

THE SOLWAY FIRTH PARTNERSHIP

UNAUDITED
FINANCIAL STATEMENTS

31 MARCH 2014

(A company limited by guarantee)

Client copy

THE SOLWAY FIRTH PARTNERSHIP
(A company limited by guarantee)

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THE SOLWAY FIRTH PARTNERSHIP
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2014**

Trustees

Mr G L Mann OBE
Councillor A J Markley
Mr A Shankland
Mr C H G Edwards
Councillor J D Hendry (deceased 30 May 2013)
Mrs J C Lochhead
Mr A McNeill, Chair
Councillor R Tuckfield (resigned 12 November 2013)
Mr J Mitchell
Mr M J Heaslip (appointed 16 September 2013)
Councillor J McClung (appointed 12 November 2013)
Councillor W Whalen (appointed 15 October 2013, deceased 8 June 2014)
Councillor L Tickner (appointed 23 June 2014)

Company registered number

SC250012

Charity registered number

SC034376

Registered office

Campbell House, The Crichton, Dumfries, DG1 4UQ

Company secretary

Ms A C Robertson

Partnership Manager

Ms C McFarlan

Accountants

Armstrong Watson, Fairview House, Victoria Place, Carlisle, Cumbria, CA1 1HP

Bankers

Bank of Scotland Plc, 91 High Street, Dumfries, DG1 2BN

THE SOLWAY FIRTH PARTNERSHIP
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Solway Firth Partnership (the company) for the year ended 31 March 2014. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

CONSTITUTION

The Company was incorporated on 16 April 2003 as a company limited by guarantee without share capital. The Company registration number is SC250012. The first members of the Partnership were:

Allerdale Borough Council
Annan District Salmon Fishery Board
Associated British Ports
Carlisle City Council
Copeland Borough Council
Countryside Agency
The Crown Estate
Cumbria County Council
Cumbria Sea Fisheries Committee
Dumfries and Galloway Council
Environment Agency
Department of Environment Food and Rural Affairs (Fisheries Inspectorate)
Natural England
Nith District Salmon Fishery Board
Scottish Environment Protection Agency
Scottish Executive (Fisheries Office & Scottish Fisheries Protection Agency)
Scottish Natural Heritage
Scottish Water
Solway Rural Initiative Limited and their respective successors

It is a Scottish Charity under Scottish Charity Number SC034376 and this has been accepted by the Office of the Scottish Charity Regulator and, for tax purposes, by HM Revenue & Customs.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The methods of recruiting and appointing new trustees are outlined in Articles 31-33 of the Memorandum and Articles of Association. In summary, new trustees can be recruited or co-opted via nominations from the Partnership's membership.

The Memorandum and Articles of Association were revised and changes approved at the AGM in October 2007, creating a new category of Ordinary Membership and enabling the appointment of individual Trustees to the Partnership Board.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Partnership holds regular governance and management meetings. Trustee meetings are held as required and 4 Advisory Committee meetings are held per year (the Advisory Committee is comprised of all Corporate Members of the Partnership)

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

RISK MANAGEMENT

The Partnership's Trustees receive regular reports on activities and provide advice on risk management. There is no specific risk register however the Trustees discussed the need for professional and Trustee indemnity insurance during the year (which has subsequently been put in place).

Objectives and Activities

POLICIES AND OBJECTIVES

The Solway Firth Partnership Business Plan 2013 – 2015 set out how the organisation intended to maintain its strategic aims while adapting to meet the changing needs of the working environment. The Business Plan spanned two years while recognising the need for review and revision during this time resulting from implementation of the Marine Acts. It was intended to supplement the Company's Memorandum and Articles of Association, provide clarity about the organisation's aims and set out actions against which progress could be measured. The Business Plan, as with all Solway Firth Partnership's governing and strategic documents, is available on the company's website: www.solwayfirthpartnership.co.uk.

Solway Firth Partnership's mission is to support a vibrant and sustainable local economy while respecting, protecting and celebrating the distinctive character, heritage and natural features of the marine and coastal area.

The organisation's strategic aim is to provide a framework for marine planning and management that enables engagement by everyone with an interest in the local marine and coastal area.

