

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 2018**

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

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<b>Trustees</b>	Mr A McNeil, Chair Councillor A J Markley Mr C H G Edwards Mrs J Lochhead Mr J Mitchell Councillor W Jefferson Mr R H S Shaw Councillor TE Sidgwick Mr M D Johnstone  Dr A M Lackie	(Appointed 7 December 2017)  (Appointed 7 December 2017)
<b>Secretary</b>	Mr P M Mackey	
<b>Charity number (Scotland)</b>	SC034376	
<b>Company number</b>	SC250012	
<b>Registered office</b>	Campbell House The Crichton Dumfries DG1 4UQ	
<b>Independent examiner</b>	John Simpson Montpelier Professional (Galloway) Limited 1 Dashwood Square Newton Stewart DG8 6EQ	
<b>Bankers</b>	Bank of Scotland 91 High Street Dumfries DG1 2BN	

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**THE SOLWAY FIRTH PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)  
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**THE SOLWAY FIRTH PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2018**

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The Trustees present their report and financial statements for the year ended 31 March 2018.

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](http://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 2018**

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**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 Nic Coombey 4 days/week as coordinator and Morag Walker 1.5 days/week as Project Assistant for the Solway Coastwise Project; Emma Baruah full-time as SIMCelt Project Officer until Dec 2017 and then SMILE Project Officer.
- Quarterly Board and Working Group meetings were held throughout the year.
- The thirteenth SFP AGM was held at Dumfries and Galloway Aviation Museum on Thursday 7 December.
- 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, 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, May, June, July, September, October, November, December 2017 and January, March 2018.

Planning

- SFP attended the Marine Protected Areas conference and European Maritime Day conference in Poole, May 17.
- There has been a contribution to a range of partnership initiatives including European Marine Site Officers network; National Coastal Partnership Network Forum; Scottish Coastal Forum and Irish Sea Maritime Forum.
- SFP has worked with the MMO on their EU funded Enhancing Stakeholder Engagement Project, providing local knowledge to help identify stakeholders and develop a communications plan.
- The final conference for the SIMCelt (Supporting Implementation of Maritime Spatial Planning in the Celtic Seas) Project took place in Liverpool at the end of November 2017. The Project Officer presented the results of the Solway Case Study to the 200 attendees from the European and international marine planning community.
- A range of marine planning events have been attended including a marine planning practitioner's workshop in Edinburgh, June 2017; A marine planning facilitation training course with the Kinharvie Institute and Clyde Marine Planning Partnership, Dec 2017 and Coastal Futures conference in London, January 2018.
- The SMILE (Solway Marine Information Learning and Environment) Project was successful in raising £111,500 from the European Maritime Fisheries Fund and Scottish Government to produce a 'State of the Solway' review through stakeholder engagement/evidence gathering and a series of workshops/meetings.
- SFP has acted as facilitator for the Marine Management Organisation (MMO) North West Plan Stakeholder Engagement event, iteration 2 options, in Whitehaven, February 2018.

**THE SOLWAY FIRTH PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2018**

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Environment

- There has been regular input to environmental partnership initiatives including D&G LBAP Steering Group, Irish Sea Maritime Forum and Solway Coast AONB Steering Group.
- SF provided a display featuring Solway Coastwise at the Caerlaverock NNR 60th Anniversary Celebration Event, Glencaple.
- Engagement with Natural England (NE) and the MMO has been maintained by attending the annual European Marine Site (EMS) workshop and other meetings.
- SFP has worked with NE on raising awareness of the bird interest within the European Marine Site by producing a bird guide for the Solway.
- SFP continues to input to the Galloway Glens HLF Landscape Partnership Scheme which could include a coastal project around Kirkcudbright Bay.
- Marine Invasive Non-Native Species (INNS) monitoring was continued in Stranraer Marina using settlement panels and a Rapid Assessment Survey protocol. Panels were also placed in Portpatrick Harbour. Reports were produced on the species identified.
- SFP has promoted the marine litter message by producing a Litter Prevention Action Plan as part of a Zero Waste Scotland Initiative; has signed up to be part of a 'Refill' campaign run by the Crichton Carbon Centre (CCC); and has taken part in a number of beach cleans. SFP is supporting a national project, SCRAPbook (Scottish Coastal Rubbish Aerial Photography), led by the Moray Firth Partnership, to map coastal litter hotspots.
- The Solway Shell Guide was reprinted with funding support from the Crown Estate Scotland.

