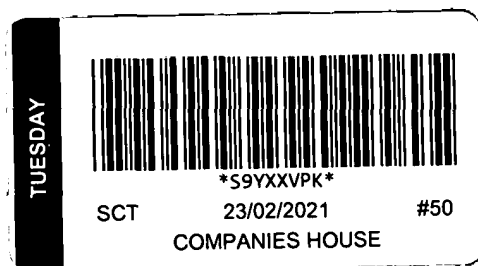


Community of Arran Seabed Trust Limited

**Trustees' Report and
Financial Statements for the year ended
29th February 2020**



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Trustees' Report for the year ended 29 February 2020

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 29 February 2020.

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

The financial year to 29 February 2020 has been a busy one for COAST. The 'Octopus Centre' has been open to the public for over two years now and is popular with residents and visitors, especially families on holiday. In addition to being open daily it is used in the evening for film shows and talks on marine related topics. The Centre and grounds have also become a meeting place for local community groups.

COAST relies on the generosity of funders for its continued existence and development. This financial year we have received funding from a wide range of funders including the Sylvia Aitken Trust, The Hugh Fraser Foundation, Whitley Animal Protection, The Tides Foundation, John Ellerman Foundation, Community Marine Monitoring Fund and the Green Health Partnership (NAC). We are grateful to them all for their support.

Our staff team remains strong and both our Centre Administration Assistant and Marine Protected Area Project Officer have settled successfully into their roles. We are currently recruiting for a specialist Funding Officer following the departure of the Centre Manager. Two new Trustees, Patricia Templeton and Graeme Walker have been appointed. Patricia is an experienced audit and governance practitioner working at a senior level in the public and private sector becomes our new treasurer. Graeme recently retired from his position as the local Operations Area Officer with Scottish Natural Heritage.

An application to construct a large salmon farm on the Northeast coast of Arran is currently being assessed by North Ayrshire Council. This is opposed by many Arran residents and this campaign is fully supported by COAST, to whom the community have looked for leadership.

COAST's objective to improve the overall health and biodiversity of our seas and Scotland's marine environment, with particular focus on the Firth of Clyde, continues to be our main focus. Our strategic objectives are reviewed on an annual basis.

COAST continues to build relationships with other communities at regional, national and international levels and to participate actively in relevant national networks. In the past year we have presented at a number of international conferences and are engaged in local partnerships focused on improving the health of the Firth of Clyde.

Russell Cheshire
COAST Chair

Trustees' Report for the year ended 29 February 2020 (continued)

Objectives and Activities

Our purposes are:

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

Achievements and performance

During 2019-20 COAST has continued to focus on materially improving the health and productivity of the coastal waters around Arran, ongoing marine education to both the wider community and schools on the island; and the partnering with academics on scientific research and monitoring of the No Take Zone and Marine Protected Area by university students.

The Octopus Centre situated at the Old Pavilion has been open to the public for over two years now. It is proving to be a big attraction to locals and visitors, both adults and children alike, and visitor numbers continue to increase as the word spreads. The Centre is largely staffed by volunteers who continue to give many hours of their time helping in the running of the Centre and assisting with various COAST activities, especially during the very busy holiday period. Volunteers again ran regular snorkel sessions for locals and visitors and we also organised numerous rock pool scrambles for visiting school children and summer holiday makers.

The MPA Management Plan Project, now led by Lucy Kay our MPA Project Officer, continues to promote best practice and establish an effective model for managing the South Arran MPA which can be shared across the Scottish MPA network. As members of the Clyde Marine Planning Partnership we are continually working for the improvement of fisheries management in the Clyde and around Scotland. We also continue to play an important role as co-founders of the Coastal Community Network.

Financial Review

Reserves policy

The trustees aim to maintain reserves at a level that equates to approximately six months of total expenditure. The trustees consider that this level will provide sufficient funds to cover the operational costs.

