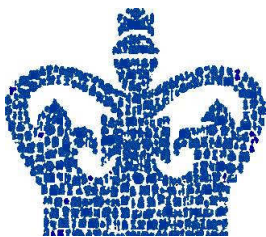


**Seagull Trust Cruises**  
**(Company Limited by Guarantee)**  
**Directors' Report & Financial**  
**Statements**  
**For the Year Ended 31<sup>st</sup> October 2010**



Royal Patron HRH The Princess Royal

[www.seagulltrust.org.uk](http://www.seagulltrust.org.uk)



**The Queens Award for Voluntary Service 2007**

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Seagull Trust Cruises is a Scottish Charity (Number SC027163) incorporated in Scotland as a company limited by guarantee (Company Number SC179736). Registered Office: 19 Dean Terrace, Edinburgh EH4 1NL

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### Seagull Trust Cruises - Mission Statement

*Seagull Trust Cruises is a volunteer-based charity that exists to provide free inland waterway cruising access to people with special needs across Scotland, and to support the environmental protection and development of Scotland's inland waterways network.*

*Operating through a branch network, the charity enables, what for all too many of its passengers, is a rare opportunity to move beyond the care environment. Aboard one of Seagull Trust Cruises' specially built boats, passengers can enjoy and benefit from the opportunity to experience the calm and beauty of Scotland's inland waterway network.*

*Actively involved in projects to help re-open much of the inland waterway network, Seagull Trust Cruises is committed to protecting and positively promoting the inland waterway environment, its biodiversity and heritage to ensure that this key social asset is available for future generations.*

### **On one of Seagull Trust Cruise's Santa Cruises and at the Falkirk Wheel passengers enjoy time with Seagull Trust Cruises**



## **WE NEED YOUR HELP!**

For over thirty years, Seagull Trust Cruises has provided free cruises to people with special needs across Scotland. All too often this cruise represents a rare day out from care, and it is clear that the demand for this service is growing.

***Last year Seagull Trust Cruises provided 2,394 free cruises to 22,508 passengers*** across Scotland's inland waterways networks through its specially built fleet of boats. This was all possible through the commitment of our willing team of volunteers, and through the donations of our supporters. To each and every person and organisation who donated money to help our work **THANK YOU.**

The passengers who join one of Seagull Trust Cruise's specially built boats come from all age groups, from youngsters to senior citizens, we aim to welcome them all and provide them with a free cruise. Our work is about providing an opportunity to lift the spirits of our passengers to 'free' them from the challenges they face in everyday living for a short while. It can be hard to quantify the benefit that the charity has on the many hundred of people who join a cruise, but it is clear from the faces and feedback how valued this opportunity is to each passenger.

Totally volunteer based, our four branches at Ratho, near Edinburgh, Kirkintilloch, Falkirk and Inverness rely entirely upon donations to sustain and develop the facilities available. Naturally we are always on the look out for funds to extend the scale and scope of support that can be offered **CAN YOU HELP?**

### **HOW YOU CAN HELP**

- Corporate 'good citizenship' programmes
- Trust Funds
- Legacies
- Nominated charity status
- Individual donations
- Volunteering

**Email:** [fundraising@seagulltrustcruises.org](mailto:fundraising@seagulltrustcruises.org)



**Children from Chernobyl are Welcomed Aboard**



**Royal Patron of Seagull Trust Cruises HRH The Princess Royal**

## **Chairman's Statement**

### **Aims & Achievements**

It has been another busy year at Seagull Trust Cruises (STC) as we continue to work through our 2015 Vision. We are very proud of everything we have achieved since launching the strategy in 2009 and the progress we have made towards achieving our key aims

Pleasingly we succeeded in carrying more passengers than last year on more cruises during testing economic times. As a free service the pressures of the recession have increased demand, but also made fund-raising more challenging. This means we are working harder for every pound raised, and regular, predictable income remains a challenge together with the combined cost of running STC. We remain proud that the Charity is still run 100% by volunteers.

In the previous Accounts we set out our Aims for the 2015 vision and now I can report our achievements.

### **Aim: Operate more boats and operate through a more vibrant local branch network**

A Contract has been awarded for a new boat for the Ratho Branch and it will be operational in the next financial year. We are still on course to raise the final amount of money for a new boat and place a contract for the Highland Branch in Inverness.

### **Aim: Ensure the charity brand is very widely recognised, respected and valued throughout Scotland**

The strength of the brand continues to be fed by a supportive media, an accessible and informative website, and the popularity of events such as the Teddy Bear Parachute Jump and participating in the highly successful Union 10 celebrations.