Fisheries

- The West Coastal Inshore Fisheries Group projects on lobster v-notching and creel escape panels were completed.
- SFP has input to Scottish Inshore Fisheries Integrated Data System (SIFIDS) Project as the Solway is being used as a case study
- A web page on haaf netting on the Solway has been added to the SFP website.
- SFP is assisting the Fisheries Local Action Group to develop strategic projects suitable for the EMFF.
- SFP is working with Galloway Fisheries Trust to produce a short film, booklet and simple exhibition that celebrates the natural and cultural significance of sparring (smelt) on the Rivers Cree and Water of Fleet.

Energy

- SFP continues to support the six Community Councils who receive money from EON Robin Rigg.
- SFP has helped to highlight a number of renewable energy projects proposed in the Solway including an offshore tidal lagoons by Tidal Electric and the Electric Bridge by Solway Energy Gateway.
- 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 2018**

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Awareness

- Tidelines was produced bi-annually and distributed widely across the Solway.
- E-newsletters were produced and sent out in April, May, June, July, September, October, November, December 2017, January, March 2018.
- The SFP website was regularly updated throughout the year with relevant news.
- SFP continues to work in partnership to promote the military heritage around the Solway Coast - the Solway Military Trail. Meetings have been attended with military heritage museums and other interested community groups. Funding is in place to develop a website and self-guided trail leaflet.
- Solway Coastwise continues to raise awareness of the Dumfries and Galloway Coast using local place names and oral histories to engage with a wide range of people and to train local coastal ambassadors. The project has been active on social media, attended range of events and workshops, led activities and guided walks and produced the booklets, 'Good Beach Guide', 'Wildlife Guide' and 'Caves and Graves.'
- Solway Coastwise coordinated a World Oceans Day event at Rockcliffe on Sunday 11 June 2017.
- Work has started with colleagues from the Solway Coast AONB to plan the 2018 conference.
- SFP have attended steering group meetings for the Dumfries and Galloway Council led Rhins Coastal Footpath Project to advise on and guide works.
- SFP continues to work on the Galloway Glens Landscape Partnership Project - 'Kirkcudbright Bay Views - revealing hidden stories through improved access interpretation.'

**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 deficit of £46,172 (2017: surplus £7,408). The restricted funds deficit was £53,247 (2017: deficit £340). The surplus on unrestricted funds was £7,075 (2017: £7,748).

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 £63,021.

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.

**THE SOLWAY FIRTH PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
*FOR THE YEAR ENDED 31 MARCH 2018***

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**Future plans**

The Business Plan 2018-2021 has been developed, consulted on and adopted. It will be followed from the start of the 2018-19 financial year.

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 Axis 4 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 2018**

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**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 and up to the date of signature of the financial statements were:

Mr A McNeil, Chair	
Councillor A J Markley	
Mr C H G Edwards	
Mrs J Lochhead	
Mr J Mitchell	
Councillor J McClung	(Resigned 25 April 2017)
Mr S Hardy	(Resigned 11 October 2017)
Councillor W Jefferson	
Mr R H S Shaw	
Councillor TE Sidgwick	
Mr M D Johnstone	(Appointed 7 December 2017)
Dr A M Lackie	(Appointed 7 December 2017)

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 £184,231 (2017: £66,874) on behalf of other organisations as custodian.

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

  
.....  
**Mr A McNeil, Chair**

Dated:   
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**THE SOLWAY FIRTH PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2018**

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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 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 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 financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 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 financial statements 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**

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I report on the financial statements of the charity for the year ended 31 March 2018, which are set out on pages 9 to 20.

**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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements.

**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 financial statements 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 financial statements to be reached.



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

Dated: ..... 9/8/18 .....