The balance of liquid assets held at 29 February 2020 was £210,275 (2019: £274,367) against an actual six month spend of £80,758 (2019: £64,364).

Future plans

At the time of writing the Covid 19 virus may mean that we have to curtail some of our public facing activities. This may impact on our outreach activities and also on revenues from our shop and the Octopus Centre next financial year.

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.

Trustees' Report for the year ended 29 February 2020 (continued)

Structure, governance and management

The Community of Arran Seabed Trust Limited is a company limited by guarantee, governed by its directors, in line with its written Constitution. The governing document comprises Memorandum and Articles of Association.

Charitable status was granted on 11th February 2011.

Appointment of Trustees

As set out in the Articles of Association the trustees may appoint any individual aged 18 years or over to be a trustee. The minimum number of trustees is three, there is no maximum number.

Trustees induction and training

New trustees are briefed on their legal obligations under charity and company law, and are informed about the content of the Memorandum and Articles of Association, the committee and decision-making processes and recent financial performance of the charity. They also meet the employees and other trustees.

Organisation

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

Related parties and co-operation with other organisations

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

Pay policy for staff

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

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

Risk management

The trustees have a risk management strategy that comprises:

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

Trustees responsibilities in relation to the financial statements

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

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

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

Trustees' Report for the year ended 29 February 2020 (continued)

Trustees responsibilities in relation to the financial statements (continued)

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reference and Administrative Information/

Trustees' Report for the year ended 29 February 2020 (continued)

Reference and Administrative Information

DIRECTORS AND TRUSTEES

Mr. R Cheshire (Chair)
Ms. P. Templeton (Treasurer)
Ms. J Martin (Secretary)
Mr. J Henderson
Ms. C Gill
Mr. H L Wood
Ms. S Sangster
Ms. C Jenks
Mr. A 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
Old Embroidery Mill
Paisley
PA1 1TJ

BANKERS

Bank of Scotland
Brodict
Isle of Arran

Triodos Bank
Deanery Road
Bristol
BS1 5AS

Nationwide Building Society
Kings Park Road
Northampton
NN3 6NW

Approved by the Trustees on 18th February 2021 and signed on their behalf by:



J Martin – Secretary

Statement of Financial Activities (Incorporating Income and Expenditure Account)
For the year ended 29 February 2020

	Notes	Unrestricted Funds		Restricted Funds £	2020 Total £	2019 Total £
		General Fund £	Designated Funds £			
Income						
Donations and legacies	3	14,738	-	-	14,738	27,201
<i>From charitable activities:</i>						
Grants Received	4	12,000	-	104,161	116,161	183,538
<i>Other incoming resources:</i>						
Other trading activities	5	22,642	-	-	22,642	15,500
Investment income	6	818	-	-	818	324
Other income	7	306	-	-	306	649
Total Income		50,504	-	104,161	154,665	227,212
Expenditure						
Cost of raising funds	8	7,067	3	267	7,337	4,961
Expenditure on Charitable activities	9	43,982	2,242	107,956	154,180	123,767
Total Expenditure		51,049	2,245	108,223	161,517	128,728
Net income/(expenditure)		(545)	(2,245)	(4,062)	(6,852)	98,484
Exceptional item		-	-	-	-	-
Net income/(expenditure) before recognised gains		(545)	(2,245)	(4,062)	(6,852)	98,484
Other recognised gains/(losses)						
Gains on investment assets		-	-	-	-	-
Net movement in funds		(545)	(2,245)	(4,062)	(6,852)	98,484
Reconciliation of Funds:						
Total funds brought forward		157,575	94,290	139,301	391,166	292,682
Transfer of funds		-	-	-	-	-
Total funds carried forward		157,030	92,045	135,239	384,314	391,166

All income and expenditure derives from continuing activities.

