



**FIFE COAST &
COUNTRYSIDE TRUST**



LOCAL COUNTRYSIDE
YOUR
CHARITY

Directors' Annual Report and Financial Statements

for the year ended 31 March 2014

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Trust Information

Scottish Company Number	SC216254	
Scottish Charity Number	SC031247	
Board Members	R Balfour D Somerville K Leys W Taylor A McGarry J Simpson S House L Laird M Strachan A Thomson D Rollo J Young E Riches S Carter S Roberts	(chairman) (resigned 10 April 2013) (appointed 10 April 2013) (appointed 15 May 2013) (appointed 20 June 2014)
Chief Executive	A McFarlane	
Registered Office	The Harbourmaster's House Hot Pot Wynd Dysart, Kirkcaldy Fife KY1 2TQ	
Bankers	Lloyds TSB Stirling Business and Commerce Centre 52 Murray Place Stirling FK8 2BX The Co-operative Bank plc O.F.S. 9 Prescott Street London E1 8BE	Clydesdale Bank plc Box 181, Largo House Carnegie Avenue Dunfermline Fife KY11 8PE
Auditors	Paterson Boyd & Co Limited Chartered Accountants & Statutory Auditors 8 Mitchell Street, Leven Fife KY8 4HJ	
Solicitors	Burness LLP 50 Lothian Road Festival Square, Edinburgh EH3 9WJ	

Chairman's Message

Fife Coast and Countryside Trust Chairman's Message for the year ended 31 March 2014

I am delighted to present the 2013-14 annual report for Fife Coast and Countryside Trust.

This year has been one of success and celebration. Although the path has recently been extended to cover the entire coastline of Fife, it has been ten years since the Coastal Path was completed from the Forth Bridge to the Tay Bridge. I look at the success of the path with great pride as it is now recognised as one of Scotland's Great Trails. It not only brings great pleasure to the many hundreds of thousands of people who experience it each year but it also brings significant economic benefit to Fife. This summer was also our first as the organisation in charge of the management of Fife's recreational beaches. The wonderful weather meant record numbers of visitors to our beaches and we worked hard to ensure everyone who visited them had a safe and enjoyable time.

Moving away from the coast, The Living Lomonds Programme, funded by the Heritage Lottery Fund through its Landscape Partnership Scheme, is really gaining momentum. The Trust is leading a partnership of organisations from throughout Fife and Kinross-shire to deliver a number of projects. It is wonderful to see so many people engaging with and enjoying the events and activities that the Living Lomonds team are putting together and the enthusiasm for the programme continues to grow throughout the project area. I am looking forward to seeing the results of the remaining two years of the project making a difference to the landscape and the communities.

I was also delighted to see the Trust once again recognised for its hard work this year. Seeing Fife as the number one destination for outdoor recreation for the seventh year in a row is great news and reflects the quality of work being delivered by our staff and volunteers. This year also saw The Harbourmaster's House awarded a Green Tourism Business Scheme Gold award and a national Loo of the Year award. Several other coastal toilets also won national recognition through the scheme.

I would like to take this opportunity to thank my fellow Directors, staff and volunteers for their great commitment and dedication to the Trust.



Robert Balfour
Chairman

26th September 2014

Directors' Report

The Board of Directors presents its report and the audited financial statements for the year ended 31 March 2014.

Governing Document

The Trust is a company limited by guarantee without share capital and as such it is governed by the terms set out in its Memorandum & Articles of Association.

Objects of the Trust

The objectives of the Trust are wholly charitable. They are defined in the Articles of Association and are:

- to provide recreational facilities, and organise recreational activities, primarily within the local authority area of Fife Council ("**the Operating Area**"), with such facilities/activities being made available to members of the public at large with the object of improving their conditions of life, including (without prejudice to that generality) promoting and improving access to the countryside within the Operating Area, and through providing, developing and improving the facilities which support access to the countryside, biodiversity and wildlife within the Operating Area;
- to advance education, primarily within the Operating Area, including through encouraging informed public access to the countryside, biodiversity and wildlife, which shall include the provision of interpretive centres, signage and other methods of conveying information;
- to advance environmental protection and/or improvement through the conservation, preservation and general improvement of the countryside and the landscape within the Operating Area and through securing the sustainable use, management and enjoyment of the countryside and the landscape within the Operating Area;
- to advance heritage and/or culture within the Operating Area;
- to advance citizenship and/or community development, in particular, within the Operating Area; and
- to promote, establish, operate and/or support other similar schemes and projects which further charitable purposes.