The organisation is working towards the following strategic outcomes:

1. A significant contribution to sustainable development and environmental protection through supporting integrated marine and coastal planning and management.
2. Provision of a transparent, balanced and respected mechanism that supports objective, impartial and evidence-based decision making for the local marine and coastal area.
3. Distinctive input to development of a co-operative network of relationships between everyone with an interest in the local marine and coastal area.
4. Provision of assistance to coastal communities and businesses resulting in tangible local benefits.
5. Greater recognition and understanding of the high quality environment, culture and heritage of the local marine and coastal area.

ACTIVITIES FOR ACHIEVING OBJECTIVES

The Solway Firth Partnership Business Plan 2013 – 2015 set out the following core areas of activity:

- Partnership
- Planning
- Environment
- Fisheries
- Energy
- Recreation
- Appreciation

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

Achievements and performance

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

REVIEW OF ACTIVITIES

During the financial year ending 31st March 2014, the Partnership's activities can be summarised as follows:

Partnership

- The Business Plan 2013 – 2015 is currently being followed.
- During this year staffing consisted of 2 core staff - a F/T Project Manager and P/T Administrator; 1 P/T Project Officer (3 days/week) funded by project grants; 1 F/T Coastal Ranger and 1 P/T Administrator (2.5 days/week) working on Making the Most of the Coast (MMoC); 1 P/T Administrator (2 days/week) for 5 months assisting with additional administrative tasks; 1 post-graduate volunteer (2 days/week for 3 months) assisting with activity mapping work in the Solway European Marine Site (EMS) and surveys for MMoC.
- Quarterly Board and Working Group meetings were held throughout the year.
- The Partnership has input to the work of a wide range of complementary initiatives such as Solway Coast AONB Steering Group and Conference, D&G Local Biodiversity Partnership Steering Group, the Local Coastal Partnership Officers' network, the Inshore Fisheries Group, the North West Inshore Fisheries Conservation Authority and the EMS Officers network.

Planning

- A response to the Scottish Government consultation on Scottish Marine Regions was submitted.
- Planning Scotland's Seas Marine Scotland consultation events have been contributed to.
- Activity mapping at Loch Ryan, commissioned by D&G Council, has been undertaken along with a public consultation event to engage with local stakeholders.
- There has been input to the second Irish Sea Maritime Forum in Glasgow.
- Work on Sectoral Interactions and activity mapping in the Solway EMS has taken place.

Environment

- There has been regular input to Solway Area Advisory Group of the Solway Tweed River Basin District and to biodiversity initiatives including D&G LBAP Steering Group.
- A biosecurity plan for the Solway has been developed through consultation with partners.
- Awareness of marine invasive non-native species (INNS) has been raised through the production of an identification guide and advertising poster for the Solway and presentation at local and attendance at national INNS seminars.
- Liaison with WWF and attendance at the launch of the Celtic Seas Partnership project has taken place.
- Engagement with NE/MMO has been maintained by attending the annual EMS seminar.
- A wide range of community events, special interest group events and school visits were undertaken by the MMoC Ranger including:-
 - Over 20 beach cleans carried out with community groups
 - Attendance at Dumfries Environment Fair (around 2000 visitors)
 - Footpath maintenance and scrub clearing with community groups
 - Sea Shore surveys with university, schools and special interest groups
 - Taking guided coastal walks as part of the Wild Spring Festival

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

Fisheries

- The Partnership supported work on development of a future cockle fisheries management structure including the facilitation of a number of cockle fishery meetings on behalf of Marine Scotland.
- Staff regularly attended the D&G FLAG steering group meetings and provided input to the development of future LEADER/FLAG funding.
- A Solway Cockle Fishery Study was commissioned by the Partnership.
- The Partnership successfully raised grant funds to run the 'Out of the Blue' Project which is being delivered by the Project Coordinator, Fisheries.
- The Partnership supported development of the good practice Code of Conduct between mobile and static fishing sectors.
- The Partnership successfully bid for two IFG projects to support a sustainable local creel fishery; a scoping study to explore introduction of lobster v notching (to protect breeding females) and the introduction of creel escape panels (to minimise damage and mortality of juvenile crab and lobster).

Energy

- The Partnership took on the role of administrator for the EON Robin Rigg Community Fund in D&G replacing the service formerly provided by DGC.
- There is continued input to the cross border liaison group of the Solway Energy Gateway initiative.
- E-On Robin Rigg newsletter was distributed bi-annually.

