

**Registration Number SC179736**  
**Scottish charity number: SC027163**

**Seagull Trust Cruises**  
**(Company limited by guarantee)**

**Directors' Report and Financial Statements**

**for the year ended 31 October 2016**

# Seagull Trust Cruises

## Contents

	<b>Page</b>
Directors' Report - reference & administrative information	<b>1</b>
Directors' Report - other information	<b>2 - 4</b>
Chairman's Report	<b>5</b>
Independent Examiner's Report	<b>6</b>
Statement of Financial Activities	<b>7 - 8</b>
Balance Sheet	<b>9 - 10</b>
Notes to the Financial Statements	<b>11 - 14</b>

## Seagull Trust Cruises

### Directors' Report for the year ended 31 October 2016

The directors present their report and financial statements for the year ended 31 October 2016.

The report is prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2005).

The principal activity of the company during the year was to provide free canal cruising for people who have special needs.

### Reference and administrative information

#### Directors serving during the year:

Gordon Daly	
Paul Flarry	
Rodger Harvey-Jamieson	Vice Chairman and Company Secretary
David Mieras	Chairman
Alexander Milroy	
Donald Paterson	Treasurer
John Gordon	
James McKellar	
Duncan Sutherland	Resigned 16th April 2016
Roy Davidson	
James Steel	
Carole McLellan	
Allan Rattray	
William Reid	
Kenny Beck	Appointed 16th April 2016

The directors are the members of the company. No director had a financial interest in the company.

<b>Legal Status</b>	The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.
<b>Company number</b>	SC179736
<b>Scottish Charity Number</b>	SC027163
<b>Date of incorporation</b>	16 October 1997
<b>Registered Office</b>	2a St Vincent Street, Edinburgh, EH3 6SH
<b>Business Address</b>	Southbank Marina, 100 Southbank Road, Kirkintilloch, G66 1LX
<b>Bankers</b>	The Royal Bank of Scotland plc, The Governor and Company of the Bank of Scotland plc and HSBC plc

## **Seagull Trust Cruises**

### **Directors' Report for the year ended 31 October 2016**

#### **Structure, governance and management**

The company operates through Branches established at Falkirk, Inverness, Kirkintilloch and Ratho.

Directors are normally proposed and elected at the company's Annual General Meeting. Each of the Branches may appoint up to two directors. The minimum number of directors is ten and there is no maximum number

#### **Risk management**

The Directors continue to review the major strategic business and operational risks that the company faces on a regular basis and where possible, have established systems to monitor and mitigate these risks.

#### **Induction and Training**

The current Directors have been made aware of their duties and responsibilities and of the standards expected by OSCR. Standing Orders are being prepared to reinforce these standards.

#### **Objectives, activities and achievements**

##### **Objectives**

The principal activity of the company is to provide free canal cruising for people who have special needs.

##### **Activities**

All the company's activities are run entirely by volunteers. The company owns 10 canal boats comprising eight day trip boats, a holiday boat for the use of people who have special needs and a boat which is operated by a subsidiary trading company.

## **Seagull Trust Cruises**

### **Directors' Report for the year ended 31 October 2016**

#### **Financial review and performance**

##### **Accounts**

The company's total incoming resources for the year amounted to £190,081 (2015: £158,083). Charitable expenditure amounted to £179,773 (2015: £154,869).

The company's funds at 31 October 2016 totalled £154,096 of which the general funds were £139,724 in line with the reserves policy as noted below.

##### **Investment policy**

The company has no investments other than cash and the rights in respect of the property, boats and other assets required to fulfil its objectives. This position is unlikely to change in the near future.

##### **Reserves policy**

The Directors, being aware of the inconsistent cash flow from voluntary donations, have a policy of maintaining unrestricted liquid reserves to cover at least six months' average expenditure and have established funds to provide for future major repairs and refits at Falkirk & Kirkintilloch.

##### **Future plans**

The directors are satisfied that the company remains on a sound financial footing and will be able to continue its activities for the foreseeable future.

##### **Transactions with Directors or Trustees**

There were no transactions with the directors or trustees during the year.

##### **Other Related Party Transactions**

The company's wholly owned subsidiary, Seagull Enterprises Limited, operates one of the company's canal boats with a view to supporting its ongoing activities. The majority of directors of Seagull Enterprises Limited are all also directors of Seagull Trust Cruises.

##### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue on that basis.

## **Seagull Trust Cruises**

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

Approved on and signed on behalf of the Board of Directors by:

**Mr D Mieras**  
**Chairman**

## **Seagull Trust Cruises**

### **Chairman's Report for the year ended 31 October 2016**

#### **Chairman's Report**

The Trust has continued to welcome many, many groups from a very wide base of organisations across Scotland. We have experienced an unfortunate increase in late cancellations mainly due to staff shortages and transport difficulties. The recorded number of cruises for the year is 2444 and passengers carried 22841 reflecting the above situation. Our Santa cruises were generally successful with many happy smiles from the young and not so young. The untimely closure of the Forth Road Bridge deprived our Fife based folk their booked cruises.