Organisational Structure

The Trust is administered by a Board of 14 Directors. The Board meets regularly, approximately 4 times a year, and is responsible for the strategic direction and overall management of the Trust. The Chief Executive manages the day to day operations of the Trust and reports regularly to the Board. There are 2 sub-groups of the Board, HR & Remuneration and Audit & Finance. These sub-groups meet approximately 4 times per year. There is currently a sub-group in place to discuss and advise on the new Lochore Meadows management pilot which runs until 31 March 2016.

Recruitment and Training of Board Members

The Trust has an induction procedure in place for new Directors. Specific training is made available to Directors as and when required. We also ensure all Directors have a subscription to Governance magazine to ensure Directors are aware of current practices and legislative changes.

The Board is made up of the following types of Directors:

- Member Directors - up to 4 appointed by Fife Council;
- Partner Directors - maximum of three. One representing Scottish Natural Heritage, one representing Forestry Commission Scotland and one representing Keep Scotland Beautiful;
- Independent Directors - a maximum of 7 Directors, appointed to provide specific skills and knowledge to the Board.

Fife Council is the sole member of the company and as such makes the final decision on the appointment of Directors to the Board of Fife Coast and Countryside Trust. Recommendations for the appointments are submitted to Fife Council from a nominations committee made up of the Chairman of Fife Coast and Countryside Trust, the Chair of the Audit and Finance Sub Group of the Board and the Chief Executive.

Investment Powers

Under the Articles of Association the Trust has the power to invest any funds which are not immediately required for the Trust's activities in such investments as may be considered appropriate.

Review of Activities

This year has been another busy and successful year for Fife Coast and Countryside Trust (FCCT).

More details of our sites and our work can be found at

www.fifecoastandcountryside.co.uk

Spring Launches

The new financial year saw us reach a huge milestone with the tenth anniversary of the opening of the Fife Coastal Path from the Forth Bridge to the Tay Bridge.



Flag raising at Kingsbarns Beach

To mark this occasion, we invited children from Kingsbarns, Aberdour and Parkhill Schools to join us and help raise our special

10th anniversary flags at some of the beaches along the coast. The children were taken on a guided walk with one of our Rangers to the flag raising ceremonies held at Aberdour, Kingsbarns and Leven beaches.

In recent years the Fife Coastal Path has been extended to Kincardine in the south and to Newburgh in the north. It continues to go from strength to strength and the route is now recognised as one of Scotland's Great Trails and increasingly, throughout Europe, as a great place to walk and enjoy.

We are very grateful to all those who have been involved with the management, maintenance and promotion of the path over the years. The success of the path would not have been possible without the support of the landowners, local councillors, council officials and the people of Fife who have all combined to help us make the path such a great success. A special mention must go to our staff and volunteers who work tirelessly to keep the path at such a high standard.

Our staff worked with Fife Council's access team to continue the implementation of the Fife Core Path Plan. A new 500 metre stretch of path from Lochgelly to Dundonald was completed during the spring.



Lochgelly to Dundonald before and after

Our maintenance team also spent time improving 500 metres of the Fife Coastal Path at Seafield Tower, Kirkcaldy and then created a new path at Ravenscraig Park.

During the spring we were also able to reward a group of hard working volunteers who have supported us for many years. The Enviroable Group from the Robert Gough Centre in Leven have been stalwart

supporters of the Trust and have worked closely with our Coastal Ranger, Deirdre Munro, for the past 16 years. Thanks to funding provided by The Russell Trust we were able to buy them some wet weather clothing and other equipment to thank them for their hard work and support over the years.



Robert Gough Centre Enviroable Group and FCCT Staff

Sensational Summer

The summer arrived and what a glorious summer it turned out to be! Record numbers of people were at our beaches and on the Coastal Path. Whilst this was wonderful to see, it did bring with it challenges!



Celebrating another successful Blue Flag year

This year was our first full year managing Fife's beaches and we were thrilled that, once again, Fife had the only Blue Flag Awards in Scotland. Aberdour Silver Sands, Burntisland and Elie Ruby Bay were all able to hoist the blue flag during the summer despite the introduction of increasingly strict European standards. Our first year of beach surveys showed just how much the visitors enjoyed their time at the blue

flag beaches as well as the many seasonal award beaches all the way along the Kingdom's coastline. We hope that we will once again be successful in the 2014 awards.

During July 2013 we saw some dramatic events at Aberdour beach when two of our lifeguards, who are also twins, were involved in almost identical rescues at the same beach! Sarah and David Evans both had to intervene to rescue members of the public who had drifted out to sea on inflatables. Our lifeguards are highly qualified and we do everything that we can to ensure that visitors to the beaches have a fun and safe experience. We are extremely grateful to the beach staff for their dedication and hard work and hope to see many of them back on the beaches again this summer.