Appreciation

- Tidelines was produced bi-annually and distributed widely across the Solway.
- Successful World Ocean Week 2013 events were held at Rockcliffe and Port William, attracting around 1,000 people.
- The MMoC project featured in the D&G Leader Good Practice Guide and won a Rural Award under the Greener Scotland category.
- A Solway Shells guide has been produced by the MMoC Project.
- A Solway Strandline exhibition opened at The Mill on the Fleet in Gatehouse of Fleet with a launch event for the new Strandline guide at the venue.
- The Partnership has revised and upgraded the organisation's website and populated with regular updates.
- The Partnership has initiated an E-newsletter to provide regular news items and links to the website updates.
- Public awareness has been raised by Environmental Beach Art Events: 'Walking the Tide', an event in which 150 volunteers linked Kippford to Rough Island in a colourful procession; and 'The Solway Sea Monster' where a local artist created a large, colourful Sea Monster out of marine litter.
- A Bioblitz event was held at Brighthouse Bay and recorded 427 species.
- Yes! - Young E-citizens for a sustainable European coastline - the Partnership hosted a 3 week campus for European young people with the aim of exploring the use of technology in raising awareness of, and addressing, environmental issues on the coast and to encourage active participation by young people.

INVESTMENT POLICY AND PERFORMANCE

The Partnership has current and deposit accounts and manages the amounts held in each so that potential yield from interest is maximised. Reserves are monitored with regard to any potential for investment.

Financial review

RESERVES POLICY

The Solway Firth Partnership's reserves policy is to maintain a sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time.

The Trustees have calculated that a reserve of £40,000 would be an acceptable reserve to hold in case of any significant loss of funding in the future. A reserve at this level would enable then to continue with existing projects in the short term whilst providing a period of time in which to source further funding.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

The Solway Firth Partnership's unrestricted reserves are held to meet the financial risks associated with the potential contingencies and uncertainties relating to the charity's operating activities. These include:

- shortfalls in income, when income does not reach expected levels as a result of reduced or withdrawn grant support.
- unexpected expenditure, for example when projects overrun or unplanned events occur.

FUTURE DEVELOPMENTS

The Business Plan 2013 – 2015 is currently being followed.

The Partnership will seek continued financial support for delivery of all actions from its Corporate Members. Marine Scotland continues to make a funding commitment on an annual basis and all regular core funders remain engaged with the organisation.

Support for delivery of projects will be sought from sources including the Crown Estate, the National Lottery and future European LEADER and EMFF Programmes.

FUNDS HELD AS CUSTODIAN

At the year end the Partnership held an amount of £201,818 on behalf of other organisations as custodian.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Solway Firth Partnership for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

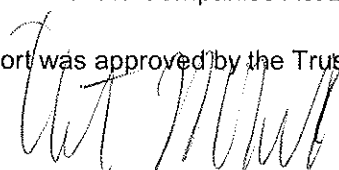
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 14/11/14 and signed on their behalf by:



.....
Mr A McNeill, Chair

THE SOLWAY FIRTH PARTNERSHIP
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2014

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SOLWAY FIRTH PARTNERSHIP

I report on the financial statements of the company for the year ended 31 March 2014 which are set out on pages 8 to 20.

This report is made solely to the company's Trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements 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 REPORT

My examination was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking 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 Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with regulation 8 of the 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 financial statements to be reached.

Signed:



Dated: 28 November 2014

Mrs J E Carroll FCA

ARMSTRONG WATSON
Chartered Accountants
Carlisle

THE SOLWAY FIRTH PARTNERSHIP
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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2014

| | Note | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|---|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 2 | 65,675 | 126,421 | 192,096 | 188,457 |
| Investment income | 3 | 180 | - | 180 | 205 |
| Incoming resources from charitable activities | 4 | 9,094 | - | 9,094 | - |
| Other incoming resources | 5 | - | 3,550 | 3,550 | 2,169 |
| TOTAL INCOMING RESOURCES | | 74,949 | 129,971 | 204,920 | 190,831 |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | 10 | 65,870 | 137,021 | 202,891 | 168,281 |
| Governance costs | 11 | 7,783 | - | 7,783 | 3,864 |
| TOTAL RESOURCES EXPENDED | 9 | 73,653 | 137,021 | 210,674 | 172,145 |
| NET INCOMING / (OUTGOING) | | | | | |
| RESOURCES BEFORE TRANSFERS | | 1,296 | (7,050) | (5,754) | 18,686 |
| Transfers between funds | 17 | 2,879 | (2,879) | - | - |
| NET MOVEMENT IN FUNDS FOR THE YEAR | | 4,175 | (9,929) | (5,754) | 18,686 |
| Total funds at 1 April 2013 | | 40,459 | 50,994 | 91,453 | 72,767 |
| TOTAL FUNDS AT 31 MARCH 2014 | | 44,634 | 41,065 | 85,699 | 91,453 |