### **Aim: Supporting projects in connection with Scotland's waterways including educational and environmental**

All the branches have continued to support community canal events on both the lowland and highland canals to actively promote STC to a wider audience. A STC classroom boat is still high on the agenda when money becomes available.

### **Aim: Continue with the charitable function and research a commercial operation designed to raise funds and extend the brand proposition without it affecting our core function**

This project remains a key aspiration for the years ahead.

### **Aim: Operate strong consistent controls and procedures that reflect the highest level of customer experience, integrity, Health & Safety, Regulatory Compliance and environmental best practice**

The organisation is lucky to have good skills within its ranks to create and develop a series of rigorous controls that comply or exceed all current requirements.

### **Aim: Run to a business model with the branch network providing a strong engaging experience for volunteers and customers, working to common, consistent processes and controls**

It is pleasing to see the branch network developing excellent local operations in line with the overall business controls and procedures.

The 'head office' function provides the overall strategy and controls; it is a model that allows STC to move forward with a very local and personal feel that our passengers' value.

### **Aim: Head office providing a strong vibrant central support function providing leadership in controls, procedures and strategy**

A multi skilled management team makes up the executive who meet regularly to ensure the aims and objectives of STC are met by the individual branches and volunteers

**Aim: Central and branch led fund raising function**

A new initiative has been introduced this year to all branches where local fund raising committees assists the STC fundraiser with securing donations for the ongoing work of the organisation.

**Aim: Ensure the charity is fit for purpose**

An ongoing challenge that we address with research and passenger insight.

The support and goodwill of all our donors and supporters are essential to all our work and are a great boost to morale in challenging times! Thank you all.

Finally, I would like to register my thanks to the executive and volunteers for their commitment, dedication and goodwill over the past twelve months.

**Ronnie Rusack, MBE**  
**Chairman**

**Your Help is Always Appreciated**

There are many ways you can help us to maintain and expand our activities and every single contribution goes straight to furthering our work.

- By joining us as a volunteer
- By giving a donation
- By considering leaving us a legacy

Please contact us **01324 627000** for information. Every penny, every hour of support counts and makes a very real difference – thank you in advance for your kind support.

For more information about the activities of Seagull Trust Cruises how it benefits the community and our locations, please visit our website [www.seagulltrust.org.uk](http://www.seagulltrust.org.uk) for up to date information and to download our current newsletter.

**If you would like to help our valuable work, by becoming a volunteer or making a donation please contact us on **01324 627600** we appreciate your help**

## Directors' Report for the Year Ended 31 October 2010

The directors present their report and financial statements for the year ended 31 October 2010.

The report is prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2005). The principal activity of the company during the year was to provide free canal cruising for people with special needs and disadvantaged people.

### Reference and administrative information

#### Directors Serving During the Year:

Jennifer Biggans	Hamish Nicoll
Capt. Gordon Daly	Donald Paterson (Treasurer)
Graham Filmer	Ronald Rusack MBE (Chairman)
Paul Flarry	Dr James Sime - Resigned 13/04/2010
Rodger Harvey-Jamieson (Vice Chairman and Company Secretary)	Ronald Spedding
David Hoskins	Roger Cope - Appointed 13/04/2010
David Mieras	John Gordon
Elinor Milne	Kenneth MacKinnon
Alexander Milroy	

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

#### Legal Status

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.

#### Company number

SC179736

#### Scottish Charity Number

SCO27163

#### Date of incorporation

16 October 1997

#### Registered Office

19 Dean Terrace, Edinburgh, EH4 1NL

#### Business Address

Bantaskine Park, Falkirk, FK1 5PT

#### Bankers

The Royal Bank of Scotland plc and the Governor and Company of the Bank of Scotland

### Structure, governance and management

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

Each of the Branches may appoint up to 2 Directors. Members of the company who are not affiliated to any Branch may also appoint up to 12 Directors in total. Additional Directors may be co-opted for their special expertise. There is a policy of non-discrimination in selection procedures.

The Directors meet 6 times per year in January, April, June, August, October and December. The minimum number of Directors is 10 and there is no maximum number. As at 31 October 2010 there were 16 Directors.

#### Risk management

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

#### Induction and Training

The current Directors have been made aware of their duties and responsibilities and of the standards expected by OSCR, and a programme of induction and training is provided for new Directors.

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**Directors' Report for the Year Ended 31 October 2010 ...cont'd**

**Objectives**

The principal activity of the company is to expand and develop the provision of free canal cruising for people with special needs and disadvantaged people in Scotland.

**Activities**

All the company's activities are run entirely by volunteers. The company maintains and operates 8 purpose designed canal boats including a holiday boat which is available for hire by people with special needs and disadvantaged people.

