

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 2021**

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

Trustees

Councillor J R Collier
Councillor A J Markley
Mrs J Lochhead
Mr J Mitchell
Mr R H S Shaw
Councillor M D Johnstone
Dr A M Lackie
Mr M T E Cowen
Councillor J Cook

(Appointed 7 September
2020)

Secretary

Mr P M Mackey

Charity number (Scotland)

SC034376

Company number

SC250012

Registered office

Campbell House
The Crichton
Dumfries
DG1 4UQ

Independent examiner

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

Bankers

Bank of Scotland
91 High Street
Dumfries
DG1 2BN

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
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THE SOLWAY FIRTH PARTNERSHIP (A COMPANY LIMITED BY GUARANTEE) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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) (effective 1 January 2019)".

Objectives and activities

The charity's Business Plan 2018 – 2021 sets out how the organisation intends to maintain its strategic aims while adapting to meet the changing needs of the working environment. The Business Plan spans three years while recognising the need for review and revision during this time resulting from implementation of the Marine Acts. It is intended to supplement the Company's Memorandum and Articles of Association, provide clarity about the organisation's aims and set out actions against which progress could be measured. The Business Plan, as with all Solway Firth Partnership's governing and strategic documents, is available on the company's website: www.solwayfirthpartnership.co.uk.

Solway Firth Partnership's mission is to support a vibrant and sustainable local economy while respecting, protecting and celebrating the distinctive character, heritage and natural features of the marine and coastal area.

The organisation's strategic aim is to provide a framework for marine planning and management that enables engagement by everyone with an interest in the local marine and coastal area.

The organisation is working towards the following strategic outcomes:

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

Activities for achieving objectives

The Partnership's core activities, as set out in the Business Plan 2018 – 2021, 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 2021**

Achievements and performance

Partnership

- The Business Plan 2018-21 was followed this year. A review of this plan was carried out and is available. The new SFP Business Plan 2021 – 2024 has been produced and will be 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 2 days/week as Project Officer and Morag Walker 1.5 days/week as Project Assistant. Georgina Reid worked full-time as SMILE Project Officer.
- During the lockdown for COVID-19, the Project Officer, Nic Coombey was placed on furlough from mid-April to the end of June 2020. The SMILE Project Officer, Georgina Reid, worked part-time over a period of four months. In consequence, the SMILE Project end date was extended from Dec 2020 to July 2021.
- Quarterly Board and Advisory Group meetings were held throughout the year online due to the COVID-19 situation.
- The sixteenth SFP AGM was held on Friday 6 November 2020 online.
- The Partnership input to the work of a wide range of complementary initiatives such as Solway Coast AONB Steering Group, the National Coastal Partnership Officers' networks, Cumbria Coastal Groups and the MPA Officers network.
- SFP has contributed to and sits on the LEADER Dumfries and Galloway Communities Local Action Group.
- The SFP website was kept up to date with news items and new information.
- A series of webinars on cross-border themes were jointly hosted with the Solway Coast AONB.
- Social media was kept up to date. Facebook posts regularly reached and engaged with 500 to 1000 people and tweet impressions ranged from 3,000 to 9,000.
- Enewsletters were posted monthly throughout 2020 and in January, February and March 2021 to over 400 subscribers.

Planning

- There has been a contribution to a range of partnership initiatives including European Marine Site / Marine Protected Areas Officers network; National Coastal Partnership Network Forum; Northern Coastal Sub-group; and DG Shoreline Management Plan Client Steering Forum.
- Work continues on the EMFF funded, SMILE (Solway Marine Information Learning and Environment) Project. The Solway Review online story map was launched in Feb 2021 and can be found at – <https://www.solwayfirthpartnership.co.uk/solway-review/> The project has been extended to July 2021 and the additional time has allowed the Project Officer to develop further outputs including a Solway Photo Series public engagement exercise, launched in February 2021 encouraging stakeholders around the Solway to submit their photos to be included in the Solway Review.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Environment