The notes on pages 10 to 20 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2014

| | Note | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|---|
| NET (EXPENDITURE)/INCOME FOR THE YEAR | 17 | 4,175 | (9,929) | (5,754) | 18,686 |
| TOTAL GAINS AND LOSSES RECOGNISED SINCE 1 APRIL 2013 | 17 | 4,175 | (9,929) | (5,754) | 18,686 |

There is no difference between the (expenditure)/income on ordinary activities for the year stated above and its historical cost equivalent.

The notes on pages 10 to 20 form part of these financial statements.

THE SOLWAY FIRTH PARTNERSHIP
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**BALANCE SHEET
AS AT 31 MARCH 2014**

| | Note | £ | 2014 £ | £ | 2013 £ |
|---|------|-----------|-----------|-----------|-----------|
| FIXED ASSETS | | | | | |
| Tangible assets | 14 | | 3,922 | | 1,998 |
| CURRENT ASSETS | | | | | |
| Debtors | 15 | 61,907 | | 2,346 | |
| Cash at bank | | 234,318 | | 288,452 | |
| | | 296,225 | | 290,798 | |
| CREDITORS: amounts falling due within one year | 16 | (214,448) | | (201,343) | |
| NET CURRENT ASSETS | | | 81,777 | | 89,455 |
| NET ASSETS | | | 85,699 | | 91,453 |
| CHARITY FUNDS | | | | | |
| Restricted funds | 17 | | 41,065 | | 50,994 |
| Unrestricted funds | 17 | | 44,634 | | 40,459 |
| TOTAL FUNDS | | | 85,699 | | 91,453 |

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2014 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 14/11/14 and signed on their behalf, by:


.....
Mr A McNeill, Chair


.....
Mr A Shankland, Trustee

The notes on pages 10 to 20 form part of these financial statements.

THE SOLWAY FIRTH PARTNERSHIP
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. Every member of the Partnership has undertaken to contribute such amount as may be required (not exceeding £1) to the Partnership's assets if it should be wound up while they are a Member or within one year of ceasing to be a Member, for payment of the Partnership's debts and liabilities contracted before they cease to be a Member, and of the costs, charges and expenses of winding-up.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management recharges. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings - 15% straight line

2. VOLUNTARY INCOME

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|--------|------------------------------------|----------------------------------|-----------------------------|---|
| Grants | <u>65,675</u> | <u>126,421</u> | <u>192,096</u> | <u>188,457</u> |

GRANTS RECEIVABLE

| | Unrestricted funds £ | Restricted funds £ | Total funds 2014 £ | Total funds 2013 £ |
|--|----------------------------|--------------------------|--------------------------|--------------------------|
| Dumfries & Galloway Council | 10,000 | 37,652 | 47,652 | 84,297 |
| Marine Scotland | 38,000 | 37,829 | 75,829 | 62,000 |
| Natural England | 10,000 | - | 10,000 | 10,000 |
| Robertson Trust | - | 9,000 | 9,000 | 9,000 |
| The Crown Estate | - | 9,000 | 9,000 | 9,000 |
| E-ON | 6,925 | 3,000 | 9,925 | 6,664 |
| Cumbria County Council | - | - | - | 5,000 |
| Carlisle City Council | 750 | - | 750 | 750 |
| European Youth in Action Programme | - | 17,920 | 17,920 | 596 |
| Environment Agency | - | 2,000 | 2,000 | 500 |
| Scottish Environment Protection Agency | - | - | - | 500 |
| Literature grant | - | - | - | 150 |
| Scottish Natural Heritage | - | 6,320 | 6,320 | - |
| Hollywood Trust | - | 2,500 | 2,500 | - |
| Scape Trust | - | 1,200 | 1,200 | - |
| Total | <u><u>65,675</u></u> | <u><u>126,421</u></u> | <u><u>192,096</u></u> | <u><u>188,457</u></u> |

THE SOLWAY FIRTH PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

3. INVESTMENT INCOME

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|--------------------------|------------------------------------|----------------------------------|-----------------------------|---|
| Bank interest receivable | 180 | - | 180 | 205 |
| | <u>180</u> | <u>-</u> | <u>180</u> | <u>205</u> |