We have continued to attract new volunteers and a considerable effort has been put in to offer training generally resulting in several qualifying as Skippers. Thanks to the maintenance teams in the four branches the fleet has performed well but with associated increase in costs. Our fundraisers have continued to bring funds into the Trust whilst the majority of users do make donations.

The directors have continued to meet regularly ensuring that we continue to review our Policy and Procedures especially with regard to safety and conforming to regulations. We are aware of the importance of attracting new directors not the easiest of tasks as many potential folk are continuing in employment.

The Trust is very much indebted to input from all our volunteers working in the branches as well as the Executive Board members.

**Mr David Mieras**  
**Chairman**

## **Seagull Trust Cruises**

### **Independent Examiner's Report to the Trustees of Seagull Trust Cruises**

I report on the accounts of the charity for the year ended 31 October 2016 which are set out on pages 9 to 14.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees 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 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 Charities Accounts (Scotland) Regulations 2006. 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 the course of my examination, no matter has come to my attention which gives reasonable cause to believe that in any material respect the requirements:

to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and

to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met.

In my opinion there are no other matters to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Clive B. Scott CA**

**A member of the Institute of Chartered Accountants of Scotland**

**16-18 Weir Street**

**Falkirk**

**FK1 1RA**

**Date:**

## Seagull Trust Cruises

### Statement of Financial Activities (including Income and Expenditure Account)

for the year ended 31 October 2016

	General	Designated	Restricted	Total	
	Fund	Fund	Fund	Fund	2015
	£	£	£	£	£
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Income from investments	79	-	-	79	57
Subscriptions and donations	145,260	-	-	145,260	108,026
Sale of goods	24,472	-	-	24,472	29,226
Fundraising income	10,198	-	-	10,198	11,350
Holiday barge income	5,022	-	-	5,022	5,324
Drydock income	5,050	-	-	5,050	4,100
<b>Total incoming resources</b>	<u>190,081</u>	<u>-</u>	<u>-</u>	<u>190,081</u>	<u>158,083</u>
<b>Resources expended</b>					
<i>Charitable expenditure</i>					
Cost of generating funds	(17,822)			(17,822)	(25,192)
Operational costs*	(83,965)	(54,427)	-	(138,392)	(111,149)
Support costs	(21,099)		-	(21,099)	(15,853)
Governance costs	(2,460)	-	-	(2,460)	(2,675)
<b>Total resources expended</b>	<u>(125,346)</u>	<u>(54,427)</u>	<u>-</u>	<u>(179,773)</u>	<u>(154,869)</u>
<b>Net movement in funds for the year</b>	64,735	(54,427)	-	10,308	3,214
Fund transfers	(64,984)	64,984	-	-	-
<b>Net income / (deficit) for the year</b>	<u>(249)</u>	<u>10,557</u>	<u>-</u>	<u>10,308</u>	<u>3,214</u>
Funds brought forward:					
General fund	139,972	1,303,816	-	1,443,787	1,440,573
Funds carried forward	<u>139,724</u>	<u>1,314,373</u>	<u>-</u>	<u>1,454,095</u>	<u>1,443,787</u>

\* - Operational costs include depreciation charged on the charity's assets used in operating activities of £54,427 (2015: £54,871)

**The notes on pages 11 to 14 form an integral part of these financial statements.**

## Seagull Trust Cruises

### Statement of Financial Activities (including Income and Expenditure Account)

for the year ended 31 October 2016

	General	Designated	Restricted	Total	
	Fund	Fund	Fund	Fund	2015
	£	£	£	£	£
<b>Represented by :</b>					
Tangible Fixed Assets	-	1,169,373	-	1,169,373	1,223,800
Investment in Subsidiary Undertakings	1			1	-
Stock	7,500	-	-	7,500	5,388
Debtors	18,895	-	-	18,895	19,056
Bank	115,908	145,000	-	260,907	198,121
Creditors	(2,580)	-	-	(2,580)	(2,580)
	<u>139,724</u>	<u>1,314,373</u>	<u>-</u>	<u>1,454,096</u>	<u>1,443,787</u>

The notes on pages 11 to 14 form an integral part of these financial statements.

