)      | -             |
| <br>Release of deferred grants (National Marine Aquarium and Schroder Foundation – note 17) | -            | -          | -          | -             | 62,500        |
|   | -            | -          | 54,495     | 54,495        | 116,161       |

Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)

6. Other trading activities

|                            | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|----------------------------|--------------|------------|------------|---------------|---------------|
|                            | General      | Designated |            |               |               |
|                            | £            | £          | £          | £             | £             |
| Merchandise income         | 7,699        | -          | -          | 7,699         | 10,688        |
| Income from gas sales      | 200          | -          | -          | 200           | 1,520         |
| Film and photography sales | 2,774        | -          | -          | 2,774         | 250           |
| Boat hire charged          | -            | -          | -          | -             | -             |
| Consultancy                | 460          | -          | -          | 460           | 2,390         |
| Tennis and putting fees    | 1,816        | -          | -          | 1,816         | 3,093         |
| Café income                | 6            | -          | -          | 6             | 1,801         |
| Activity and event sales   | 245          | -          | -          | 245           | 2,900         |
|                            | 13,200       | -          | -          | 13,200        | 22,642        |

7. Investment income

|                        | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|------------------------|--------------|------------|------------|---------------|---------------|
|                        | General      | Designated |            |               |               |
|                        | £            | £          | £          | £             | £             |
| Bank interest received | 202          | -          | -          | 202           | 818           |
|                        | 202          | -          | -          | 202           | 818           |

8. Other income

|                             | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|-----------------------------|--------------|------------|------------|---------------|---------------|
|                             | General      | Designated |            |               |               |
|                             | £            | £          | £          | £             | £             |
| Travel expenses reimbursed  | -            | -          | -          | -             | 250           |
| Vehicle expenses reimbursed | 467          | -          | -          | 467           | 56            |
|                             | 467          | -          | -          | 467           | 306           |

9. Cost of raising funds

|                              | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|------------------------------|--------------|------------|------------|---------------|---------------|
|                              | General      | Designated |            |               |               |
|                              | £            | £          | £          | £             | £             |
| Merchandise purchases        | 4,165        | -          | -          | 4,165         | 5,444         |
| Paypal charges               | 166          | -          | -          | 166           | 79            |
| Café purchases               | -            | -          | -          | -             | 1,278         |
| Merchant card reader charges | 518          | -          | -          | 518           | 532           |
| Foreign exchange charges     | 9            | -          | -          | 9             | 4             |
|                              | 4,858        | -          | -          | 4,858         | 7,337         |

Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)

10. Charitable activities

|  | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|--|--------------|------------|------------|---------------|---------------|
|  | General      | Designated |            |               |               |
|  | £            | £          | £          | £             | £             |
| Projects and activities                                | 652          | -          | 616        | 1,268         | 9,598         |
| Electricity  | 474          | -          | 826        | 1,300         | 1,568         |
| Graphics, website development, internet and newsletter | 923          | -          | 100        | 1,023         | 2,157         |
| Travel and subsistence                                 | 1,026        | -          | 1,294      | 2,320         | 3,594         |
| Printing   | -            | -          | 54         | 54            | 104           |
| Grants awarded (see note 11)                           | 400          | -          | -          | 400           | 775           |
| Staff costs (see note 12)                              | 16,909       | -          | 43,075     | 59,984        | 101,915       |
| Charter of research boat                               | -            | -          | 3,442      | 3,442         | 300           |
| Conference/seminar costs                               | -            | -          | 84         | 84            | -             |
| Postage, stationery and advertising                    | 1,021        | -          | 347        | 1,368         | 4,334         |
| Equipment repairs and maintenance                      | 10,904       | -          | 3,316      | 14,220        | 6,004         |
| Building warrant application                           | 780          | -          | 532        | 1,312         | -             |
| Telephone and fax                                      | 481          | -          | 221        | 702           | 782           |
| Insurance  | 1,312        | -          | 28         | 1,340         | 1,255         |
| Vehicle expenses                                       | 858          | -          | 462        | 1,320         | 790           |
| Subscriptions  | 551          | -          | -          | 551           | 144           |
| Depreciation   | 1,622        | 2,035      | 9,716      | 13,373        | 13,016        |
| Support costs (see note 13)                            | 28,835       | -          | 13,297     | 42,132        | 7,844         |
|  | 66,748       | 2,035      | 77,410     | 146,193       | 154,180       |

11. Grants awarded

|   | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|---|--------------|------------|------------|---------------|---------------|
|   | General      | Designated |            |               |               |
|   | £            | £          | £          | £             | £             |
| Grants to individual volunteers to assist with travel expenses etc. | 400          | -          | -          | 400           | 775           |
|   | 400          | -          | -          | 400           | 775           |

12. Analysis of staff costs

|                                | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|--------------------------------|--------------|------------|------------|---------------|---------------|
|                                | General      | Designated |            |               |               |
|                                | £            | £          | £          | £             | £             |
| Salaries                       | 15,830       | -          | 41,432     | 57,262        | 94,650        |
| Social security costs          | 1,372        | -          | 3,032      | 4,404         | 7,663         |
| Employer NIC Rebate            | (843)        | -          | (2,627)    | (3,470)       | (3,000)       |
| Employer pension contributions | 550          | -          | 1,238      | 1,788         | 2,602         |
|                                | 16,909       | -          | 43,075     | 59,984        | 101,915       |

Average number of staff employed

3 4

No employee received total emoluments of more than £60,000 during the year (2020: £60,000). 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 £307 (2020: £531).



Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)

13. Support costs

|                            | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|----------------------------|--------------|------------|------------|---------------|---------------|
|                            | General      | Designated |            |               |               |
|                            | £            | £          | £          | £             | £             |
| Governance costs (note 14) | -            | -          | 2,173      | 2,173         | 2,126         |
| Bank interest and charges  | 85           | -          | 18         | 103           | 127           |
| Book-keeping and payroll   | 2,415        | -          | 856        | 3,271         | 3,124         |
| Recruitment costs          | -            | -          | -          | -             | 783           |
| Disclosure Scotland        | -            | -          | -          | -             | -             |
| Funding officer            | 23,885       | -          | 6,644      | 30,529        | 643           |
| Operations manager         | -            | -          | 3,521      | 3,521         | -             |
| Management plan            | 2,000        | -          | -          | 2,000         | -             |
| Sundry                     | 450          | -          | 85         | 535           | 1,041         |
|                            | 28,835       | -          | 13,297     | 42,132        | 7,844         |

14. Governance costs

|                            | Unrestricted |            | Restricted | Total<br>2021 | Total<br>2020 |
|----------------------------|--------------|------------|------------|---------------|---------------|
|                            | General      | Designated |            |               |               |
|                            | £            | £          | £          | £             | £             |
| Independent Examiner's fee | -            | -          | 2,160      | 2,160         | 2,100         |
| Filing fees                | -            | -          | 13         | 13            | 26            |
|                            | -            | -          | 2,173      | 2,173         | 2,126         |

15. Fixed Assets

|  | Property | Plant and<br>Equipment | Office<br>Equipment<br>and<br>Furniture | Total   |
|--|----------|------------------------|---|---------|
|  | £        | £                      | £                                       | £       |
| <b>At Cost</b>   |          |                        |   |         |
| At 1 March 2020  | 170,685  | 53,369                 | 25,231                                  | 249,285 |
| Additions  | -        | -                      | 2,327                                   | 2,327   |
| Disposals  | -        | -                      | -                                       | -       |
|  | 170,685  | 53,369                 | 27,558                                  | 251,612 |
| <b>Depreciation</b>                                    |          |                        |   |         |
| At 1 March 2020  | 6,645    | 42,483                 | 15,817                                  | 64,945  |
| Charge for year  | 3,208    | 4,986                  | 5,179                                   | 13,373  |
| On disposals   | -        | -                      | -                                       | -       |
|  | 9,853    | 47,469                 | 20,996                                  | 78,318  |
| <b>Net Book Value at 28<sup>th</sup> February 2021</b> | 160,832  | 5,900                  | 6,562                                   | 173,294 |
| <b>Net Book Value at 29<sup>th</sup> February 2020</b> | 164,040  | 10,886                 | 9,414                                   | 184,340 |

Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)

16. Debtors and Prepayments

|                      | Unrestricted<br>General<br>£ | Designated<br>£ | Restricted<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|----------------------|------------------------------|-----------------|-----------------|--------------------|--------------------|
| Trade debtors        | 298                          | -               | -               | 298                | 1,100              |
| Gift Aid recoverable | -                            | -               | -               | -                  | 473                |
|                      | <u>298</u>                   | <u>-</u>        | <u>-</u>        | <u>298</u>         | <u>1,573</u>       |

17. Deferred Grants

|  | Unrestricted<br>General<br>£ | Designated<br>£ | Restricted<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--|------------------------------|-----------------|-----------------|--------------------|--------------------|
| Balance at 1 <sup>st</sup> March 2020                  | -                            | -               | -               | -                  | 62,500             |
| Released to income from charitable activities (note 5) | -                            | -               | -               | -                  | (62,500)           |
| Amount deferred in year                                | -                            | -               | 23,000          | 23,000             | -                  |
| Balance at 28 <sup>th</sup> February 2021              | <u>-</u>                     | <u>-</u>        | <u>23,000</u>   | <u>23,000</u>      | <u>-</u>           |

18. Related Party Transactions

|  | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--|--------------------|--------------------|
| Sundry office costs reimbursed (stationery/telephone/posts etc.) | 7                  | 224                |
| Directors' travel and subsistence reimbursed                     | 291                | 1,675              |
| Equipment repairs and maintenance reimbursed                     | 242                | 544                |
| Shop purchases reimbursed  | 118                | -                  |
| Graphic design   | 751                | 885                |
| Boat charter   | -                  | 300                |
|  | <u>1,409</u>       | <u>3,628</u>       |

The above transactions all took place with five of the directors (or their companies) on normal business terms and rates. At 28.02.21, £115 was owed to directors (2020: £1,702).

Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)

19. Movements in Funds

|                                      | At 1 March<br>2020<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Transfer<br>£ | At 28<br>February<br>2021<br>£ |
|--------------------------------------|-------------------------|----------------------------|----------------------------|---------------|--------------------------------|
| <b>Restricted Funds</b>              |                         |                            |                            |               |                                |
| Core costs                           | 19,135                  | -                          | (57)                       | -             | 19,078                         |
| Monitoring and research              |                         |                            |                            |               |                                |
| - Underwater drone etc.              | 3,658                   | -                          | (1,505)                    | -             | 2,153                          |
| - MPA Management                     | 24,493                  | -                          | (21,187)                   | -             | 3,306                          |
| - Filming of seagrass beds           | (1,180)                 | 2,500                      | (1,320)                    | -             | -                              |
| - Crustacean survey                  | -                       | 2,000                      | (2,000)                    | -             | -                              |
| - Seabed survey/salmon farm campaign | -                       | 3,000                      | (400)                      | -             | 2,600                          |
| Marine Discovery and Learning Centre |                         |                            |                            |               |                                |
| - Core costs                         | 21,837                  | 45,000                     | (42,962)                   | -             | 23,875                         |
| - Renovation                         | 58,778                  | 1,995                      | (4,270)                    | 329           | 56,832                         |
| - Marine outdoor classroom           | 2,657                   | -                          | (1,606)                    | -             | 1,051                          |
| Engaging visitors                    | 3,570                   | -                          | (1,199)                    | -             | 2,371                          |
| Marine recreation shed               |                         |                            |                            |               |                                |
| - Shed, drone and snorkeling gear    | 2,291                   | -                          | (904)                      | -             | 1,387                          |
| <b>Unrestricted Funds</b>            |                         |                            |                            |               |                                |
| General Fund                         | 157,030                 | 19,959                     | (71,606)                   | (329)         | 105,054                        |
| Designated Fund                      | 92,045                  | -                          | (2,035)                    | -             | 90,010                         |
|                                      | <b>384,314</b>          | <b>74,454</b>              | <b>(151,051)</b>           | <b>-</b>      | <b>307,717</b>                 |

**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.

**Monitoring and research (MPA Management Plan Project)** – £18,000 was received as part of a 3 year award, at 28.02.21 these funds had not yet been utilised and the income was deferred.

**Notes to the Financial Statements for the year ended 28<sup>th</sup> February 2021 (continued)**

**Restricted Funds (continued)**

**Marine Discovery and Learning Centre (Core costs)** – Several grants have been received towards the core costs of developing and operating a marine focused visitor centre.

**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.

**Marine Discovery and Learning Centre (Expand education and exhibition space)** – A donation of £5,000 was received towards the cost of expanding available facilities. At 28.02.21 these funds had not yet been utilised and the income was deferred.

**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.

**20. Analysis of net assets between funds**

|                         | Unrestricted<br>General | Designated | Restricted | Total<br>2021<br>£ | Total<br>2020<br>£ |
|-------------------------|-------------------------|------------|------------|--------------------|--------------------|
| Fixed Assets            | 15,199                  | 90,010     | 68,085     | 173,294            | 184,340            |
| Stock                   | 2,731                   | -          | -          | 2,731              | 2,056              |
| Debtors and Prepayments | 298                     | -          | -          | 298                | 1,573              |
| Bank                    | 87,520                  | -          | 80,053     | 167,573            | 206,483            |
| Cash                    | 55                      | -          | -          | 55                 | 163                |
| Trade Creditors         | (744)                   | -          | (4,738)    | (5,482)            | (4,228)            |
| Accruals                | (5)                     | -          | (4,385)    | (4,390)            | (5,473)            |
| Credit Card             | -                       | -          | (31)       | (31)               | (69)               |
| Pension Control         | -                       | -          | (307)      | (307)              | (531)              |
| Deferred Grants         | -                       | -          | (23,000)   | (23,000)           | -                  |
| Wages Control           | -                       | -          | (3,024)    | (3,024)            | -                  |
|                         | 105,054                 | 90,010     | 112,653    | 307,717            | 384,314            |

**21. Government Grants**

North Ayrshire Council provided £10,000 in the form of a Covid 19 business support grant and a further £1,995 was received from Argyll and the Islands LEADER.

**22. 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<sup>th</sup> February 2021, which are set out on pages 6 to 18.

### 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.

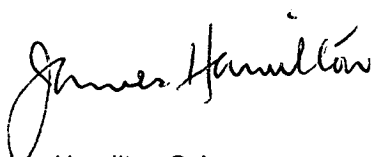
### Basis of Independent Examiner's statement

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: 25<sup>th</sup> November 2021