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|-------------------------|------------------------------------|----------------------------------|-----------------------------|---|
| Project management fees | 9,094 | - | 9,094 | - |
| | <u>9,094</u> | <u>-</u> | <u>9,094</u> | <u>-</u> |

5. OTHER INCOMING RESOURCES

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|---------------|------------------------------------|----------------------------------|-----------------------------|---|
| Sundry income | - | 3,550 | 3,550 | 2,169 |
| | <u>-</u> | <u>3,550</u> | <u>3,550</u> | <u>2,169</u> |

THE SOLWAY FIRTH PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|----------|------------------------------------|----------------------------------|-----------------------------|---|
| Projects | 65,870 | 137,021 | 202,891 | 168,281 |

SUMMARY BY EXPENDITURE TYPE

| | Staff costs 2014 £ | Other costs 2014 £ | Total 2014 £ | <i>Total</i> 2013 £ |
|----------|--------------------------|--------------------------|--------------------|---------------------------|
| Projects | 90,427 | 112,464 | 202,891 | 168,281 |

7. DIRECT COSTS

| | Projects £ | Total 2014 £ | Total 2013 £ |
|------------------------|----------------|--------------------|--------------------|
| Travel and subsistence | 4,448 | 4,448 | 4,713 |
| Rent, light and heat | 9,489 | 9,489 | 9,422 |
| Training | - | - | 599 |
| Tidelines | 4,081 | 4,081 | 4,228 |
| Meeting expenses | 960 | 960 | 1,898 |
| Conference expenses | - | - | 3,722 |
| Project costs | 85,237 | 85,237 | 58,995 |
| Wages and salaries | 81,717 | 81,717 | 68,699 |
| National insurance | 6,548 | 6,548 | 5,261 |
| Pension cost | 2,162 | 2,162 | 1,564 |
| | <u>194,642</u> | <u>194,642</u> | <u>159,101</u> |

8. SUPPORT COSTS

| | Projects £ | Total 2014 £ | Total 2013 £ |
|------------------------|---------------|--------------------|--------------------|
| Insurance | 911 | 911 | 262 |
| Telephone | 854 | 854 | 703 |
| Sundry expenses | 1,725 | 1,725 | 4,759 |
| Stationery and postage | 1,435 | 1,435 | 926 |
| IT support | 2,369 | 2,369 | 2,137 |
| Depreciation | 955 | 955 | 393 |
| | <u>8,249</u> | <u>8,249</u> | <u>9,180</u> |

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9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

| | Staff costs 2014 £ | Other costs 2014 £ | Total 2014 £ | <i>Total</i> 2013 £ |
|------------|--------------------------|--------------------------|--------------------|---------------------------|
| Projects | 90,427 | 112,464 | 202,891 | 168,281 |
| Governance | - | 7,783 | 7,783 | 3,864 |
| | <u>90,427</u> | <u>120,247</u> | <u>210,674</u> | <u>172,145</u> |

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

| | Activities undertaken directly 2014 £ | Support costs 2014 £ | Total 2014 £ | <i>Total</i> 2013 £ |
|----------|---|-------------------------------|--------------------|---------------------------|
| Projects | 194,642 | 8,249 | 202,891 | 168,281 |

11. GOVERNANCE COSTS

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> <i>Total</i> <i>funds</i> 2013 £ |
|--|------------------------------------|----------------------------------|-----------------------------|---|
| Examination and accountancy fees | 3,420 | - | 3,420 | 3,530 |
| (Over)/Under accrual of accountancy fees | 940 | - | 940 | (60) |
| Legal and professional fees | 3,423 | - | 3,423 | 394 |
| | <u>7,783</u> | <u>-</u> | <u>7,783</u> | <u>3,864</u> |

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

| | 2014 £ | 2013 £ |
|--|--------------|--------------|
| Depreciation of tangible fixed assets: - owned by the charity | 955 | 393 |
| Pension costs | 2,162 | 1,564 |
| | <u>3,117</u> | <u>1,957</u> |

During the year, no Trustees received any remuneration (2013 - £NIL).