Balance Sheet as at 29 February 2020

	Notes	£ Unrestricted	£ Restricted	2020 £ Total	2019 £ Total
Fixed Assets	14	108,866	75,474	184,340	186,060
Current Assets					
Stock		2,056	-	2,056	2,543
Debtors and prepayments	15	1,573	-	1,573	-
Bank account		141,100	65,383	206,483	271,672
Petty cash		163	-	163	152
		<u>144,892</u>	<u>65,383</u>	<u>210,275</u>	<u>274,367</u>
Current Liabilities					
Trade creditors		3,849	379	4,228	1,791
Accruals		603	4,870	5,473	3,330
Credit card		69	-	69	59
Deferred grants	16	-	-	-	62,500
PAYE liability		-	-	-	1,341
Pension control	11	162	369	531	240
		<u>4,683</u>	<u>5,618</u>	<u>10,301</u>	<u>69,261</u>
Net Current Assets		<u>140,209</u>	<u>59,765</u>	<u>199,974</u>	<u>205,106</u>
Total Assets less Liabilities		<u>249,075</u>	<u>135,239</u>	<u>384,314</u>	<u>391,166</u>
Represented by:					
Unrestricted Funds					
General Fund	18	157,030	-	157,030	157,575
Designated Fund	18	92,045	-	92,045	94,290
Restricted Fund	18	<u>-</u>	<u>135,239</u>	<u>135,239</u>	<u>139,301</u>
Total Funds		<u>249,075</u>	<u>135,239</u>	<u>384,314</u>	<u>391,166</u>

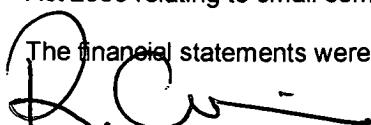
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 29th February 2020. The members have not required the Company to obtain an audit of its financial statements for the year ended 29th February 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- 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 17th February 2021 and signed on their behalf by,


R Cheshire – Trustee

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

Cash Flow Statement for the year ended 29 February 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(65,996)	155,782
Net cash provided by (used in) operating activities		<u>(65,996)</u>	<u>155,782</u>
Cash flows from investing activities:			
Interest received		818	324
Net cash provided by (used in) investing activities		<u>818</u>	<u>324</u>
 Change in cash and cash equivalents in the reporting period		 <u>(65,178)</u>	 <u>156,106</u>
Cash and cash equivalents at the beginning of the reporting period		271,824	115,718
Cash and cash equivalents at the end of the reporting period		<u>206,646</u>	<u>271,824</u>

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

Notes to the Cash Flow Statement for the year ended 29 February 2020

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

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(6,852)	98,484
Adjustments for:		
Less interest received	(818)	(324)
Add depreciation	13,016	11,163
Decrease (increase) in stock	487	(1,434)
Decrease (increase) in debtors	(1,573)	51,678
Increase (decrease) in creditors	(58,960)	45,244
Purchase of fixed assets	(11,296)	(49,029)
Net cash provided by (used in) operating activities	<u>(65,996)</u>	<u>155,782</u>

Notes to the Financial Statements for the year ended 29 February 2020

1. Accounting policies

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

(a) Basis of preparation and assessment of going concern

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

- The Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS 102
- Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) (effective 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 2020/21 together with initiatives to manage operating costs that they have secured the future of the Trust for the next 12 to 18 months and that on this basis the charity is a going concern.

(b) Funds structure

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

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

Further details of each fund are disclosed in note 18.

(c) Income recognition

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

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

Incoming resources with related expenditure

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

Grants and Donations

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

Investment income

This is included in the accounts when receivable.

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

(d) Expenditure and irrecoverable VAT

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

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

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

(e) Allocation of support costs

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

(f) Tangible fixed assets for use by the charity

Items are capitalised if they have an estimated useful life in excess of one year and have an initial cost of at least £100. They are valued at cost or, if gifted, at the value to the charity on receipt. Depreciation is calculated at such a rate as to write off the asset, less any estimated residual value, over the period of its estimated useful life.

