

Charity Registration No. SC034376 (Scotland)

Company Registration No. SC250012 (Scotland)

THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Mr A McNeil, Chair Councillor A J Markley Mr C H G Edwards Mrs J Lochhead Mr J Mitchell Councillor J McClung Mr S Hardy Councillor W Jefferson Mr R H S Shaw Councillor TE Sidwick	(Appointed 25 November 2016) (Appointed 25 November 2016)
Secretary	Mr P M Mackey	
Charity number (Scotland)	SC034376	
Company number	SC250012	
Registered office	Campbell House The Crichton Dumfries DG1 4UQ	
Independent examiner	John Simpson Montpelier Professional (Galloway) Limited 1 Dashwood Square Newton Stewart DG8 6EQ	
Bankers	Bank of Scotland 91 High Street Dumfries DG1 2BN	

THE SOLWAY FIRTH PARTNERSHIP (A COMPANY LIMITED BY GUARANTEE) CONTENTS

	Page
Trustees' report	1 - 5
Statement of Trustees' responsibilities	6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the accounts	10 - 19

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

The Trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's Business Plan 2015 – 2018 sets out how the organisation intends to maintain its strategic aims while adapting to meet the changing needs of the working environment. The Business Plan spans three years while recognising the need for review and revision during this time resulting from implementation of the Marine Acts. It is 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:

- To make a significant contribution to sustainable development and environmental protection through supporting integrated marine and coastal planning and management.
- To provide a transparent, balanced and respected mechanism that supports objective, impartial and evidence based decision making for the local marine and coastal area.
- To provide distinctive input to development of a cooperative network of relationships between everyone with an interest in the local marine and coastal area.
- To provide assistance to coastal communities and businesses resulting in tangible local benefits.
- To promote greater recognition and understanding of the high quality environment, culture and heritage of the local marine and coastal area.

Activities for achieving objectives

The Partnership's core activities, as set out in the Business Plan 2015 – 2018, can be categorised in terms of the following areas:

- Partnership
- Planning
- Environment
- Fisheries
- Energy
- Awareness

The charity does not distribute grants.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Achievements and performance

Partnership

- The Business Plan 2015 – 2018 is currently being followed.
- During this year Core staff consisted of Clair McFarlan 4 days/week and Paul Mackey 2 days/week. Project staff consisted of Pam Taylor until June 2016 working 4 days/week on fisheries projects; Emma Baruah, Project Officer, SIMCelt Project who started on 1 August 2016, full time; Nic Coombey, Project Coordinator, Solway Coastwise who started on 22 August 2016, 4 days/week; and Morag Walker, Project Assistant who started on 1 August 2016, 1.5 days/week.
- Quarterly Board and Working Group meetings were held throughout the year.
- A joint conference was held in Gretna Green with the Solway Coast AONB.
- The Twelfth Annual General Meeting of the Partnership took place on Friday 25 November 2016 at Smiths Hotel, Gretna Green before the start of the SFP/Solway Coast AONB Joint Conference.
- The Partnership had input to the work of a wide range of complementary initiatives such as Solway Coast AONB Steering Group, D&G Local Biodiversity Partnership Steering Group, the Local and National Coastal Partnership Officers' networks, the Inshore Fisheries Group, and the EMS Officers network.
- SFP has contributed to the development of a coastal project within the proposed Galloway Glens HLF Landscape Partnership Scheme, led by Dumfries and Galloway Council.
- SFP has contributed to and sits on the LEADER Dumfries and Galloway Communities Local Action Group.
- The SFP website was regularly updated with relevant news throughout the year and an E-newsletter sent out to around 1000 subscribers in April, July, September, November, December 2016, January, February and March 2017.