1 Trustee received reimbursement of expenses amounting to £65 in the current year, (2013 - None).

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13. STAFF COSTS

Staff costs were as follows:

| | 2014 £ | 2013 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 81,717 | 68,699 |
| Social security costs | 6,548 | 5,261 |
| Other pension costs | 2,162 | 1,564 |
| | 90,427 | 75,524 |

The average monthly number of employees during the year was as follows:

| | 2014 No. | <i>As restated</i> 2013 No. |
|----------------|-------------|-----------------------------------|
| Administration | 5 | 5 |

No employee received remuneration amounting to more than £60,000 in either year.

14. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ |
|-----------------------|----------------------------|
| Cost | |
| At 1 April 2013 | 4,668 |
| Additions | 2,879 |
| At 31 March 2014 | 7,547 |
| Depreciation | |
| At 1 April 2013 | 2,670 |
| Charge for the year | 955 |
| At 31 March 2014 | 3,625 |
| Net book value | |
| At 31 March 2014 | 3,922 |
| At 31 March 2013 | 1,998 |

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NOTES TO THE FINANCIAL STATEMENTS
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15. DEBTORS

| | 2014 | 2013 |
|--------------------------------|---------------|--------------|
| | £ | £ |
| Trade debtors | 55,500 | 746 |
| Prepayments and accrued income | 1,378 | 1,600 |
| Grants receivable | 5,029 | - |
| | 61,907 | 2,346 |
| | 61,907 | 2,346 |

16. CREDITORS:
Amounts falling due within one year

| | 2014 | 2013 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 237 | 850 |
| Other taxation and social security | - | 3,086 |
| Funds held as custodian | 201,818 | 184,210 |
| Accruals and deferred income | 12,393 | 13,197 |
| | 214,448 | 201,343 |
| | 214,448 | 201,343 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

17. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Carried Forward £ |
|--|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|
| Unrestricted funds | | | | | |
| General Funds | 40,459 | 74,949 | (73,653) | 2,879 | 44,634 |
| Restricted funds | | | | | |
| Solway Fish | 3,000 | - | - | (3,000) | - |
| European Marine Site Management | 7,500 | - | - | - | 7,500 |
| Luce Bay SAC | 4,274 | - | - | - | 4,274 |
| RSA Project | 3,011 | - | - | 3,000 | 6,011 |
| Making the Most of the Coast | 31,719 | 43,832 | (70,442) | (799) | 4,310 |
| World Oceans Week 2013 | 1,490 | 10,320 | (11,810) | - | - |
| Creel Escape Panels | - | 6,500 | - | - | 6,500 |
| INNS Publication | - | 4,000 | (4,000) | - | - |
| Lobster V-Notching | - | 10,000 | - | - | 10,000 |
| Loch Ryan Marine Management Project | - | 10,000 | (10,000) | - | - |
| Sea Monster | - | 3,000 | (3,000) | - | - |
| Solway Cockle Fishery Study | - | 9,829 | (8,382) | - | 1,447 |
| Solway EMS workshop | - | 209 | (209) | - | - |
| TURFs | - | 9,500 | (8,218) | (1,282) | - |
| Walking the Tide | - | 500 | (500) | - | - |
| YES campus | - | 22,281 | (18,955) | - | 3,326 |
| Out of the Blue | - | - | (1,505) | (798) | (2,303) |
| | <u>50,994</u> | <u>129,971</u> | <u>(137,021)</u> | <u>(2,879)</u> | <u>41,065</u> |
| Total of funds | <u>91,453</u> | <u>204,920</u> | <u>(210,674)</u> | <u>-</u> | <u>85,699</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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RESTRICTED FUNDS

Solway Fish

The project was established to support sustainable Solway fisheries and develop the economic potential of the local fishing sector.

European Marine Site Management

Funding has been allocated for a review of the inner Solway Firth European Marine Site Management Scheme and production of associated documents.

Luce Bay SAC

Funding has been allocated for the development of a Management Scheme for Luce Bay and Sands Special Area of Conservation including the engagement of local stakeholders and production of associated documents.

RSA Project

Funding has been allocated to carry out research to inform creation of a Solway-wide Recreational Sea Angling Guide.

Making the Most of the Coast

This 2 year project, which commenced in August 2012, aims to deliver a range of education, promotion and engagement outputs. Project staff work with volunteers, communities, schools and partner organisations on a wide range of activities including education and awareness raising, beach cleans, shore surveys and practical conservation tasks.

World Oceans Week 2013

The Partnership co-ordinated and promoted a series of events in June 2013 including celebration events at Rockcliffe and Port William. The events aim to raise awareness and understanding of the marine environment and encourage participation in activities that are compatible with principles of sustainable use. The funds included an allocation for project management and delivery.