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

(g) Stock

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

(h) Debtors and prepayments

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

(i) Creditors and accruals

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

Accrued charges are normally valued at their settlement amount.

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

In the administration of the charity all directors give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil).

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

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

3. Donations and legacies

	Unrestricted		Restricted	Total 2020	Total 2019
	General	Designated			
	£	£	£	£	£
Sundry donations	12,265	-	-	12,265	20,701
Donation-in-kind	2,000	-	-	2,000	-
Gift Aid recoverable	473	-	-	473	6,500
	<u>14,738</u>	<u>-</u>	<u>-</u>	<u>14,738</u>	<u>27,201</u>

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

4. Income from charitable activities

	Unrestricted		Restricted	Total 2020	Total 2019
	General	Designated			
	£	£	£	£	£
<u>Grants</u>					
- Esmee Fairbairn	-	-	-	-	50,000
- Arrantrust	-	-	-	-	4,000
- Argyll and the Islands LEADER	-	-	-	-	13,578
- Woodroffe Benton Foundation	-	-	-	-	500
- Goldman Foundation	-	-	-	-	28,460
- Scottish Natural Heritage	-	-	-	-	3,000
- National Marine Aquarium	-	-	-	-	2,500
- Garfield Weston	-	-	-	-	60,000
- Craignish Charitable Trust	-	-	-	-	10,000
- Sylvia Aitken Trust	2,000	-	-	2,000	-
- The Hugh Fraser Foundation	10,000	-	-	10,000	-
- Whitley Animal Protection	-	-	5,000	5,000	-
- The Tides Foundation	-	-	4,578	4,578	-
- John Ellerman Foundation	-	-	30,000	30,000	-
- Community Marine Monitoring Fund	-	-	1,486	1,486	-
- Green Health Partnership (NAC)	-	-	597	597	-
Grants deferred (note 16)	-	-	-	-	(62,500)
Release of deferred grants (National Marine Aquarium and Schroder Foundation – note 16)	-	-	62,500	62,500	14,000
	<u>12,000</u>	<u>-</u>	<u>104,161</u>	<u>116,161</u>	<u>183,538</u>

Notes to the Financial Statements for the year ended 2 February 2020 (continued)

5. Other trading activities

	Unrestricted		Restricted	Total 2020	Total 2019
	General	Designated			
	£	£	£	£	£
Merchandise income	10,688	-	-	10,688	4,293
Income from gas sales	1,520	-	-	1,520	192
Film and photography sales	250	-	-	250	254
Boat hire charged	-	-	-	-	-
Consultancy	2,390	-	-	2,390	4,690
Tennis court fees	3,093	-	-	3,093	2,882
Café income	1,801	-	-	1,801	726
Activity and event sales	2,900	-	-	2,900	2,463
	22,642	-	-	22,642	15,500

6. Investment income

	Unrestricted		Restricted	Total 2020	Total 2019
	General	Designated			
	£	£	£	£	£
Bank interest received	818	-	-	818	324
	818	-	-	818	324

7. Other income

	Unrestricted		Restricted	Total 2020	Total 2019
	General	Designated			
	£	£	£	£	£
Travel expenses reimbursed	250	-	-	250	354
Vehicle expenses reimbursed	56	-	-	56	277
HMRC interest received	-	-	-	-	8
	306	-	-	306	649

8. Cost of raising funds

	Unrestricted		Restricted	Total 2020	Total 2019
	General	Designated			
	£	£	£	£	£
Merchandise purchases	5,180	-	264	5,444	3,702
Paypal charges	79	-	-	79	49
Café purchases	1,275	3	-	1,278	491
Merchant card reader charges	532	-	-	532	158
Foreign exchange charges	1	-	3	4	561
	7,067	3	267	7,337	4,961

