**Company Registration Number SC211971**

Solway Shellfish Management Association

**Unaudited**
**Financial Statements**

31 October 2005

Company Limited by Guarantee

Armstrong Watson
Chartered Accountants
Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

FRIDAY
*SMFJ6LDG*
SCT 15/12/2006 624
COMPANIES HOUSE

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## FINANCIAL STATEMENTS

## YEAR ENDED 31 OCTOBER 2005

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# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## THE DIRECTORS' REPORT

## YEAR ENDED 31 OCTOBER 2005

The directors present their report and the unaudited financial statements of the company for the year ended 31 October 2005

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**
The principal activity of the company during the year was to protect and maintain fishing regulations relating to the cockle fishery in the Solway Firth

The Board of Directors met on fifteen occasions during the year in addition to the Annual General Meeting (AGM)

At the AGM the Board agreed that Scottish Enterprise Dumfries and Galloway, in light of their funding of the company, should be invited to nominate a representative to serve as a director on the Board of the company Armstrong Watson were appointed as accountants to the company

The company continued in its work towards the granting of the Regulating Order (RO) and to this end a further two members of staff were recruited, one full time Fishery Officer and a part time Admin/IT Support Officer In early 2005 the company put out the Management Plan for consultation and following objections to the company's plans, the Scottish Executive convened a public sitting which was held in September 2005 The RO was granted in March 2006.

Income during the year was received from Dumfries and Galloway Council and Scottish Enterprise Dumfries and Galloway The Board is extremely grateful for this support and for the further support many of the organisations give in staff resources

**DIRECTORS**
The directors who served the company during the year were as follows

| | |
|---|---|
| Cllr A J Purdie | |
| Mr P Kenny | |
| Mr N Milligan | |
| Dr C J Miles | |
| Cllr A Geddes | |
| Mr H T Little | |
| Mr C J Rollie | |
| Mr M I Willacy | (Appointed 18 February 2005) |
| Mr A C Henderson | (Resigned 28 January 2005) |

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## THE DIRECTORS' REPORT *(continued)*

## YEAR ENDED 31 OCTOBER 2005

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
Campbell House
The Crichton
Bankend Road
Dumfries
DG1 4ZB

Signed by order of the directors

[redacted] DR C MILES
DIRECTOR

Approved by the directors on 22 August 2006

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## PROFIT AND LOSS ACCOUNT

## YEAR ENDED 31 OCTOBER 2005

| | Note | 2005 £ | 2004 *(restated)* £ |
|---|---|---|---|
| **TURNOVER** | | **88,000** | 22,000 |
| Administrative expenses | | **104,930** | 19,217 |
| Other operating income | | **(30)** | – |
| **OPERATING (LOSS)/PROFIT** | **2** | **(16,900)** | 2,783 |
| Interest receivable | | **1,490** | 177 |
| **(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION** | | **(15,410)** | 2,960 |
| Tax on (loss)/profit on ordinary activities | | – | – |
| **(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR** | | **(15,410)** | 2,960 |

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

## YEAR ENDED 31 OCTOBER 2005

| | 2005 | 2004 *(restated)* |
|---|---|---|
| | £ | £ |
| (Loss)/Profit for the financial year attributable to the members | **(15,410)** | 2,960 |
| Total recognised gains and losses relating to the year | **(15,410)** | 2,960 |
| Prior year adjustment (see note 3) | **(2,606)** | |
| Total gains and losses recognised since the last annual report | **(18,016)** | |

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

## 31 OCTOBER 2005

| | Note | 2005 £ | 2005 £ | 2004 (restated) £ | 2004 (restated) £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 4 | | 2,949 | | 1,781 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 5 | 227 | | 20,907 | |
| Cash at bank | | 58,325 | | 13,375 | |
| | | 58,552 | | 34,282 | |
| **CREDITORS: Amounts falling due within one year** | 6 | 53,610 | | 32,762 | |
| **NET CURRENT ASSETS** | | | 4,942 | | 1,520 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | 7,891 | | 3,301 |
| **CREDITORS: Amounts falling due after more than one year** | 7 | | 20,000 | | – |
| | | | (12,109) | | 3,301 |
| **RESERVES** | 10 | | | | |
| Profit and loss account | 11 | | (12,109) | | 3,301 |
| **(DEFICIT)/MEMBERS' FUNDS** | | | (12,109) | | 3,301 |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for·

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) 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 profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002)

These financial statements were approved by the directors on the 22 August 2006 and are signed on their behalf by

DR C J MILES



# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 31 OCTOBER 2005

### 1. ACCOUNTING POLICIES

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year

**Fixed assets**

All fixed assets are initially recorded at cost

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows·

| | |
|---|---|
| Equipment | 25% straight line |

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

### 2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

| | 2005 | 2004 *(restated)* |
|---|---|---|
| | £ | £ |
| Directors' emoluments | – | – |
| Depreciation of owned fixed assets | **1,259** | 828 |

### 3. PRIOR YEAR ADJUSTMENT

The comparative figures have been restated to include a number of transactions which were omitted from the 2004 financial statements The amendments have resulted in a decrease in the retained profit for 2004 amounting to £2,606

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 31 OCTOBER 2005

### 4. TANGIBLE FIXED ASSETS

| | Equipment £ |
|---|---|
| **COST** | |
| At 1 November 2004 | **2,609** |
| Additions | **2,427** |
| **At 31 October 2005** | **5,036** |
| **DEPRECIATION** | |
| At 1 November 2004 | **828** |
| Charge for the year | **1,259** |
| **At 31 October 2005** | **2,087** |
| **NET BOOK VALUE** | |
| **At 31 October 2005** | **2,949** |
| At 31 October 2004 | 1,781 |