In July 2013 we launched our new "Friends of FCCT" scheme which encourages people to support our work for as little as £15 per year, which also qualifies them for other benefits.

July also saw the publication of our Eden Estuary annual report and we were able to look back on a remarkable year of rarely seen feathered visitors. The site has always been a mecca for birdwatchers, often welcoming a number of species normally only seen south of the border. This year visitors had seen yellow wagtails and little egrets visiting the Estuary as well as, for the first time, a spoonbill. The full report is available in the publications section of our website.



Spoonbill

A small but treasured Dunfermline woodland was improved this year thanks to funding from Fife Environment Trust and Fife Council. School Wood in Dunfermline, which is part of Dunfermline Public Park, had its pathways improved, new chainsaw sculptures installed and the interpretation on the site improved. Work was undertaken with the support of two local Primary schools, Commercial and St Margarets, both of which are located close to the woodland. Children from the schools helped by planting trees and wildflowers and making bird boxes.



Supported by
The National Lottery[®]
through the Heritage Lottery Fund



For the last three years, we have led a partnership of local organisations to develop and apply for funding from the Heritage Lottery Fund's Landscape Partnership Programme. The Living Lomonds Landscape Partnership project formally submitted its application in March 2013 and, in August 2013, we received the fantastic news that the Partnership had been awarded £1.7million in funding from the Heritage Lottery Fund to deliver the project across the Lomond and Benarty Hills, aiming to reconnect people with the landscape. There are over 40 exciting projects planned across the project area. Work started almost immediately and focused initially on recruitment of staff. Work on the ground commenced in January



Views across to the LLLP area

2014 with a series of craft workshops, path improvements and archaeological events amongst other activities. The £3.5million programme of works, events and activities will end in August 2016. For further information about the programme, please go to llp.org.uk.

Autumn Awards

The autumn season started off with the great news that Fife had been ranked as the number one destination for outdoor recreation for the seventh year in a row. Scottish Natural Heritage undertake the "Scottish Recreation Survey" every year. The report stated that the Kingdom's great outdoors received nearly 33 million visits which is approximately 100 times the actual population of Fife! We are fortunate that Fife boasts a variety of extraordinary coastal and countryside sites and it is hugely rewarding to know that our hard work along the Coastal Path, at beaches, nature reserves and other sites is helping to give people the chance to experience Fife's outdoors.



The Harbourmaster's House

We were also awarded our second successive gold award for the sustainable management of The Harbourmaster's House in Dysart from the Green Tourism Business Scheme. This means that our Headquarters is one of only seven visitor attractions in Fife that has been recognised for its outstanding sustainable processes and practices. If you are in the area, the 19th century listed building is a great place to stop and learn more about the coastline of Fife in the free visitor centre and have a drink and a snack in the lovely Bistro overlooking Dysart's historic harbour. But

our success didn't end there! We were delighted when the Harbourmaster's House public toilets were also awarded the UK's "Loo of the Year" award in the national beaches category. The facilities were also awarded the coveted platinum award. Several of our other coastal toilet facilities also received awards. Aberdour Silver Sands and Kingsbarns received gold awards whilst Elie Harbour and Elie Ruby Bay were silver award winners.

Our teams continued to maintain and improve sites and paths throughout the year and the autumn saw us complete a new boardwalk at Dreel Meadow, Anstruther.

In November we drafted in some "four-legged lawnmowers" at the world-famous West Sands in St Andrews. In order to maintain the dune grassland at the northern end of the beach, we introduced sheep to help with the ongoing environmental management of the area which had already been closed to cars in order to help protect the dune habitat.

Annual grass cutting had become increasingly expensive and we were concerned that the process was disturbing wildflowers, ground-nesting birds, butterflies and insects. The flock of sheep belong to local farmer Rob Dewey and he kindly volunteered to graze his rare breed Hebridean sheep at the site. We hope to graze the land between August and December every year before leaving the grass to provide a habitat for insects in the winter and for breeding birds between April and August.

Winning Winter

Fife's coastline went "primetime" in December as the work of FCCT was featured heavily in a new ITV show called "Off the Beaten Track". Host Christine Bleakley visited the blue flag beach at Elie and interviewed our Chief Executive Amanda McFarlane about our wonderful coastline. The programme also featured



Our latest celebrity visitor to the Kingdom

Robbie Blyth, our Beaches Officer, who was praised by Christine - "Robbie's dedication and pride is just typical of the Fifers I have met here. All of them passionate about preserving what is unique and special about this area".