- SFP continues to promote marine litter initiatives and any local beach cleans through the website, e-newsletters and Tidelines.
- Annual monitoring of marine Invasive Non-Native Species (INNS) using settlement panels was not carried out over summer 2020 due to the COVID-19 situation. It is hoped that monitoring will continue as normal in 2021. The Biosecurity Plan for the Solway, 2021 – 2024, has been updated and is available on the webpage - <https://www.solwayfirthpartnership.co.uk/environment/invasive-non-native-species/>
- SFP has worked in partnership with Dumfries and Galloway Council (DGC) to develop the Borderlands Marine Pilot Project, looking at the natural capital of the marine and coast in a pilot project.
- There has been contribution to a range of partnership initiatives including attending Solway Coast AONB Steering Group meetings; River Eden Catchment mapping workshops online; DGC Shoreline Management Plan meeting; Environmental Alliance for the South of Scotland meeting; Scotland's Rural Parliament; South of Scotland Enterprise Natural Capital Workshop; and Cumbria Local Nature Recovery Strategy Pilot stakeholder events.

Fisheries

- SFP continues to highlight fisheries news from both sides of the Solway through the website and social media.
- SFP is a partner in a project investigating the possibility of carrying out cockle relaying in the Solway. The project is currently at feasibility stage.
- SFP has attended West Coast Regional Inshore Fisheries Group meetings via zoom.

Energy

- SFP is administering the Robin Rigg Community Fund on behalf of RWE. The fund was launched in October 2019. Projects were assessed and shortlisted for the £130,000 for Year 2 of 3 years then advised of success in January 2021. Guidance notes and the application form were made available on the SFP website.
- SFP raised awareness of the revised Scottish Government Sectoral Marine Plan for Offshore Wind Energy.
- The SFP website was updated with several additional pages on Renewable Energy after liaison with Marine Scotland. They can be viewed at <https://www.solwayfirthpartnership.co.uk/energy/renewable-energy-in-the-solway/>

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

Awareness

- Tidelines was produced bi-annually and distributed across the Solway as a downloadable pdf.
- E-newsletters were developed and sent monthly in 2020 and January, February and March in 2021 to over 400 subscribers.
- The SFP website was regularly updated throughout the year with relevant news.
- SFP set up a Memorandum of Understanding with Dumfries and Galloway Council to deliver a programme of activities for the HLF funded Rhins Coast Path Activity Plan. The activities, which were due to be delivered over 2 years from early summer 2020, were postponed due to COVID-19. Work took place to help develop the dedicated website and short circular walks on the Rhins and promote the area through social media.
- SFP continues to work on the HLF Galloway Glens Landscape Partnership Scheme Project – 'Kirkcudbright Bay Views – revealing hidden stories through improved access and interpretation'. As part of the project, SFP produced a Walk booklet to promote access around the bay.
- A Bio-blitz event, funded through the HLF Galloway Glens - Small Grants Scheme, was due to be held at the Dhoon Beach over the weekend 5 – 7 June 2020 in partnership with the South West Scotland Environmental Information Centre. It had to be postponed from 2020 and 2021 due to COVID-19. The event will now take place at around the same time in 2022.
- The Year of Coasts and Waters 2020 has changed to 2020/21 due to COVID-19. SFP continues to display the revised logo on the website and promote the themed year.
- SFP staff have been active on social media, posting regularly on Facebook, twitter, and Instagram. Facebook posts regularly reach and engage with 500 to 1000 people and tweet impressions range from 3,000 to 9,000.

Financial review

The Solway Firth Partnership continues to carry out a range of projects to achieve the objectives set out in Business Plan. Net income/expenditure for the year was a surplus of £77,704 (2020: deficit £23,170). The restricted funds surplus was £75,196 (2020: deficit £27,920). The surplus on unrestricted funds was £2,508 (2020: £4,750).

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 £80,991.