### 5. DEBTORS

| | 2005 £ | 2004 *(restated)* £ |
|---|---|---|
| Other debtors | – | 20,000 |
| Prepayments and accrued income | **227** | 907 |
| | **227** | 20,907 |

### 6. CREDITORS: Amounts falling due within one year

| | 2005 £ | 2005 £ | 2004 *(restated)* £ | 2004 *(restated)* £ |
|---|---|---|---|---|
| Trade creditors | | **48,748** | | 12,012 |
| Other creditors including taxation and social security. | | | | |
| PAYE and social security | **809** | | – | |
| Other creditors | – | | 20,000 | |
| Accruals and deferred income | **4,053** | | 750 | |
| | | **4,862** | | 20,750 |
| | | **53,610** | | 32,762 |

### 7. CREDITORS: Amounts falling due after more than one year

| | 2005 £ | 2005 £ | 2004 *(restated)* £ | 2004 *(restated)* £ |
|---|---|---|---|---|
| Other creditors | | **20,000** | | – |

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 31 OCTOBER 2005

### 8. COMMITMENTS UNDER OPERATING LEASES

At 31 October 2005 the company had aggregate annual commitments under non-cancellable operating leases as set out below

| | 2005 | 2004 *(restated)* |
|---|---|---|
| | £ | £ |
| Operating leases which expire | | |
| After more than 5 years | 2,720 | 2,720 |

### 9. RELATED PARTY TRANSACTIONS

During the year the company was recharged services by Solway Heritage in accordance with the memorandum of agreement dated 25 March 2004 The value of these recharges were £12,773 (2004 £4,358) In addition, the company owed Solway Heritage £35,700 (2004 £7,948) for expenses paid on behalf of Solway Shellfish Management Association

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities

### 10. COMPANY LIMITED BY GUARANTEE

The income and property of the Company whencesoever derived shall be applied solely towards the promotion of its objects and no portion thereof shall be paid or transferred directly or indirectly by way of a dividend, bonus or otherwise howsoever by profit to members of the Company and no Director of the Company shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or moneysworth from the Company

Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of the winding up, and for the adjustment of the rights of the contributories among themselves

If upon the winding up or dissolution of the Company there remains any property whatsoever the same shall not be paid or distributed among the members of the Company but shall be given or transferred to some other body or bodies having similar objects of the Company or to some charitable body

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 31 OCTOBER 2005

### 11. PROFIT AND LOSS ACCOUNT

| | 2005 | 2004 *(restated)* |
|---|---|---|
| | £ | £ |
| Original balance brought forward | **5,907** | 341 |
| Prior year adjustment (note 3) | **(2,606)** | – |
| Restated balance brought forward | **3,301** | 341 |
| (Accumulated loss)/retained profit for the financial year | **(15,410)** | 2,960 |
| Balance carried forward | **(12,109)** | 3,301 |

### 12. GOING CONCERN

The accounts have been prepared on the going concern basis despite total liabilities exceeding total assets by £12,109, a loss for the year of £15,410 being incurred The company is dependent upon the continued support of its bankers and of its funders

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## MANAGEMENT INFORMATION

## YEAR ENDED 31 OCTOBER 2005

**The following pages do not form part of the statutory financial statements**

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF SOLWAY SHELLFISH MANAGEMENT ASSOCIATION

## YEAR ENDED 31 OCTOBER 2005

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements

You have acknowledged on the balance sheet as at 31 October 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985 You consider that the company is exempt from the statutory requirement for an audit for the year

We have not been instructed to carry out an audit of the financial statements For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements

ARMSTRONG WATSON
Chartered Accountants

Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

# SOLWAY SHELLFISH MANAGEMENT ASSOCIATION COMPANY LIMITED BY GUARANTEE

## DETAILED PROFIT AND LOSS ACCOUNT

## YEAR ENDED 31 OCTOBER 2005

| | 2005 | | 2004 (restated) | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **TURNOVER** | | | | |
| Funding | | **88,000** | | 22,000 |
| **OVERHEADS** | | | | |
| Wages and salaries | **26,539** | | 7,167 | |
| Administration | **6,704** | | 636 | |
| Secretary and management | **6,783** | | 3,050 | |
| Employers national insurance contributions | **2,778** | | 715 | |
| Consultancy fees | **36,666** | | – | |
| Rent, rates and water | **2,962** | | 1,469 | |
| Light and heat | **51** | | 29 | |
| Insurance | **59** | | 142 | |
| Repairs and maintenance | **331** | | 657 | |
| Travel and subsistence | **2,644** | | 938 | |
| Telephone | **176** | | 523 | |
| Printing, stationery and postage | **1,258** | | 291 | |
| Recruitment | **767** | | 1,668 | |
| Sundry expenses | **1,239** | | 302 | |
| Subscriptions | **59** | | 52 | |
| Advertising | **1,330** | | – | |
| Legal and professional fees | **12,526** | | – | |
| Accountancy fees | **778** | | 750 | |
| Depreciation | **1,259** | | 828 | |
| Bank charges | **21** | | – | |
| | | **104,930** | | 19,217 |
| | | **(16,930)** | | 2,783 |
| **OTHER OPERATING INCOME** | | | | |
| Other operating income | | **30** | | – |
| **OPERATING (LOSS)/PROFIT** | | **(16,900)** | | 2,783 |
| Bank interest receivable | | **1,490** | | 177 |
| **(LOSS)/PROFIT ON ORDINARY ACTIVITIES** | | **(15,410)** | | 2,960 |