This winter saw the conclusion of our European Project "Sustainable Coastal Development in Practice" (SUSCOD).



This project concluded with a final conference in Amsterdam where it was announced that the project's work on Intercoastal Zone Management was going to be adopted and taken forward by the EU. This is a great achievement for the project and shows the importance of these types of projects and the benefits they can bring. A website called iczmttool.eu will allow you to explore some of the work. In Fife we were able to work with partners to look at the area of the West Sands and Eden Estuary and explore integrated coastal zone principles and how they work in practice. We were also able to complete the development of our Fife Landscape Explorer (FLEX). This is an interactive 3D tool designed using gaming technology that allows you to "fly over" the project area and look at the potential impact of climate change and sea level rise. This system is now installed in the visitor centre of the Harbourmaster's House in Dysart. For more information on the SUSCOD project, go to suscod.eu.



As one project ends, so another begins and our year ended with more wonderful news.



It was announced that we had been awarded £275,000 from the Coastal Communities Fund, which is managed by the Big Lottery Fund on behalf of the UK Government. The funding will be used over the next two years to undertake a number of projects aimed at creating and sustaining jobs along the Fife Coast. Works will include the creation of circular walking routes at Newburgh and Birkhill in the north of Fife, the installation of predictive water quality signage at the East Sands in St Andrews, the replacement of lifesaving equipment at designated bathing beaches across Fife and the revitalisation of Kirkcaldy's Pathhead Sands, where work will be carried out on the beach, the dunes, and the natural habitats along with other works aimed at upgrading the beach to the standard of other recreational beaches in the area.



Councillors and FCCT at Pathhead Sands

Our maintenance team finished another busy year of repairs and improvements by installing a new bridge at Kittock's Den.

This year has seen a number of achievements and awards that recognise our work over several years and our growing reputation as an organisation that continues to deliver some innovative and exciting projects throughout the Kingdom. This is due, in no small part, to the dedication of our Directors, staff, volunteers, partners, landowners, Fife Council, other funders and the local communities. Our final thanks this year must, once again, go to all of them.

Financial Review

The balance sheet of the Trust as detailed on page 17 shows net assets of the Trust at £1,005,303 at 31 March 2014. The deficit for the year is detailed in the Statement of Financial Activities on page 16. It should be noted that the actuarial loss on the Trust's FRS 17 pension liability this year had the effect of increasing the deficit for the year by £190,000 and that without this adjustment, the surplus for the year would have been £98,525.

Risk Management

The Directors have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to mitigate exposure to the major risks. The Trust has a risk register in place, which is reviewed regularly by the Directors. It is also a standing agenda item at all Audit and Finance subgroup meetings as well as being discussed at all meetings of the HR and Remuneration subgroup.

Reserves

Unlike some other Trusts in Fife, Fife Coast and Countryside Trust has no means of increasing its incoming resources through charging for entrance fees or access to the countryside. Because of this and the future uncertainty regarding the levels of funding coming from Fife Council, the Directors have agreed that the current level of reserves should be maintained to enable the Trust to meet any potential future commitments which may occur in the next twelve months.

A subgroup of the Board has been established to review future services that the Trust are being asked to deliver. Members include the Chairman and the Chair of the Audit and Finance subgroup.

as well as two other Directors and the Chief Executive.

The balance sheet of the Trust shows an unrestricted fund balance of £662,591. Of this total, the Directors have designated, or ring-fenced, £655,500 of funds to cover a vehicle replacement programme £60,000, West Sands Centre £100,000, running costs £170,000 and part of the pension liability £325,500.

Responsibilities of the Board of Directors

The trustees (who are also directors of Fife Coast and Countryside Trust for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Directors 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 assume that the company will continue on that basis.

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

Members of the Board of Directors

Members of the Board of Directors, who served during the year and up to the date of this report, are set out on page 4.