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 2021**

Future plans

The Business Plan 2018 – 2021 is currently being followed with the 2021 – 24 Plan produced for the next financial year. However, the future work of SFP is dictated by the COVID-19 pandemic. Staff will continue to monitor the situation and will carry out work where possible to do so while following government guidelines. This will inevitably mean that some projects will be put on hold until a time that they can be delivered safely.

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 Dumfries and Galloway Council, Historic Environment Scotland, Heritage Lottery Fund and other appropriate national grant funds.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

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:

Councillor J R Collier

Councillor A J Markley

Mr C H G Edwards

(Resigned 28 February 2021)

Mrs J Lochhead

Mr J Mitchell

Mr R H S Shaw

Councillor M D Johnstone

Dr A M Lackie

Mr M T E Cowen

Mr A McNeill

(Resigned 7 July 2021)

Councillor J Cook

(Appointed 7 September 2020)

Sadly Alastair McNeill passed away during the year.

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 £99,363 (2020: £81,605) on behalf of other organisations as custodian.

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


.....
Mr R H S Shaw

Dated: 21 Sep 2021

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021**

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

I report on the financial statements of the charity for the year ended 31 March 2021, which are set out on pages 9 to 22.

Respective responsibilities of Trustees and examiner

The charity's Trustees, who are also the directors of The Solway Firth Partnership for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The 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 financial statements 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

Chartered Accountants Ireland
Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

Dated:22/9/21.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and legacies	3	65,780	104,006	169,786	51,635	103,440	155,075
Other trading activities	4	13,997	-	13,997	26,552	-	26,552
Investments	5	26	-	26	75	-	75
Total income		79,803	104,006	183,809	78,262	103,440	181,702
<u>Expenditure on:</u>							
Expenditure on charitable activities	6	75,923	30,182	106,105	72,367	132,505	204,872
Net incoming/ (outgoing) resources before transfers		3,880	73,824	77,704	5,895	(29,065)	(23,170)
Gross transfers between funds		(1,372)	1,372	-	(1,145)	1,145	-
Net income/(expenditure) for the year/ Net movement in funds		2,508	75,196	77,704	4,750	(27,920)	(23,170)
Fund balances at 1 April 2020		78,483	(68,174)	10,309	73,730	(40,252)	33,478
Fund balances at 31 March 2021		80,991	7,022	88,013	78,480	(68,172)	10,308

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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		1,380		2,045
Current assets					
Debtors	11	3,712		10,586	
Cash at bank and in hand		203,366		104,214	
		<u>207,078</u>		<u>114,800</u>	
Creditors: amounts falling due within one year	12	<u>(120,445)</u>		<u>(106,537)</u>	
Net current assets			86,633		8,263
Total assets less current liabilities			<u>88,013</u>		<u>10,308</u>
Income funds					
Restricted funds	13		7,022		(68,172)
Unrestricted funds			80,991		78,480
			<u>88,013</u>		<u>10,308</u>

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 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on ... *6 September 2021*


Mr R H S Shaw
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 2021**

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 financial statements have been prepared in accordance with the charity's [governing document], 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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.

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 Income

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.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies

(Continued)

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.

1.5 Expenditure

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).

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 2021**

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.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	6	-	6	-	-	-
Grants	65,774	104,006	169,780	51,635	103,440	155,075
	<u>65,780</u>	<u>104,006</u>	<u>169,786</u>	<u>51,635</u>	<u>103,440</u>	<u>155,075</u>
Grants receivable for core activities						
Marine Scotland	40,500	33,173	73,673	38,000	-	38,000
Marine Scotland - EMFF	-	-	-	-	62,803	62,803
RWE Renewables (formerly E.ON)	8,000	-	8,000	8,000	-	8,000
Dumfries & Galloway Council	10,000	5,599	15,599	-	2,000	2,000
Cumbria County Council	3,885	-	3,885	3,885	-	3,885
Allerdale Borough Council	1,000	-	1,000	1,000	2,000	3,000
Foundation Scotland	-	8,100	8,100	-	-	-
D&G LEADER	-	39,463	39,463	-	20,892	20,892
Heritage Lottery Fund	-	7,717	7,717	-	-	-
Marine Management Org - EMFF	-	9,954	9,954	-	14,931	14,931
Other	2,389	-	2,389	750	814	1,564
	<u>65,774</u>	<u>104,006</u>	<u>169,780</u>	<u>51,635</u>	<u>103,440</u>	<u>155,075</u>