**THE SOLWAY FIRTH PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b><u>Income from:</u></b>					
Donations and legacies	2	56,635	46,101	102,736	179,822
Other trading activities	3	8,571	-	8,571	4,728
Investments	4	54	-	54	44
<b>Total income</b>		<b>65,260</b>	<b>46,101</b>	<b>111,361</b>	<b>184,594</b>
<b><u>Expenditure on:</u></b>					
Expenditure on charitable activities	5	63,573	93,960	157,533	177,186
<b>Net incoming/(outgoing) resources before transfers</b>		<b>1,687</b>	<b>(47,859)</b>	<b>(46,172)</b>	<b>7,408</b>
Gross transfers between funds		5,388	(5,388)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>7,075</b>	<b>(53,247)</b>	<b>(46,172)</b>	<b>7,408</b>
Fund balances at 1 April 2017		54,946	53,126	108,072	100,665
<b>Fund balances at 31 March 2018</b>		<b>62,021</b>	<b>(121)</b>	<b>61,900</b>	<b>108,073</b>

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 2018**

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		2,146		3,013
<b>Current assets</b>					
Debtors	10	11,642		3,529	
Cash at bank and in hand		257,762		172,992	
		269,404		176,521	
<b>Creditors: amounts falling due within one year</b>	11	(209,650)		(71,461)	
Net current assets			59,754		105,060
<b>Total assets less current liabilities</b>			61,900		108,073
<b>Income funds</b>					
Restricted funds	12		(121)		53,126
Unrestricted funds			62,021		54,947
			61,900		108,073

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 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 financial statements, so far as applicable to the company.

These financial statements 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

*6<sup>th</sup> August 2018*

*Charles H G Edwards*

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 2018**

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

The financial statements 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 financial statements, 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 financial statements.

**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 financial statements.

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 2018**

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**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 2018**

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**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 2018**

**2 Donations and legacies**

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Grants	56,635	46,101	102,736	179,822
	<u>56,635</u>	<u>46,101</u>	<u>102,736</u>	<u>179,822</u>
<b>For the year ended 31 March 2017</b>	<u>63,602</u>	<u>116,220</u>		<u>179,822</u>
<b>Grants receivable for core activities</b>				
Marine Scotland	38,000	19,031	57,031	81,136
E.ON	8,000	-	8,000	9,000
Dumfries & Galloway Council	6,000	2,000	8,000	8,000
Cumbria City Council	3,885	-	3,885	3,885
Allerdale Borough Council	-	6,000	6,000	4,000
Solway Heritage/Landfill Communities Fund	-	-	-	26,000
D&G Leader	-	14,570	14,570	4,001
Heritage Lottery Fund	-	-	-	42,550
Other Grants	750	4,500	5,250	1,250
	<u>56,635</u>	<u>46,101</u>	<u>102,736</u>	<u>179,822</u>

Included within other grants are unrestricted funds of £750 from Carlisle City Council and within restricted funds are grants of £2000 from Natural England and £2500 from the Crown Estate.

**3 Other trading activities**

	2018	2017
	£	£
Project management fees	8,571	4,728
	<u>8,571</u>	<u>4,728</u>

**4 Investments**

	2018	2017
	£	£
Interest receivable	54	44
	<u>54</u>	<u>44</u>

**THE SOLWAY FIRTH PARTNERSHIP**  
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**FOR THE YEAR ENDED 31 MARCH 2018**

**5 Expenditure on charitable activities**

	Running of charity £	Total 2018 £	Total 2017 £
Staff costs	95,381	95,381	76,942
Tidelines	5,875	5,875	5,218
Staff training	180	180	-
Travelling	1,979	1,979	1,282
Project costs	36,206	36,206	68,112
Cost of meetings	1,067	1,067	6,533
Consultancy	-	-	500
	<u>140,688</u>	<u>140,688</u>	<u>158,587</u>
Share of support costs (see note 6)	15,219	15,219	17,121
Share of governance costs (see note 6)	1,626	1,626	1,478
	<u>157,533</u>	<u>157,533</u>	<u>177,186</u>
<b>Analysis by fund</b>	<b>*</b>		
Unrestricted funds	63,573	63,573	
Restricted funds	93,960	93,960	
	<u>157,533</u>	<u>157,533</u>	
<b>For the year ended 31 March 2017</b>			
Unrestricted funds	66,800		66,800
Restricted funds	110,386		110,386
	<u>177,186</u>		<u>177,186</u>