In accordance with company law, as the Trust's Directors, we certify that:-

- so far as we are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- as the Directors of the Trust we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Paterson Boyd & Co Limited were re-appointed as the Trust's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 26 September 2014 and signed on its behalf by:-



Robert Balfour
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF FIFE COAST AND COUNTRYSIDE TRUST

We have audited the financial statements of Fife Coast and Countryside Trust for the year ended 31 March 2014 which comprise the statement of financial activities (incorporating income and expenditure account), the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Trust's directors, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an auditor's 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 Trust and the Trust's members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board of Directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 13 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:-

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:-

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:-

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Date: 26 September 2014

Sheila Boardman M.A. F.C.A

Senior Statutory Auditor

Eligible to act as auditor in terms of section 1212 of the Companies Act 2006

For and on Behalf of Paterson Boyd & Co Limited

Chartered Accountants &


Statutory Auditors

8 Mitchell Street

Leven

Fife

KY8 4HJ



STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account)
for the year ended 31 March 2014

	Note	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total 2014 £	Total 2013 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income		4,892	3,833	8,725	1,833
Investment income		-	10,309	10,309	17,118
Other income (Bistro)		-	16,152	16,152	7,878
Activities for generating funds		8,382	-	8,382	7,281
Incoming resources from charitable activities:					
Grant funding	2	1,886,188	2,794	1,888,982	1,584,699
Other charitable activities		9,049	-	9,049	10,269
Total incoming resources		1,908,511	33,088	1,941,599	1,629,078
Resources expended					
Charitable activities	5	1,762,613	22,313	1,784,926	1,692,785
Costs of generating funds	5	34,109	-	34,109	8,114
Governance costs	5	24,039	-	24,039	7,278
Total resources expended		1,820,761	22,313	1,843,074	1,708,177
Net (outgoing)/incoming resources before transfers		87,750	10,775	98,525	(79,099)
Gross transfers between funds		15,287	(15,287)	-	-
Net (outgoing) incoming resources / Net income (expenditure) before other recognised gains (losses)		103,037	(4,512)	98,525	(79,099)
Other recognised gains/losses					
Actuarial (losses)/gains on defined benefit pension scheme	11	-	(190,000)	(190,000)	(129,000)
Net movement in funds	12	103,037	(194,512)	(91,475)	(208,099)
Total funds at 1 April 2013	12	239,675	857,103	1,096,778	1,304,877
Total funds at 31 March 2014	12	342,712	662,591	1,005,303	1,096,778

The results for the year derive from continuing activities.
There are no gains or losses other than those shown above.

BALANCE SHEET

as at 31 March 2014

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	7		78,740		92,664
Investments	8		25		25
			<u>78,765</u>		<u>92,689</u>
Current assets					
Debtors	9	502,396		202,682	
Cash at bank and in hand		<u>1,310,650</u>		<u>1,380,308</u>	
		1,813,046		1,582,990	
Creditors: amounts falling due within one year	10	<u>(235,508)</u>		<u>(139,901)</u>	
Net current assets			1,577,538		1,443,089
Defined benefit pension scheme liability	11		<u>(651,000)</u>		<u>(439,000)</u>
Total assets less current liabilities			<u>1,005,303</u>		<u>1,096,778</u>
Funds					
Restricted funds	12		342,712		239,675
Unrestricted funds - General	12		7,091		44,988
Designated funds - Pension Liability	12		325,500		439,000
Designated funds - Running Costs	12		170,000		333,115
Designated funds - Emergency Maintenance	12		-		40,000
Designated funds - Vehicle Replacement	12		60,000		-
Designated funds - West Sands Centre	12		100,000		-
Total funds	12		<u>1,005,303</u>		<u>1,096,778</u>

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

The financial statements on pages 16 to 27 were approved by the Board of Directors on 26 September 2014 and signed on its behalf by:



R Balfour
Chairman
Pensions

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008) and Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued March 2005, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Tangible fixed assets and depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Project specific assets	straight line over three years
Motor vehicles	straight line over two or four years
Fixtures and fittings	straight line over five years
Tools and equipment	straight line over five years
Computer equipment	straight line over three years

Assets below £250 are not capitalised.

Investments

Fixed asset investments are shown at cost.

Incoming resources

Income from donations and grants, including capital grants is included in incoming resources when these are receivable, except when donors specify that the donations or grants must be used in future accounting periods, or conditions are imposed, which have to be fulfilled before the Trust is entitled to use such income.

Interest receivable

Interest receivable is included when receivable by the Trust.

Resources expended

Resources expended are included in the accounts on an accrual basis. The Trust has been VAT registered since 2003 therefore resources expended are included net of VAT.

Leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

In preparing the financial statements for the current year, the Trust has adopted the reporting requirements of the Financial Reporting Standard for Smaller Entities in relation to defined benefit pension schemes.

For defined benefit pension schemes the amounts charged in resources expended are current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised in the 'Other recognised gains and losses'.

Defined benefit pension schemes are funded, with assets of the scheme held separately from those of the Trust, in separate trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

Fund accounting

Funds held by the Trust are either:

- unrestricted general funds, which can be used in accordance with the charitable objectives at the discretion of the trustees, or
- restricted funds, which are funds that can only be used for a particular restricted purpose within the objectives of the Trust.