Included within other grants are unrestricted funds of £750 from Carlisle City Council and £1,639 from HMRC JRS.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Project management fees	13,997	26,552
	<u>13,997</u>	<u>26,552</u>

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	26	75
	<u>26</u>	<u>75</u>

6 Expenditure on charitable activities

	Running of charity 2021	Running of charity 2020
	£	£
Staff costs	78,891	91,497
Tidelines	2,186	6,387
Staff training	-	45
Travelling	71	2,338
Project costs	3,743	85,269
Cost of meetings	(116)	990
	<u>84,775</u>	<u>186,526</u>
Share of support costs (see note 7)	20,440	17,455
Share of governance costs (see note 7)	890	891
	<u>106,105</u>	<u>204,872</u>
Analysis by fund		
Unrestricted funds	75,923	72,367
Restricted funds	30,182	132,505
	<u>106,105</u>	<u>204,872</u>

THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Depreciation	665	-	665	1,002	-	1,002
Telephone	832	-	832	785	-	785
Stationery & postage	634	-	634	679	-	679
General insurance	748	-	748	746	-	746
IT Support	3,271	-	3,271	2,664	-	2,664
Rent, rates, heat & light	13,252	-	13,252	10,526	-	10,526
Legal & professional	1,038	-	1,038	1,053	-	1,053
Accountancy	-	890	890	-	830	830
Legal and professional	-	-	-	-	61	61
	<u>20,440</u>	<u>890</u>	<u>21,330</u>	<u>17,455</u>	<u>891</u>	<u>18,346</u>
Analysed between						
Charitable activities	<u>20,440</u>	<u>890</u>	<u>21,330</u>	<u>17,455</u>	<u>891</u>	<u>18,346</u>

8 Trustees

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

The Trustees did not have any expenses reimbursed during the year, nor the previous year.

Trustee Liability Insurance was in place during the year.

THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

9 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Administration & project delivery	5	5
	<u>5</u>	<u>5</u>
Employment costs	2021	2020
	£	£
Wages and salaries	58,333	71,207
Social security costs	-	757
Other pension costs	20,558	19,533
	<u>78,891</u>	<u>91,497</u>
	<u>78,891</u>	<u>91,497</u>

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

10 Tangible fixed assets

	Plant and equipment
	£
Cost	
At 1 April 2020	9,278
At 31 March 2021	<u>9,278</u>
Depreciation and impairment	
At 1 April 2020	7,233
Depreciation charged in the year	665
At 31 March 2021	<u>7,898</u>
Carrying amount	
At 31 March 2021	<u>1,380</u>
At 31 March 2020	<u>2,045</u>

THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors		
	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	-	6,884
Prepayments and accrued income	3,712	3,702
	<u>3,712</u>	<u>10,586</u>
	<u><u>3,712</u></u>	<u><u>10,586</u></u>
12 Creditors: amounts falling due within one year		
	2021	2020
	£	£
Other taxation and social security	416	649
Trade creditors	3,494	396
Other creditors	115,435	100,999
Accruals and deferred income	1,100	4,493
	<u>120,445</u>	<u>106,537</u>
	<u><u>120,445</u></u>	<u><u>106,537</u></u>