Planning

- SFP has acted as facilitator for the Marine Management Organisation (MMO) North West Plan Stakeholder Engagement events in Kendal, July 2016 and in Carlisle, March 2017.
- SFP promoted the national (Scottish) marine recreation and tourism survey.
- There has been a contribution to a range of partnership initiatives including Marine Spatial Planning workshops; European Marine Site Officers network; National Coastal Partnership Network Forum; Scottish Coastal Forum; MASTS (Marine Alliance for Science and Technology for Scotland); the Irish Sea Maritime Forum; the North West Coastal Forum; and the EU Atlantic Strategy.
- A Strategic Environment Assessment Training Course for Marine Planners was attended
- SFP is taking part in the SIMCelt (Supporting Implementation of Maritime Spatial Planning in the Celtic Seas) Project, designed to further the implementation on Maritime Spatial Planning. The Solway is being used as a Case Study on cross-border governance with a Project Officer in post from August 2016 to December 2017.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Environment

- There has been regular input to Solway Area Advisory Group of the Solway Tweed River Basin District / Solway Flood Risk Management Group and to biodiversity initiatives including D&G LBAP Steering Group and D&G Invasive Non-Native Species (INNS) group.
- SFP contributed to the WWF Celtic Seas Partnership Invasives Task Group and attended a workshop in the Isle of Man to give a presentation on invasive species in the Solway. SFP also contributed to the final outputs of the WWF Celtic Seas Partnership project including taking part in a film.
- Engagement with Natural England (NE) and the MMO has been maintained by attending the annual European Marine Site (EMS) workshop and other meetings.
- Following on from the Bird Roost Survey Report completed for NE, SFP has worked with NE on raising awareness of the bird interest within the European Marine Site. A preliminary piece of work, a sign audit of the Cumbrian Solway coast, was completed and a short Interpretation Plan with recommendations produced in December 2016. Work is on-going.
- SFP has input to the Galloway Glens HLF Landscape Partnership Scheme which could include a coastal project around Kirkcudbright Bay.
- The Partnership has completed a piece of work, commissioned by Dumfries and Galloway Council, to review the boundaries of Galloway & Southern Ayrshire Biosphere, with a particular remit to consider the inclusion of marine and coastal areas.
- Marine Invasive Non-Native Species (INNS) monitoring was carried out in Stranraer Marina using settlement panels and a Rapid Assessment Survey protocol. Panels were also provided to Cumbria Wildlife Trust to enable their trainee graduate to carry out monitoring on Cumbrian sites including Whitehaven marina. Reports were produced on the species identified.
- Work has been completed on site at the Brow Well with the paving and carved stone laid, the interpretation panel erected and a multi-access ramp installed. The official launch of the project took place on 20 July 2016 at the annual gathering by Burns groups for the memorial service to commemorate Robert Burn's death.
- SFP has promoted the marine litter message and taken part in a number of beach cleans.

Fisheries

- There has been continued input to the West Coast Inshore Fisheries Group projects on lobster v-notching and creel escape panels including liaising with local creel fishermen on the results of trials.
- There was input to the European Maritime Fishery Fund process in D&G with a new FLAG formed and open for applications in autumn 2016.
- Although the Out of the Blue project finished in 2015 the 'Fishy Tales' exhibition was displayed in Dumfries Museum over summer 2016 and then moved to Stranraer Museum until October 2016. Artefacts, photographs and film footage relevant to the location were also displayed as part of the exhibition and talks were given in Kirkcudbright, Annan and Dumfries Museums.
- A web page on recreational sea angling around the Solway has been added to the SFP website.

Energy

- SFP continues to support the six Community Councils who receive money from EON Robin Rigg.
- There is continued input to the cross border liaison group of the Solway Energy Gateway initiative.
- SFP has helped to highlight a number of renewable energy projects proposed in the Solway including Kite Powered Solutions and offshore tidal lagoons, Tidal Lagoon Power.
- E-On Robin Rigg newsletter was distributed bi-annually.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Awareness

- Tidelines was produced bi-annually and distributed widely across the Solway.
- E-newsletters were produced and sent out in April, July, September, November, December 2016, January, February and March 2017.
- The SFP website was regularly updated throughout the year with relevant news.
- SFP is working in partnership to promote the military heritage around the Solway Coast. A web page has been added to the SFP website and initial meetings with military heritage museums and other interested community groups has been attended.
- Solway Coastwise is a three year project aiming to raise awareness of the Dumfries and Galloway Coast in an innovative way. It is using local place names and oral histories to engage with a wide range of people and to train local coastal ambassadors. The project, which started in August 2016, is well underway. Project activities to date include initial research on coastal place names, meetings with potential partners, presentations to local community groups and schools, and a workshop run in Whithorn.