Designated funds are amounts included within unrestricted funds but which have been earmarked by the Directors for particular purposes in future.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Incoming resources from charitable activities

Grants received:

Fife Council Funding: SLA
 Fife Council Funding: Other Projects
 Fife Environment Trust
 ERDF/EU Funding
 Scottish Natural Heritage
 Scottish Water
 Forestry Commission Scotland
 National Trust for Scotland
 Heritage Lottery Fund
 Falkland Centre for Stewardship
 CSV Action Earth
 Big Green Footprint
 Scottish Enterprise Fife

Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total 2014 £	Total 2013 £
1,405,392	-	1,405,392	1,287,856
104,225	-	104,225	41,192
52,524	-	52,524	12,347
64,370	-	64,370	49,905
-	-	-	7,219
8,000	-	8,000	7,700
-	-	-	1,217
-	-	-	4,150
176,270	-	176,270	87,685
74,619	-	74,619	-
788	-	788	1,928
-	2,794	2,794	-
-	-	-	83,500
<u>1,886,188</u>	<u>2,794</u>	<u>1,888,982</u>	<u>1,584,699</u>

3. Directors and Staff Costs

Directors' and staff costs

	2014 £	2013 £
Gross wages	916,690	939,081
Social security costs	66,605	-
Employer's pension	139,000	197,000
	<u>1,122,595</u>	<u>1,136,081</u>

Average monthly employed
including executive Directors:
Chief Executive
Project and operations staff
Support staff

Number	Number
1	1
33	29
8	8
<u>42</u>	<u>38</u>

The number of employees whose emoluments
fell within the following band:-
£60,000 - £70,000

2014	2013
1	-

Employer pension contributions were not made for the above employee.

At 31 March 2014 there were a total of 33 staff under the control of the Chief Executive: 5 team leaders, 2 project officers, 7 rangers, 13 maintenance staff and 6 support staff.

Board of Directors

No member of the Board received any remuneration or reimbursement of expenses in the year.

4. Movement in Total Funds for the Year

This is stated after charging:

	2014 £	2013 £
Auditors' remuneration - audit	3,500	4,500
Auditors' remuneration - non audit work	2,335	2,740
Depreciation	<u>51,433</u>	<u>47,799</u>

5. Total Resources Expended

Charitable activities

	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total 2014 £	Total 2013 £
Staff costs	884,253	-	884,253	887,910
Staff travel	12,688	-	12,688	8,950
Employer's pension (see note 11)	117,000	17,000	134,000	197,000
Net finance charge (see note 11)	-	5,000	5,000	-
Living Lomonds Landscape Partnership wages	34,896	-	34,896	-
Agency staff costs	9,442	-	9,442	-
Conference costs	1,844	-	1,844	281
Training	16,230	-	16,230	3,870
Materials and labour	28,029	-	28,029	32,930
Equipment	14,826	237	15,063	13,549
Contractor & consultancy costs	289,561	-	289,561	262,360
Marketing & PR	4,978	-	4,978	5,354
Printing, publications and leaflets	16,798	-	16,798	24,808
Repairs and maintenance	5,888	-	5,888	6,636
Orientation and interpretation panels	9,080	-	9,080	4,450
Plant and equipment hire	1,975	-	1,975	3,459
Website development costs	930	-	930	1,091
Carriage inwards	95	-	95	-
Vehicle leasing and running costs	88,550	-	88,550	47,998
Heat and light	11,561	-	11,561	10,556
Protective clothing, cleaning and pest control	30,713	-	30,713	22,501
Exchange rate losses	823	-	823	559
Events	544	-	544	354
Water rates	2,239	-	2,239	3,453
Miscellaneous expenses	-	-	-	986
Hospitality, catering and refreshments	2,541	-	2,541	2,036
Volunteer expenses	2,576	-	2,576	1,968
First aid costs/ occupational health	878	-	878	208
Educational supplies	1,689	-	1,689	1,666
Depreciation	51,357	76	51,433	47,799
Support costs (see note 6)	125,765	-	125,765	100,053
Profit on disposal of assets	(5,136)	-	(5,136)	-
	<u>1,762,613</u>	<u>22,313</u>	<u>1,784,926</u>	<u>1,692,785</u>

5. Total Resources Expended (continued)

Cost of generating funds

	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total 2014 £	Total 2013 £
Staff costs	30,176	-	30,176	4,217
Fundraising expenses	3,933	-	3,933	3,686
Website costs	-	-	-	-
Support costs (see note 6)	-	-	-	211
	<u>34,109</u>	<u>-</u>	<u>34,109</u>	<u>8,114</u>