**THE SOLWAY FIRTH PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

13 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				Movement in funds				
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Coastal Footpaths	10,000	-	-	-	10,000	-	-	-	10,000
Fishing Faces	(4,314)	13,907	(9,768)	175	-	-	-	-	-
Rhins Online	-	-	-	-	-	8,100	-	-	8,100
SEAES/SEASS	-	29,862	(39,816)	-	(9,954)	9,954	-	-	-
SMILE Project	(20,865)	33,966	(34,060)	-	(20,958)	33,173	(24,263)	-	(12,048)
Solway Costwise	(27,634)	22,892	(38,541)	-	(43,284)	42,180	(268)	1,372	-
Solway Military Trail	2,560	-	(2,560)	-	-	-	-	-	-
Marine Litter (SCRAPBook)	-	313	-	-	313	-	-	-	313
Galloway Glens Landscape Partnership Scheme	-	-	(2,556)	-	(2,556)	5,599	(2,386)	-	657
Solway Coast is Clear	-	-	(1,736)	-	(1,736)	5,000	(3,264)	-	-
Solway Cumbrian Beach Guide	-	2,500	(3,469)	969	-	-	-	-	-
	<u>(40,252)</u>	<u>103,440</u>	<u>(132,505)</u>	<u>1,144</u>	<u>(68,174)</u>	<u>104,006</u>	<u>(30,181)</u>	<u>1,372</u>	<u>7,022</u>

**THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

13 Restricted funds

(Continued)

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.

Rhins Online

For the delivery of online events supporting community engagement with the archaeology of the Rhins of Galloway Coastal Path.

SEAES/SEASS

The aim of the Socio-Economic Analysis of the Solway (SEAES/SEASS) Project was to produce an analysis that describes the relative contribution of the key sectors in the Solway in the context of the UK maritime economy. The reports are available on the SFP website. The project was funded by the EMFF through Marine Scotland (Socio-Economic Analysis of the Scottish Solway) and the MMO (Socio-Economic Analysis of the English Solway) with the work being carried out on both sides by the consultants Ekos.

SMILE (Solway Marine Information Learning and Environment) Project

The £111,500 SMILE Project is producing a 'State of the Solway' Review through stakeholder engagement / evidence gathering and a series of workshops / meetings. The Project, which is funded by the EMFF, is due to run until February 2021 although there is likely to be an extension to the project due to the COVID-19 situation. The closing fund is in deficit at the year end as grant funding is claimed in arrears.

Solway Coastwise

The three year Solway Coastwise Project, completed in late 2019, raised awareness of the Dumfries and Galloway Coast in an innovative way. It used local place names and oral histories to engage with a wide variety of people and to train coastal ambassadors. The project produced a range of publications, which are all available to download on the SFP website.

The funds transfer represents IT equipment transferred to general funds at the completion of the project and also general funds covering a small overspend.

**THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

13 Restricted funds

(Continued)

Marine Litter (SCRAPBook)

SFP is working to develop, fund and deliver a project to both raise awareness of marine litter and work towards cleaning up the Dumfries and Galloway Coast.

Galloway Glens Landscape Partnership Scheme

This project aims to enhance connections between people and place by improving paths and gathering local heritage knowledge to develop informed access to Kirkcudbright Bay.

Solway Coast is Clear

The LEADER Cooperation Funded, 'Solway Coast is Clear' Project aimed to research and report on innovative solutions to removing, recycling / repurposing litter, especially plastics, from the D&G Coast. Research and fact-finding trips were made to north Scotland, Ireland and the Isle of Man. A report has been produced on the findings of the trips.

THE SOLWAY FIRTH PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	334	1,046	1,380	663	1,382	2,045
Current assets/ (liabilities)	80,657	5,976	86,633	77,817	(69,554)	8,263
	<u>80,991</u>	<u>7,022</u>	<u>88,013</u>	<u>78,480</u>	<u>(68,172)</u>	<u>10,308</u>

15 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 £20,558 (2020 - £19,533). At the balance sheet date there was £143 outstanding with respect to these pension contributions.

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).