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

9. Charitable activities

	Unrestricted		Restricted £	Total 2020 £	Total 2019 £
	General £	Designated £			
Projects and activities	893	9	8,696	9,598	2,818
Electricity	800	-	768	1,568	1,382
Graphics, website development, internet and newsletter	1,499	-	658	2,157	6,602
Travel and subsistence	2,306	-	1,288	3,594	3,436
Printing	64	-	40	104	218
Grants awarded (see note 10)	435	-	340	775	3,993
Staff costs (see note 11)	20,493	-	81,422	101,915	77,293
Charter of research boat	300	-	-	300	-
Conference/seminar costs	-	-	-	-	88
Postage, stationery and advertising	2,178	-	2,156	4,334	2,845
Equipment repairs and maintenance	4,238	197	1,569	6,004	3,072
Telephone and fax	564	-	218	782	753
Insurance	1,255	-	-	1,255	1,220
Vehicle expenses	315	-	475	790	2,613
Subscriptions	144	-	-	144	39
Depreciation	1,737	2,036	9,243	13,016	11,163
Support costs (see note 12)	6,761	-	1,083	7,844	6,232
	<u>43,982</u>	<u>2,242</u>	<u>107,956</u>	<u>154,180</u>	<u>123,767</u>

10. Grants awarded

	Unrestricted		Restricted £	Total 2020 £	Total 2019 £
	General £	Designated £			
Grants to individual volunteers to assist with travel expenses etc.	435	-	340	775	3,993
	<u>435</u>	<u>-</u>	<u>340</u>	<u>775</u>	<u>3,993</u>

11. Analysis of staff costs

	Unrestricted		Restricted £	Total 2020 £	Total 2019 £
	General £	Designated £			
Salaries	18,461	-	73,189	91,650	72,477
Social security costs	1,529	-	6,134	7,663	3,427
Employer pension contributions	503	-	2,099	2,602	1,389
	<u>20,493</u>	<u>-</u>	<u>81,422</u>	<u>101,915</u>	<u>77,293</u>

Average number of staff employed	<u>4</u>	<u>3</u>
----------------------------------	----------	----------

No employee received total emoluments of more than £60,000 during the year (2019: £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 £531 (2019: £240).

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

12. Support costs

	Unrestricted		Restricted £	Total 2020 £	Total 2019 £
	General £	Designated £			
Governance costs (note 13)	2,066	-	60	2,126	2,053
Bank interest and charges	98	-	29	127	122
Book-keeping and payroll	2,511	-	613	3,124	2,821
Recruitment costs	523	-	260	783	-
Disclosure Scotland	-	-	-	-	177
Funding officer	643	-	-	643	-
Sundry	920	-	121	1,041	1,059
	<u>6,761</u>	<u>-</u>	<u>1,083</u>	<u>7,844</u>	<u>6,232</u>

13. Governance costs

	Unrestricted		Restricted £	Total 2020 £	Total 2019 £
	General £	Designated £			
Independent Examiner's fee	2,040	-	60	2,100	2,040
Filing fees	26	-	-	26	13
	<u>2,066</u>	<u>-</u>	<u>60</u>	<u>2,126</u>	<u>2,053</u>

14. Fixed Assets

	Property £	Plant and Equipment £	Office Equipment and Furniture £	Total £
At Cost				
At 1 March 2019	169,463	49,712	18,814	237,989
Additions	1,222	3,657	6,417	11,296
Disposals	-	-	-	-
	<u>170,685</u>	<u>53,369</u>	<u>25,231</u>	<u>249,285</u>
Depreciation				
At 1 March 2019	3,436	37,497	10,996	51,929
Charge for year	3,209	4,986	4,821	13,016
On disposals	-	-	-	-
	<u>6,645</u>	<u>42,483</u>	<u>15,817</u>	<u>64,945</u>
Net Book Value at 29 February 2020	<u>164,040</u>	<u>10,886</u>	<u>9,414</u>	<u>184,340</u>
Net Book Value at 28 February 2019	<u>166,027</u>	<u>12,215</u>	<u>7,818</u>	<u>186,060</u>