Governance

Audit	3,500	-	3,500	3,500
Legal and professional fees	10,754	-	10,754	13
Support costs (see note 6)	9,785	-	9,785	3,765
	<u>24,039</u>	<u>-</u>	<u>24,039</u>	<u>7,278</u>

6. Support Costs

	Charitable Activities £	Generating Funds £	Governance £	Total 2014 £	Total 2013 £
Staff costs	63,450	-	5,716	69,166	46,954
Telephone, printing and stationery	23,282	-	-	23,282	21,635
Information technology	7,006	-	-	7,006	5,024
Insurance	10,155	-	-	10,155	7,642
Accountancy fees	-	-	4,069	4,069	3,765
Subscriptions	2,203	-	-	2,203	2,221
Finance charges	1,050	-	-	1,050	900
Training and recruitment	4,547	-	-	4,547	1,673
Legal fees	2,555	-	-	2,555	10,377
Payroll fees	3,561	-	-	3,561	-
Rent	7,956	-	-	7,956	2,061
Miscellaneous expenses	-	-	-	-	277
Donations	-	-	-	-	1,500
	<u>125,765</u>	<u>-</u>	<u>9,785</u>	<u>135,550</u>	<u>104,029</u>

7. Tangible Fixed Assets

	Motor Vehicles	Tools & Equipment	Fixtures & Fittings	Computer Equipment	Total
Cost	£	£	£	£	£
At 1 April 2013	113,770	88,529	4,315	16,758	223,372
Added in the year	13,893	11,470	553	11,907	37,823
Disposals in the year	(6,300)	(1,401)	-	-	(7,701)
At 31 March 2014	121,363	98,598	4,868	28,665	253,494
Depreciation					
At 1 April 2013	51,852	60,161	4,237	14,458	130,708
Charge for year	35,536	13,814	147	1,936	51,433
Disposals in the year	(6,300)	(1,087)	-	-	(7,387)
At 31 March 2014	81,088	72,888	4,384	16,394	174,754
Net book value					
At 31 March 2014	40,275	25,710	484	12,271	78,740
At 31 March 2013	61,918	28,368	78	2,300	92,664

8. Fixed Asset investments

	2014	2013
	£	£
Unlisted UK investments	25	25

9. Debtors

	2014	2013
	£	£
Trade debtors	189,038	74,150
Other debtors - amounts due from funding bodies	280,435	88,120
Other debtors - accrued income	-	10,849
Prepayments	19,950	11,768
Other taxation and social security - VAT debtor	12,973	17,795
	502,396	202,682

10. Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	165,283	73,917
Other creditors	2,154	23,608
Accruals	68,071	42,376
	235,508	139,901

11. Pension Costs

The Trust operates a defined benefit scheme in respect of its employees. The scheme is part of the Fife Council Pension Fund and is administered by Fife Council. It is a funded scheme and the assets are administered by its trustees and are independent of the Trust. The related costs are assessed in accordance with the advice of professionally qualified actuaries.

A formal actuarial valuation was carried out up to 31 March 2011 and was updated to 31 March 2014 by Hymans Robertson LLP, the scheme actuary, using the approximate method, the results of which are shown below. The financial assumptions used by the actuary were:-

	2014 %	2013 %
Expected return on assets	6.0	5.2
Rate of increase in salaries	5.2	5.1
Rate of increase in pensions in payment	2.9	2.8
Inflation assumption	2.9	2.8
Discount rate	4.3	4.5

The fair value of assets in the scheme and the expected rate of return were:-

	Long Term Return At		Value at	
	2014 %	2013 %	2014 £	2013 £
Equity	6.7	5.8	1,710,000	1,508,000
Bonds	4.0	3.8	386,000	340,000
Property	4.8	3.9	217,000	170,000
Cash	3.7	3.0	96,000	106,000
			<u>2,409,000</u>	<u>2,124,000</u>

The following amounts at 31 March 2014 were measured in accordance with the requirements of FRS17:-

	2014 £	2013 £
Total fair value of assets	2,409,000	2,124,000
Present value of funded liabilities	(3,060,000)	(2,563,000)
Net pension liability	<u>(651,000)</u>	<u>(439,000)</u>

11. Pension Costs (continued)

Analysis of amounts chargeable to resources expended under FRS17:-

	2014 £	2013 £
Current service cost	134,000	113,000
Losses on curtailments/ settlements	-	84,000
Total operating charge	<u>134,000</u>	<u>197,000</u>