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**6 Support costs**

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Depreciation	866	-	866	894	Activity
Telephone	516	-	516	793	Activity
Stationery & postage	512	-	512	309	Activity
General insurance	933	-	933	928	Activity
IT Support	2,285	-	2,285	2,412	Activity
Rent, rates, heat & light	9,346	-	9,346	11,033	Activity
Legal & professional	761	-	761	752	Activity
Accountancy	-	1,450	1,450	1,440	Governance
Legal and professional	-	176	176	38	Governance
	<u>15,219</u>	<u>1,626</u>	<u>16,845</u>	<u>18,599</u>	
Analysed between Charitable activities	<u>15,219</u>	<u>1,626</u>	<u>16,845</u>	<u>18,599</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:

	2018 Number	2017 Number
Administration & project delivery	<u>6</u>	<u>6</u>
<b>Employment costs</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	82,106	68,391
Social security costs	2,864	1,911
Other pension costs	10,411	6,640
	<u>95,381</u>	<u>76,942</u>

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

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**FOR THE YEAR ENDED 31 MARCH 2018**

<b>9</b>	<b>Tangible fixed assets</b>	<b>Plant and equipment</b> £	
	<b>Cost</b>		
	At 1 April 2017	7,412	
	At 31 March 2018	7,412	
	<b>Depreciation and impairment</b>		
	At 1 April 2017	4,400	
	Depreciation charged in the year	866	
	At 31 March 2018	5,266	
	<b>Carrying amount</b>		
	At 31 March 2018	2,146	
	At 31 March 2017	3,013	
<b>10</b>	<b>Debtors</b>	<b>2018</b> £	<b>2017</b> £
	<b>Amounts falling due within one year:</b>		
	Trade debtors	8,899	3,033
	Prepayments and accrued income	2,743	496
		11,642	3,529
		11,642	3,529
<b>11</b>	<b>Creditors: amounts falling due within one year</b>	<b>2018</b> £	<b>2017</b> £
	Other taxation and social security	3,215	2,777
	Payments received on account	16,000	-
	Trade creditors	3,163	98
	Other creditors	185,822	67,088
	Accruals and deferred income	1,450	1,498
		209,650	71,461
		209,650	71,461

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**FOR THE YEAR ENDED 31 MARCH 2018**

**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 2018 £
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	
Crown Estate - Shell Guide	-	2,500	(2,382)	(118)	-
NE - Bird Guide	-	2,000	(702)	(1,298)	-
SMILE	-	-	(5,808)	-	(5,808)
Creel Escape Panels	4,309	-	(4,740)	431	-
Lobster V-Notching	547	-	-	(547)	-
Solway Military Trail	-	6,000	-	-	6,000
Coastal Footpaths	10,000	-	-	-	10,000
SimCelt	12,785	19,031	(27,960)	(3,856)	-
Solway Coastwise	25,485	16,570	(52,368)	-	(10,313)
	53,126	46,101	(93,960)	(5,388)	(121)
	53,126	46,101	(93,960)	(5,388)	(121)

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**FOR THE YEAR ENDED 31 MARCH 2018**

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**12 Restricted funds**

**(Continued)**

**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.

**Solway Shells**

Crown Estate Scotland provided funding to enable the reprinting of the Solway shell identification guide originally published under the 'Making the Most of the Coast' Project.

**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.

**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.

**Solway Firth Bird Guide**

SFP staff are working with Natural England staff in Cumbria to develop and produce a booklet about birds on the Solway and the importance of the high tide roosts. The booklet is currently available in digital form.

**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 Marine Information Learning and Environment (SMILE) Project**

The £111,500 SMILE Project will produce a 'State of the Solway' Review through stakeholder engagement/evidence gathering and a series of workshops/meetings. The Project Officer will run the project from February 2018 to December 2020.

**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.

**Solway Military Trail**

The aim of the Solway Military Trail Project is to provide informed access to the rich military heritage of the Solway Coast to local people and visitors. A Collaboration of organisations across both sides of the Cumbrian/Dumfries and Galloway border have come together to link and promote heritage sites, visitor centres and hereto undiscovered military heritage in a trail. Funding has been secured by SFP from the Allerdale Borough Council Tourism Growth Fund (£5,000) and Foundation Scotland (£2,000). This will enable the group to develop and run a website, produce a leaflet and carry out volunteer training.

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**13 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible assets	1,546	600	2,146
Current assets/(liabilities)	60,475	(721)	59,754
	<u>62,021</u>	<u>(121)</u>	<u>61,900</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 £10,411 (2017 - £6,640). At the balance sheet date there was £1,591 outstanding with respect to these pension contributions.