## Seagull Trust Cruises

### Balance Sheet as at 31 October 2016

		2016		2015	
Notes	£	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	3		1,169,373		1,223,799
Investments	4		1		1
			1,169,374		1,223,800
<b>Current Assets</b>					
Stocks	5	7,500		5,388	
Debtors	6	18,895		19,056	
Cash at bank and in hand		260,907		198,123	
		287,302		222,567	
<b>Creditors: amounts falling due within one year</b>	7	(2,580)		(2,580)	
<b>Net Current Assets</b>			284,722		219,987
<b>Total Assets Less Current Liabilities</b>			1,454,096		1,443,787
<b>Funds:</b>					
General fund			139,724		139,972
Designated fund	8		1,314,373		1,303,816
Restricted fund			-		-
<b>Total Funds</b>			1,454,096		1,443,787

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 October 2016 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 386, and

**The notes on pages 11 to 14 form an integral part of these financial statements.**

## **Seagull Trust Cruises**

(2) 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 surplus or deficit for the year then ended in accordance with the requirements of Section 394 & 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board on and signed on its behalf by

**Mr D Mieras**

**Director**

**Registration Number SC179736**

**The notes on pages 11 to 14 form an integral part of these financial statements.**

## Seagull Trust Cruises

### Notes to the Financial Statements for the year ended 31 October 2016

#### 1. Accounting policies

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006.

The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2005). They are also prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). In order to comply with this revised statement, it was necessary to change the income and expenditure headings.

##### 1.2. Incoming resources

Voluntary income received by way of donations or gifts, subscriptions, investment income and income from the sale of goods are all included in full in the Statement of Financial Activities when received. The value of services provided by volunteers has not been included.

##### 1.3. Expenditure

All resources expended are included on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure. Resources expended include attributable VAT which cannot be recovered.

##### 1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Boathouses	-	2% Straight Line
Barges		4% Straight Line
Equipment	-	20% Straight Line

Assets transferred from the Seagull Trust on formation of Seagull Trust Cruises have been depreciated at the above rate based on their original cost.

##### 1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

##### 1.6. Stock

Stock is valued at the lower of cost and net realisable value.

##### 1.7. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

## Seagull Trust Cruises

### Notes to the Financial Statements for the year ended 31 October 2016

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#### 2. Legal status

The company is limited by guarantee, having no share capital. Every member of the company undertakes to contribute such amount as may be required, up to a maximum of £1 each, to the assets of the company if it is wound up whilst that person is a member, or within one year of the cessation of that person as a member, for payment of the company's debts and liabilities and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors amongst themselves.

#### 3. Tangible fixed assets

	Boathouses	Barges	Equipment	Total
	£	£	£	£
At 1 November 2015	746,689	845,774	14,402	1,606,865
At 1 November 2015				
At 31 October 2016	<u>746,689</u>	<u>845,774</u>	<u>14,402</u>	<u>1,606,865</u>
<b>Depreciation</b>				
At 1 November 2015	138,506	230,158	14,401	383,065
Charge for the year	<u>18,181</u>	<u>36,246</u>	<u>-</u>	<u>54,427</u>
At 31 October 2016	<u>156,687</u>	<u>266,404</u>	<u>14,401</u>	<u>437,492</u>
<b>Net book values</b>				
At 31 October 2016	<u>590,002</u>	<u>579,370</u>	<u>1</u>	<u>1,169,373</u>
At 31 October 2015	<u>608,183</u>	<u>615,616</u>	<u>1</u>	<u>1,223,800</u>

## Seagull Trust Cruises

### Notes to the Financial Statements for the year ended 31 October 2016

..... continued

#### 4. Fixed Asset Investments

	<b>Subsidiary Undertakings Shares</b>	<b>Total</b>
	£	£
<b>Cost</b>		
At 1 November 2015		
At 31 October 2016	1	1
	<u>          </u>	<u>          </u>
<b>Net book values</b>		
At 31 October 2016	1	1
	<u>          </u>	<u>          </u>
At 31 October 2015	1	1
	<u>          </u>	<u>          </u>

#### 4.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held Class	
<b>Subsidiary undertaking</b>				
Seagull Enterprises Ltd	Scotland	Canal cruising	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
	£	£
Seagull Enterprises Ltd	1	-

#### 5. Stocks

	2016	2015
	£	£
Stocks	7,500	5,388
	<u>          </u>	<u>          </u>

## Seagull Trust Cruises

### Notes to the Financial Statements for the year ended 31 October 2016

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#### 6. Debtors

	2016	2015
	£	£
Amount owed by connected companies	4,264	4,264
Prepayments and accrued income	14,631	14,792
	18,895	19,056

#### 7. Creditors: amounts falling due within one year

	2016	2015
	£	£
Accruals and deferred income	2,580	2,580
	2,580	2,580

#### 8. Designated funds

	Opening Balance	Income	Expenses	Transfer	Closing Balance
	£	£	£	£	£
Fixed assets	1,223,800	-	(54,427)	-	1,169,373
Falkirk Boathouse	42,516	-	-	27,484	70,000
Kirkintilloch Boat Fund	37,500	-	-	12,500	50,000
Ratho Dry Dock	-	-	-	25,000	25,000
	1,303,816	-	(54,427)	64,984	1,314,373