**Financial review and performance**

**Accounts**

The company's total incoming resources for the year amounted to £136,343 (2009: £381,557). Charitable expenditure amounted to £147,613 (2009: £123,545). The company's funds at 31 October 2010 totalled £1,214,122 of which the general funds were £126,610.

**Investment policy**

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

**Reserves policy**

The Directors, being aware of the inconsistent cash flow from voluntary donations, have a policy of maintaining unrestricted liquid reserves to cover at least six months' average expenditure and are reviewing the requirement for the establishment of a fund to provide for future major repairs and refits.

**Future plans**

The Directors are conducting a review of the operations of the company in order to ensure that the activities outlined above may be continued in the forthcoming years. The directors have approved the building of two new boats: one will be based at Ratho to meet increasing demand and the other at Inverness, replacing the existing Highland Seagull.

**Transactions with Directors or Trustees**

The company has granted Ronnie Rusack a licence to operate the dry dock at Ratho in order to relieve the company of the burden of its management and to ensure its proper control and supervision. Ronnie Rusack may charge and retain a fee for allowing any authorised user of the canal to make use of the dry dock, but the level of any fee may not exceed an amount agreed with the company. The company is satisfied that the arrangement is in its best interests and that of canal users generally, and that the fee income received by Ronnie Rusack does no more than fairly reflect the costs actually incurred by him.

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

**Directors' responsibilities**

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

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

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

Approved on 21<sup>st</sup> March 2011 and signed on behalf of the Board of Directors by:

**Mr. R Rusack**  
**Chairman**

## **Treasurer's Report for the Year Ended 31 October 2010**

In cash terms, this has once again been a satisfactory year for Seagull Trust Cruises (STC) with each branch recording an excess of income over expenditure. Although STC HQ recorded an excess of expenditure over income, overall, the organisation had a surplus of income of £23,904.

The overall surplus of income was not however sufficient to offset the charge for depreciation of £35,174 on boats, equipment & property to give a net deficit for the year of £11,270.

At their December 2009 meeting, the executive agreed to set up a number of designated funds for specific projects. With multiple projects running concurrently, this makes it easier to maintain financial control.

Two projects were completed during the year. The final payment was made to the builder of the Ratho office and Falkirk Boathouse windows were replaced.

New windows and a new roof were fitted to the Govan Seagull. We are indebted to Awards for All who met the cost of the new roof and to Aberdeen University Students Association Charities Committee who met the cost of the new windows.

In broad terms, we had £269,000 in the bank at the beginning of the year, we spent £12,230 on capital projects and we ended the year with £281,000 in the bank.

Highland Branch has been fundraising for a new boat to replace the Highland Seagull for which the Inverness Common Good Fund has very generously offered £40,000. Edinburgh Branch of The Order of St John has very kindly offered £60,000 towards our third boat for Ratho Branch. We are very grateful to both organisations.

As always, I am grateful to the branch treasurers for their diligence: Allan Chalmers in Highland Branch, Ian Hall in Kirkintilloch Branch and in Ratho Branch, Alastair McKenzie, assisted by Murray Buchanan.

**Donald Paterson**  
**Treasurer**

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

I report on the accounts of the charity for the year ended 31 October 2010 which are set out on pages 6 to 13.

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

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### **Independent examiner's statement**

In the course of my examination, no matter has come to my attention which gives reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met.

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

**Clive B. Scott**

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

**16-18 Weir Street**

**Falkirk**

**FK1 1RA**

**Date: 21/03/11**

**Statement of Financial Activities (including Income and Expenditure Account)  
for the Year Ended 31 October 2010**

	General Fund £	Designated Fund £	Restricted Fund £	Total Fund £	2009 £
<b>Incoming resources</b>					
<b><i>Incoming resources from generated funds</i></b>					
Income from investments	1,098	-	-	1,098	2,717
Subscriptions and donations	83,170	19,229	1,000	103,399	126,719
Sale of goods	22,130	-	-	22,130	15,615
Fundraising income	806	2,860	-	3,666	15,355
Barge hire income	6,050	-	-	6,050	4,510
Gain on sale of tangible fixed assets	-	-	-	-	216,641
<b>Total incoming resources</b>	<u>113,254</u>	<u>22,089</u>	<u>1,000</u>	<u>136,343</u>	<u>381,557</u>
<b>Resources expended</b>					
<b><i>Charitable expenditure</i></b>					
Cost of generating funds	(23,523)			(23,523)	(24,563)
Operational costs*	(55,161)	(50,077)	-	(105,238)	(82,502)
Support costs	(16,106)	-	-	(16,106)	(13,394)
Governance costs	(2,746)	-	-	(2,746)	(3,086)
<b>Total resources expended</b>	<u>(97,536)</u>	<u>(50,077)</u>	<u>-</u>	<u>(147,613)</u>	<u>(123,545)</u>
<b>Net movement in funds for the year</b>	<u>15,718</u>	<u>(27,988)</u>	<u>1,000</u>	<u>(11,270)</u>	<u>258,012</u>
Fund transfers	(145,793)	145,793	-	-	-
<b>Net income / (deficit) for the year</b>	<u>(130,075)</u>	<u>117,805</u>	<u>1,000</u>	<u>(11,270)</u>	<u>258,012</u>
Funds brought forward:					
General fund	251,685	946,207	27,500	1,225,392	967,380
<b>Funds carried forward</b>	<u>121,610</u>	<u>1,064,012</u>	<u>28,500</u>	<u>1,214,122</u>	<u>1,225,392</u>