Creel Escape Panels

An Inshore Fisheries Group project to promote the installation of creel escape panels to allow undersized lobsters and brown crabs to escape from creels. Research has shown that fitting escape gaps is an effective means of allowing undersized animals to escape, improving the conservation of lobsters and other species in the Solway.

INNS publication

Funding was allocated for production of a marine invasive non-native species (INNS) identification guide for the Solway along with an advertising poster. Both publications have been widely distributed on both sides of the Solway, raising awareness of the INNS issue.

Lobster V-Notching

Funding was allocated to this project to encourage local creel lobster fishers to participate in the Scottish Government's V-notching programme. Egg-bearing female lobsters have a small V-shaped notch clipped from the tail, identifying them to be returned to sea rather than harvested, thus ensuring future generations of lobsters.

Loch Ryan Marine Management Project

Dumfries and Galloway Council commissioned project work on activity mapping at Loch Ryan. This was undertaken using the structured interview technique employed in developing the Sectoral Interactions Matrix and resulting information was input to the NMPI system. A public consultation event was also organised to engage with local stakeholders.

Solway Sea Monster

A small SNH-funded project closely linked to the Making the Most of the Coast project. It provided funds for a local artist to create a large and colourful sea monster out of plastic litter found on the Dumfries and Galloway shore, raising awareness of marine litter.

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**NOTES TO THE FINANCIAL STATEMENTS
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Solway Cockle Fishery Study

Funding was allocated to employ two consultants to review existing information on Solway cockle management. They examined how the stocks had been managed in the past, compared Scottish and English management practices and drew up possible ways of managing the cockle beds.

Territorial User Rights for Fisheries: TURFs

The TURFs study is intended to test practical aspects of managing the cockle fishery including traceability of stock and monitoring of fishing activity. The Partnership has continued to perform a facilitation and co-ordination role for the study including arranging agency meetings, supporting work on access negotiation and liaising with local communities.

Walking the Tide

A small Holywood Trust funded event within the Making the Most of the Coast project. Two artists created an eye-catching, colourful spectacle in which 150 participants walked from Kippford to Rough Island carrying red wind-catchers.

YES campus

As part of the wider EU YES! project (Young E-citizens for a Sustainable European Coastline; see www.e-yes.eu), SFP hosted a three week campus for European young people with the aim of exploring the use of technology in raising awareness of, and addressing, environmental issues on the coast and to encourage active participation by young people.

Out of the Blue

The Partnership successfully raised grant funds to run the 'Out of the Blue' Project which is being delivered by the Project Coordinator, Fisheries. This project aims to encourage a better understanding of the local fishing industry and help promote locally landed seafood.

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Carried Forward £ |
|------------------|----------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|----------------------------------|
| General funds | 40,459 | 74,949 | (73,653) | 2,879 | 44,634 |
| Restricted funds | 50,994 | 129,971 | (137,021) | (2,879) | 41,065 |
| | <u>91,453</u> | <u>204,920</u> | <u>(210,674)</u> | <u>-</u> | <u>85,699</u> |

The transfer between funds of £2,879 represents the value of computer equipment purchased in the year using restricted funds. The charity has fulfilled its obligations to purchase this equipment and has therefore transferred the value of these assets to unrestricted funds.

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>As restated</i> Total funds 2013 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|---|
| Tangible fixed assets | 3,922 | - | 3,922 | 1,998 |
| Current assets | 254,628 | 41,597 | 296,225 | 290,798 |
| Creditors due within one year | (213,916) | (532) | (214,448) | (201,343) |
| | 44,634 | 41,065 | 85,699 | 91,453 |
| | 44,634 | 41,065 | 85,699 | 91,453 |

19. PENSION COMMITMENTS

The company paid contributions into the individual pension plan of some employees. The pension cost charge represents such contributions payable in the year and amounted to £2,162 (2013 - £1,564). At the balance sheet date there were no payments outstanding with respect to these pension contributions (2013 - same).

20. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

21. CONTROLLING PARTY

The Partnership was under the control of its Board of Trustees during the period.

22. RESTATEMENT OF COMPARATIVES

The 2013 comparative figures have been restated in order to reclassify project grants previously included within Incoming Resources from Charitable Activities to Voluntary Income. This has had no impact on the overall funds for the year or the balance sheet for either the comparative or current year. This restatement provides a more accurate reflection of the underlying nature of the income.