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

15. Debtors and Prepayments

	Unrestricted General £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Trade debtors	1,100	-	-	1,100	-
Gift Aid recoverable	473	-	-	473	-
	<u>1,573</u>	<u>-</u>	<u>-</u>	<u>1,573</u>	<u>-</u>

16. Deferred Grants

	Unrestricted General £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Balance at 1 March 2019	-	-	62,500	62,500	14,000
Released to income from charitable activities (note 4)	-	-	(62,500)	(62,500)	(14,000)
Amount deferred in year	-	-	-	-	62,500
Balance at 29 February 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,500</u>

17. Related Party Transactions

	Total 2020 £	Total 2019 £
Sundry office costs reimbursed (stationery/telephone/posts etc.)	224	209
Directors' travel and subsistence reimbursed	1,675	861
Equipment purchases reimbursed	-	-
Equipment repairs and maintenance reimbursed	544	584
Conference/seminar costs reimbursed	-	88
Subscriptions reimbursed	-	30
Graphic design	885	-
Boat charter	300	-
	<u>3,628</u>	<u>1,772</u>

The above transactions all took place with five of the directors (or their companies) on normal business terms and rates. At 29.02.20, £1,702 was owed to directors (2019: £271).

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

18. Movements in Funds

	At 1 March 2019 £	Incoming resources £	Outgoing resources £	Transfer £	At 29 February 2020 £
Restricted Funds					
Core costs	19,193	-	(58)	-	19,135
Monitoring and research					
- Underwater drone etc.	3,992	1,486	(1,820)	-	3,658
- MPA Management	2,363	60,000	(37,870)	-	24,493
- Filming of seagrass beds	-	2,500	(3,680)	-	(1,180)
Marine interpretation vehicle	80	-	(80)	-	-
Communication materials	30	-	(30)	-	-
Marine Discovery and Learning Centre					
- Core costs	37,637	39,578	(55,378)	-	21,837
- Renovation	63,736	-	(4,958)	-	58,778
- Marine outdoor classroom	4,308	-	(1,651)	-	2,657
- Seashore Explorer Backpacks	-	597	(597)	-	-
Engaging visitors	4,767	-	(1,197)	-	3,570
Marine recreation shed					
- Shed, drone and snorkeling gear	3,195	-	(904)	-	2,291
Unrestricted Funds					
General Fund	157,575	50,504	(51,049)	-	157,030
Designated Fund	94,290	-	(2,245)	-	92,045
	<u>391,166</u>	<u>154,665</u>	<u>(161,517)</u>	<u>-</u>	<u>384,314</u>

Restricted Funds:

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

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

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

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

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

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

Notes to the Financial Statements for the year ended 29 February 2020 (continued)

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

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

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

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

Seashore Explorer Backpacks – A grant of £597 was received this year specifically to cover the costs of providing Seashore Explorer Backpacks.

Unrestricted Funds:

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

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

19. Analysis of net assets between funds

	Unrestricted General	Designated	Restricted	Total 2020 £	Total 2019 £
Fixed Assets	16,821	92,045	75,474	184,340	186,060
Stock	2,056	-	-	2,056	2,543
Debtors and Prepayments	1,573	-	-	1,573	-
Bank	141,100	-	65,383	206,483	271,672
Cash	163	-	-	163	152
Trade Creditors	(3,849)	-	(379)	(4,228)	(1,791)
Accruals	(603)	-	(4,870)	(5,473)	(3,330)
Credit Card	(69)	-	-	(69)	(59)
Pension Control	(162)	-	(369)	(531)	(240)
Deferred Grants	-	-	-	-	(62,500)
PAYE Liability	-	-	-	-	(1,341)
	157,030	92,045	135,239	384,314	391,166

20. Ultimate Controlling Party

The charity is ultimately controlled by the Board of Trustees.

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

I report on the accounts of the Trust for the year ended 29 February 2020, 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: 22/02/21