\* - Operational costs include depreciation charged on the charity's assets used in operating activities of £35,174 (2009: £34,874)

**Statement of Financial Activities (including Income and Expenditure Account)  
for the Year Ended 31 October 2010**

	General Fund £	Designated Fund £	Restricted Fund £	Total Fund £	2009 £
<b>Represented by:</b>					
Tangible Fixed Assets	-	920,771	-	920,771	946,207
Stock	4,997	-	-	4,997	3,298
Debtors	9,141	-	-	9,141	8,796
Bank	109,669	143,241	28,500	281,410	269,133
Creditors	(2,197)	-	-	(2,197)	(2,043)
	<u>121,610</u>	<u>1,064,012</u>	<u>28,500</u>	<u>1,214,122</u>	<u>1,225,392</u>

**Balance Sheet as at 31 October 2010**

	Notes	2010 £	2009 £
<b>Fixed Assets</b>			
Tangible assets	3	920,771	946,206
<b>Current Assets</b>			
Stocks	4	4,997	3,298
Debtors	5	9,141	8,796
Cash at bank and in hand		281,410	269,135
		<u>295,548</u>	<u>281,229</u>
<b>Creditors: amounts falling due within one year</b>	6	<u>(2,197)</u>	<u>(2,043)</u>
<b>Net Current Assets</b>		293,351	279,186
<b>Total Assets Less Current Liabilities</b>		<u>1,214,122</u>	<u>1,225,392</u>
<b>Funds:</b>			
General fund		121,610	251,685
Designated fund		1,064,012	946,207
Restricted fund		28,500	27,500
<b>Total Funds</b>		<u>1,214,122</u>	<u>1,225,392</u>

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

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

(b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 October 2010 and

(c) that we acknowledge our responsibilities for:

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

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the year then ended in accordance with the requirements of Section 394 & 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board on 28 March 2011 and signed on its behalf by

**Mr. R Rusack**

**Director**

**Registration Number SC179736**

## Notes to the Financial Statements for the year ended 31 October 2010

### 1. Accounting policies

#### 1.1. Accounting convention

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

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

#### 1.2. Incoming resources

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

#### 1.3. Expenditure

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

#### 1.4. Tangible fixed assets and depreciation

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

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

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

#### 1.5. Stock

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

### 2. Legal status

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

Notes to the Financial Statements for the year ended 31 October 2010 cont'd

**3. Tangible fixed assets**

	<b>Boathouses</b>	<b>Barges</b>	<b>Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 November 2009	727,439	274,579	12,184	1,014,202
Additions	9,450	2,780	-	12,230
At 31 October 2010	<u>736,889</u>	<u>277,359</u>	<u>12,184</u>	<u>1,026,432</u>
<b>Depreciation</b>				
At 1 November 2009	29,614	33,963	4,420	67,997
Charge for the year	17,985	17,189	2,490	37,664
At 31 October 2010	<u>47,599</u>	<u>51,152</u>	<u>6,910</u>	<u>105,661</u>
<b>Net book values</b>				
At 31 October 2010	<u>689,290</u>	<u>226,207</u>	<u>5,274</u>	<u>920,771</u>
At 31 October 2009	<u>697,825</u>	<u>240,616</u>	<u>7,764</u>	<u>946,205</u>

**4. Stocks**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Stocks	4,997	3,298
	<u>4,997</u>	<u>3,298</u>

**5. Debtors**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	9,141	8,796
	<u>9,141</u>	<u>8,796</u>

**6. Creditors: amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Payments received on account	-	50
Accruals and deferred income	2,197	1,993
	<u>2,197</u>	<u>2,043</u>

## All Aboard With Seagull Trust Cruises!



Ratho's new boat under construction at the premises of A L Gordon (Engineering) Ltd.