Financial review

The Solway Firth Partnership continues to carry out a range of projects to achieve the objectives set out in Business Plan. Net income/expenditure for the year was a surplus of £7,278 (2016: deficit £16,875). The restricted funds deficit was £340 (2016: deficit £8,961). The surplus on unrestricted funds was £7,748 (2016: deficit £7,913).

Unrestricted reserves at the year end continue to be above the target level set by the Trustees.

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. This was agreed by Board of Trustees to be set at £40,000. At the year end the unrestricted reserves were £54,947.

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.

Investment policy

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.

The Partnership's trustees receive regular reports on activities and provide advice on risk management.

Future plans

The Business Plan 2015 – 2018 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 European LEADER programme and EMFF funds and Heritage Lottery Fund.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Structure, governance and management

The Company was incorporated on 16 April 2003 as a company limited by guarantee without share capital. The Company registration number is SC250012. 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.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr A McNeil, Chair	
Councillor A J Markley	
Mr A F Shankland	(Resigned 25 November 2016)
Mr C H G Edwards	
Mrs J Lochhead	
Mr J Mitchell	
Councillor J McClung	
Dr L Tickner	(Resigned 25 November 2016)
Mr S Hardy	
Councillor W Jefferson	
Mr R H S Shaw	(Appointed 25 November 2016)
Councillor TE Sidwick	(Appointed 25 November 2016)

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.

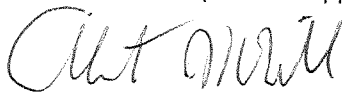
The Memorandum and Articles of Association were revised and changes approved at the AGM in October 2007 creating a new ordinary Membership and enabling the appointment of individual trustees to the Partnership Board.

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).

Funds held as custodian trustee

At the year end the Partnership held an amount of £66,874 (2016: £37,824) on behalf of other organisations as custodian.

The Trustees' report was approved by the Board of Trustees.



Mr A McNeil, Chair

Dated: 25 July 2017

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2017**

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

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE SOLWAY FIRTH PARTNERSHIP**

I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 8 to 19.

Respective responsibilities of Trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations 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 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity 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 the 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 connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



John Simpson
FCA
Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

Dated: 1/8/17

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	2	63,602	116,220	179,822	192,122
Other trading activities	3	4,728	-	4,728	8,778
Investments	4	44	-	44	63
Total income		68,374	116,220	184,594	200,963
<u>Expenditure on:</u>					
Expenditure on charitable activities	5	66,800	110,386	177,186	217,838
Net incoming/(outgoing) resources before transfers		1,574	5,834	7,408	(16,875)
Gross transfers between funds		6,174	(6,174)	-	-
Net income/(expenditure) for the year/ Net movement in funds		7,748	(340)	7,408	(16,875)
Fund balances at 1 April 2016		47,199	53,466	100,665	117,540
Fund balances at 31 March 2017		54,947	53,126	108,073	100,665

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	9		3,013		3,051
Current assets					
Debtors	10	3,529		26,965	
Cash at bank and in hand		172,992		118,139	
		176,521		145,104	
Creditors: amounts falling due within one year	11	(71,461)		(47,490)	
Net current assets			105,060		97,614
Total assets less current liabilities			108,073		100,665
Income funds					
Restricted funds	12		53,126		53,466
Unrestricted funds			54,947		47,199
			108,073		100,665

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 25 July 2017



Mr C H G Edwards
Trustee

Company Registration No. SC250012

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

Charity information

The Solway Firth Partnership is a private company limited by guarantee incorporated in Scotland. The registered office is Campbell House, The Crichton, Dumfries, DG1 4UQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, gross of discounts, VAT and other sales related taxes.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies **(Continued)**

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure on charitable activities includes the costs of all projects undertaken to the further purpose of the charity together with the associated support and governance costs.