Analysis of amounts charged to other finance costs under FRS17:-

	2014 £	2013 £
Expected return on pension scheme assets	(114,000)	(100,000)
Interest on pension scheme liabilities	119,000	100,000
Net charge	<u>5,000</u>	<u>-</u>

Movement in deficit during the year:-

	2014 £	2013 £
Deficit in scheme at 1 April 2013	(439,000)	(233,000)
Movement in year:		
Current service costs	(134,000)	(113,000)
Losses on curtailments / settlements	-	(84,000)
Contributions	117,000	120,000
Net return on assets	(5,000)	-
Actuarial loss	(190,000)	(129,000)
Deficit in scheme at 31 March 2014	<u>(651,000)</u>	<u>(439,000)</u>

12. Funds

	Restricted funds	Unrestricted Funds		Total
	£	General £	Designated £	£
At 1 April 2013	239,675	44,988	812,115	1,096,778
Net incoming resources before transfers	87,750	10,775	-	98,525
Transfer from general to restricted funds	15,287	(15,287)	-	-
Actuarial loss on defined benefit scheme	-	(190,000)	-	(190,000)
	<u>342,712</u>	<u>149,524</u>	<u>812,115</u>	<u>1,005,303</u>
Transfer from designated funds:-				
From running costs to general	-	(163,115)	(163,115)	-
From emergency maintenance to general	-	(40,000)	(40,000)	-
From pension to general	-	(113,500)	(113,500)	-
Transfer from general fund to West Sands Centre	-	100,000	100,000	-
Transfer from general fund to Vehicle Replacement Programme	-	60,000	60,000	-
	<u>342,712</u>	<u>7,091</u>	<u>655,500</u>	<u>1,005,303</u>
At 31 March 2014				
Represented by:				
Fixed assets	78,740	-	-	78,740
Investments	-	25	-	25
Net current assets	263,972	658,066	655,500	1,577,538
Defined benefit pension scheme liability	-	(651,000)	-	(651,000)
	<u>342,712</u>	<u>7,091</u>	<u>655,500</u>	<u>1,005,303</u>

Restricted funds represent service level income, grants and other funding from Fife Council and other funding bodies which is given for specific outcomes and projects. The main projects in the year are discussed in the Director's Report on page 6. Unrestricted funds can be used in accordance with the Trust's charitable objectives at the discretion of the Directors. The Directors have chosen to designate £655,500 of the unrestricted funds to cover a vehicle replacement programme £60,000, West Sands Centre £100,000, running costs £170,000 and part of the pension liability £325,500.

Transfers between restricted and unrestricted funds represent surpluses on completed projects.

12. Funds (continued)

Included in restricted funds above is the Heritage Lottery Funded Living Lomonds Landscape Partnership (LLLLP) fund. The movement on this fund is as follows:-

	Total £
Income -	
HLF	149,470
Fife Council	21,375
ERDF/EU	4,009
Falkland Centre for Stewardship	74,619
Donations	250
Project income	24,092
	<hr/> 273,815
Expenditure	(221,794)
T/F Unrestricted Funds to project	5,441
	<hr/> 57,462

13. Related parties

For the whole of the financial year the Trust was controlled by its Board of Directors as listed on page 4 of these financial statements.

Board members A McGarry, L Laird, J Young and E Riches also served as Councillors with Fife Council during the year. During the year the Trust received grant funding totalling £1,509,617 (2013: £1,329,048) from Fife Council. Also during the year the Trust purchased goods and services from Fife Council totalling £94,135 (2013: £102,478).

At the balance sheet date the Trust was due £143,716 (2013: £73,681) from and due £10,743 (2013: £11,807) to Fife Council.

Board member K Leys is also Operations Manager for Scottish Natural Heritage, Forth Region. During the year grant income totalling £ nil (2013: £7,219) was received from Scottish Natural Heritage.

Board members S House and M Strachan are Forestry Commission Scotland's representatives on the Board. During the year the Trust received £ nil (2013: £1,217) in funding from Forestry Commission Scotland.

Board member Suzanne Roberts is Keep Scotland Beautiful's representative on the Board. During the year the Trust received £ nil in funding from Keep Scotland Beautiful.

15. Legal status of the Trust

The Trust is a company limited by guarantee without share capital. Each member of the Trust has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the Trust being placed in liquidation. At the balance sheet date the Trust had one member.



FIFE COAST & COUNTRYSIDE TRUST

Fife Coast and Countryside Trust is an environmental charity.

Our registered office is in the Harbourmaster's House in Dysart which also houses Fife's First Coastal Centre and Bistro.

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