Allocation of expenditure

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across categories on the basis of an estimate of the proportion of time spent by staff on those activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% on straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Grants	63,602	116,220	179,822	200,791
SNH grant refund	-	-	-	(8,669)
	<u>63,602</u>	<u>116,220</u>	<u>179,822</u>	<u>192,122</u>
For the year ended 31 March 2016	<u>63,635</u>	<u>128,487</u>		<u>192,122</u>
Grants receivable for core activities				
Marine Scotland	39,967	41,169	81,136	43,000
Natural England	-	-	-	6,000
E.ON	9,000	-	9,000	8,000
Dumfries & Galloway Council	6,000	2,000	8,000	135,231
Cumbria City Council	3,885	-	3,885	3,885
Allerdale Borough Council	4,000	-	4,000	1,000
Solway Heritage/Landfill Communities Fund	-	26,000	26,000	-
D&G Leader	-	4,001	4,001	-
Other grants	750	500	1,250	3,675
Heritage Lottery Fund	-	42,550	42,550	-
	<u>63,602</u>	<u>116,220</u>	<u>179,822</u>	<u>200,791</u>

Included within other grants are unrestricted funds of £750 from Carlisle City Council and £500 of restricted funds from Ruthwell and Clarencefield Community Council.

3 Other trading activities

	2017	2016
	£	£
Project management fees	<u>4,728</u>	<u>8,778</u>

4 Investments

	2017	2016
	£	£
Interest receivable	<u>44</u>	<u>63</u>

THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

5 Expenditure on charitable activities

	Running of charity £	Total 2017 £	Total 2016 £
Staff costs	76,942	76,942	76,706
Tidelines	5,218	5,218	5,767
Staff training	-	-	178
Travelling	1,282	1,282	1,020
Project costs	68,112	68,112	110,059
Cost of meetings	6,533	6,533	1,658
Consultancy	500	500	-
	<u>158,587</u>	<u>158,587</u>	<u>195,388</u>
Share of support costs (see note 6)	17,121	17,121	18,924
Share of governance costs (see note 6)	1,478	1,478	3,526
	<u>177,186</u>	<u>177,186</u>	<u>217,838</u>
Analysis by fund			
Unrestricted funds	66,800	66,800	
Restricted funds	110,386	110,386	
	<u>177,186</u>	<u>177,186</u>	
For the year ended 31 March 2016			
Unrestricted funds	82,350		82,350
Restricted funds	135,488		135,488
	<u>217,838</u>		<u>217,838</u>

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

6 Support costs	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Depreciation	894	-	894	1,542	Activity
Telephone	793	-	793	1,198	Activity
Stationery & postage	309	-	309	846	Activity
General insurance	928	-	928	560	Activity
IT Support	2,412	-	2,412	2,705	Activity
Rent, rates, heat & light	11,033	-	11,033	12,073	Activity
Legal & professional	752	-	752	-	Activity
Accountancy	-	1,440	1,440	2,680	Governance
Legal and professional	-	38	38	846	Governance
	<u>17,121</u>	<u>1,478</u>	<u>18,599</u>	<u>22,450</u>	
Analysed between Charitable activities	<u>17,121</u>	<u>1,478</u>	<u>18,599</u>	<u>22,450</u>	

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Administration & project delivery	6	5
Employment costs	2017 £	2016 £
Wages and salaries	68,391	64,922
Social security costs	1,911	2,516
Other pension costs	6,640	9,268
	<u>76,942</u>	<u>76,706</u>

There were no employees whose annual remuneration was £60,000 or more.

THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

9 Tangible fixed assets	Plant and equipment	
	£	
Cost		
At 1 April 2016		6,557
Additions		856
		<u>7,413</u>
At 31 March 2017		<u>7,413</u>
Depreciation and impairment		
At 1 April 2016		3,506
Depreciation charged in the year		894
		<u>4,400</u>
At 31 March 2017		<u>4,400</u>
Carrying amount		
At 31 March 2017		<u>3,013</u>
At 31 March 2016		<u><u>3,051</u></u>
10 Debtors		
	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	3,033	23,560
Prepayments and accrued income	496	3,405
	<u>3,529</u>	<u>26,965</u>
	<u><u>3,529</u></u>	<u><u>26,965</u></u>
11 Creditors: amounts falling due within one year		
	2017	2016
	£	£
Other taxation and social security	2,777	1,968
Trade creditors	98	1,984
Other creditors	67,088	37,824
Accruals and deferred income	1,498	5,714
	<u>71,461</u>	<u>47,490</u>
	<u><u>71,461</u></u>	<u><u>47,490</u></u>

Included within other creditors are funds held as custodian of £66,874 (2016: £37,824).

THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2017
	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Brow Well	6,041	26,500	(30,000)	(2,541)	-
Coastal Biosphere Extension	4,000	-	(4,000)	-	-
Creel Escape	5,082	-	(773)	-	4,309
Lobster V-Notching	632	-	(85)	-	547
Loch Ryan Marine Project	6,368	-	(6,168)	(200)	-
Coastal Footpaths	31,343	-	(21,243)	(100)	10,000
SimCelt	-	41,169	(25,051)	(3,333)	12,785
Solway Coastwise	-	48,551	(23,066)	-	25,485
	<u>53,466</u>	<u>116,220</u>	<u>(110,386)</u>	<u>(6,174)</u>	<u>53,126</u>

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

12 Restricted funds

(Continued)

Brow Well

The Partnership has led on a project at the Brow Well to enhance the coastal site for visitors. This project is now complete and included securing funding, liaising with stakeholders, designing the Well surrounds and producing an interpretation panel on the significance of the site to Robert Burns.

Galloway & Southern Ayrshire Biosphere Extension Feasibility Study

The Partnership, commissioned by Dumfries and Galloway Council, has reviewed the boundaries of Galloway & Southern Ayrshire Biosphere, with a particular remit to consider the inclusion of marine and coastal areas. A report was produced and submitted to Dumfries and Galloway Council in August 2016.

Creel Escape Panels

A 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.

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 implementation of the Loch Ryan Management Plan. Work, which is now complete, included producing a Loch Ryan booklet (Places to Bird Watch and Explore); designing and installing three interpretation panels and public viewing binoculars; improving the WW2 lookout post at the Wig and installing concrete seating; installing black guillemot nesting boxes under the West Pier at Stranraer; producing a leaflet on the WW2 Heritage of Loch Ryan and holding a launch of the project.

Coastal Footpaths

Dumfries and Galloway Council has provided funding to establish coastal footpaths including liaising with stakeholders, running appropriate training and carrying out implementation of works.

SIMCelt Project

The EU funded SIMCelt Project is a collaboration between organisations in the UK, France and Ireland. SIMCelt stands for Supporting Implementation of Maritime Spatial Planning in the Celtic Seas and is designed to further the implementation on Maritime Spatial Planning (EU Directive). A key case study will investigate the Solway Firth, which is a unique marine ecosystem on the boundary between England and Scotland.

Solway Coastwise

Solway Coastwise is a three year project aimed at raising awareness of the Dumfries and Galloway Coast in an innovative way. It will use local place names and oral histories to engage with a wide range of people and to train local coastal ambassadors. Training will be made available through a range of workshops, talks, visits and resources.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2017 are represented by:			
Tangible assets	2,286	727	3,013
Current assets/(liabilities)	52,661	52,399	105,060
	<u>54,947</u>	<u>53,126</u>	<u>108,073</u>

14 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 £6,640 (2016 - £9,268). At the balance sheet date there was £214 outstanding with respect to these pension contributions.