

Charity number SC022403
Company Number SC172338

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Directors' Report and Financial Statements

For the year ended 31st December 2019

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Contents

	Page
Legal & administrative information	3
Directors' report	4-6
Accountants' report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10-14

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Legal and administrative information

The company is constituted as a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association.

Charity number **SC022403**
Company Number **SC172338**

Business Address

28 Main Street
Tobermory
Isle of Mull
PA75 6NU

Registered Office

28 Main Street
Tobermory
Isle of Mull
PA75 6NU

Directors

J Gordon
P Evans
D Mollison
T Walmsley
P Cheek
L Blair
J Butler
A Melville
A Kershaw

Accountants

Jack MacDonald & Co
Chartered Accountants
Reporting Accountants
Cuan Aille,
1 Aldersyde,
Taynuilt,
Argyll
PA35 1AG

Report of the Directors
For the year ended 31st December 2019

The Directors present their report and the financial statements for the year ended 31st December 2019.

Structure, governance and management

Hebridean Whale and Dolphin Trust Limited is a company limited by its guarantee and is a registered charity governed by its memorandum and articles of association. It is a charitable non-profit making community business run from an office in Tobermory, Isle of Mull. The company is run by a group of Directors and members of the organisation who meet on a regular basis throughout the year. Only Directors have voting rights at these meetings.

The Directors provide guidance for the activities of the Hebridean Whale and Dolphin Trust Limited which is intended to meet its aims and objectives.

The directors who served during the year and since the year end were:-

J Gordon
P Evans
D Mollison
T Walmsley
P Check
L Blair
J Butler
A Melville
A Kershaw

Objectives and activities

The aims of the Hebridean Whale and Dolphin Trust Limited are to:-

- 1) carry out research regarding cetaceans in the waters off the west coast of Scotland
- 2) increase public awareness and understanding of cetaceans in that area
- 3) undertake educational work regarding cetaceans in schools around the west coast

Achievements and performance

The Hebridean Whale and Dolphin Trust marked its 25th year of operation in 2019 with the launch of the Hebridean Whale Trail. The spectacular new trail is the first of its kind in the UK. Since its launch in June thousands of visitors have taken part in whale-watching from land and learnt about conservation of the Hebrides' globally important marine wildlife and environment. Just six months after its launch the Hebridean Whale Trail was a finalist in the 'New National Treasure (UK)' category of the National Geographic Traveller Reader Awards.

2019 was the most successful year in the charity's history for our Whale Track sightings community, driven by a monumental increase in the number of at-sea excursions undertaken. With over 1,524 registered users the platform now holds nearly 12,000 sightings, and collectively contributors have surveyed almost 50,000 km of Hebridean seas. A staggering public effort.

We've reached out to 18,000 people across the west coast of Scotland in 2019, supported by 140 passionate and inspiring people who've collectively donated thousands of volunteer hours. We've run 100 headland watches, visited 20 schools, held 47 community events and public talks, delivered two accredited training courses, hosted the world's first Whaley Ceilidh, and welcomed visitors and local residents alike to our Discovery Centre in Tobermory.

Record numbers of volunteers took part in research expeditions on board Silurian in 2019, helping to launch a new year-round programme of monitoring marine mammals and basking sharks in the Hebrides. For the first time, volunteers carried out species monitoring surveys from Silurian during the winter months. With crucial data collected every month of the year about the presence and behaviour of Hebridean marine wildlife - notching up over 8,000km of survey effort.

Notably, in this first year of winter monitoring the team recorded four species of cetacean in the winter months – common dolphins, harbour porpoise, killer whales and minke whales - adding to a growing body of evidence that the Hebrides is an important area for certain species year-round.

We worked with colleagues at Scottish Environment LINK to voice concerns, provide evidence and recommendations across a broad range of issues in 2019 including acoustic deterrent devices and disturbance. Together we campaigned for public support and demonstrated HWDT's strong support for proposals to designate mobile species Marine Protected Areas in Scottish waters for basking shark, minke whale and Risso's dolphin, which were first proposed by HWDT back in 2011.

As a founding member of the Scottish Entanglement Alliance we continued our research to understand the impacts and risks of entanglement in creel lines in Scottish waters. Preliminary results were presented by HWDT at the World Marine Mammal Conference, one of the biggest

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

meetings of its kind, bringing together more than 2,700 people from 95 countries to share the latest developments and research happening in marine mammal science and conservation around the world.

We would like to wish a warm and heartfelt thank you to the volunteers, donors, members, corporate partners and funders who have supported and contributed to our work in this landmark 25th year, and towards our vision of healthy Hebridean seas for whales, dolphins, porpoises and people.

Financial Review

The Trust has seen a substantial increase in grant income this year. Allied to increases across all areas of income this has resulted in a surplus of £89,062 for the year. The loan from the Charity Bank has been repaid during the year. The unrestricted reserves meets the reserves policy. A healthy reserve will assist HWDT in 2020 when predicted annual operational expenditure exceeds grant income.

The trustees have decided to set up a designated fund of £50,000 from unrestricted reserves to provide for the maintenance of Silurian, the Trust's flagship, which carries out surveys and education work. As well as annual maintenance Silurian requires more substantial overhauls at regular intervals. Substantial boat works are planned 2020 – 2022. The boat fund will provide the funds required for these works by way of match funding to secure grants and direct expenditure.

Trustees have underwritten match funding of £25,862 for a three-year National Lottery Heritage Fund project, Gateway to the Trail, starting in 2020. These match funds have been designated from unrestricted reserves.

Covid-19 Impact

The impact of Covid-19 on the Trust in 2020 has been substantial. HWDT lost the vast majority of earned income for 2020. Earned income is generated seasonally, April-October, by delivering activities such as research expeditions, training courses, events, and trading from our small centre gift shop. These activities could not take place due to lockdown and restrictions on physical distancing.

The Trust's Centre in Tobermory remained closed for much of the season, reopening with reduced hours and capacity in August and all our income generating research expeditions were cancelled for 2020.

Emergency funding of £58,700 from the National Lottery Heritage Fund (Heritage Emergency Fund), a £17,500 award from Argyll and Bute Council from the Small Business Support Fund and support for staff wages from the Coronavirus Job Retention Scheme has helped to protect our charity against the initial financial impact of Covid-19 in the first three quarters of 2020.

Reserves Policy

The Trust aims to hold an amount equal to 25% of its expected annual expenditure as unrestricted cash assets at the low point of its financial year. At the year-end unrestricted reserves showed a balance of 185,807. Of the unrestricted reserves £75,862 has been designated by trustees for a designated boat fund and agreed match funds designated for the new Gateway to the Trail project, leaving £109,945 of free unrestricted reserves. This reserve is additional to the Trust's two main fixed assets of boat and visitor centre/shop.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity 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 charity and of the surplus or deficit of the charity for that year. In preparing these 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 presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on 14th September 2020 and signed on its behalf by:

Director



Date: 20/9/2020

Independent examiner's report to the trustees of Hebridean Whale and Dolphin Trust Limited

I report on the accounts of **Hebridean Whale and Dolphin Trust Limited** for the year ended 31st December 2019 set out on pages 7 to 13

Respective responsibilities of directors and independent examiner

The charity's trustees (who are also directors of the company under company law) 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's 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 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 2006 Accounts Regulations. 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 you as 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.

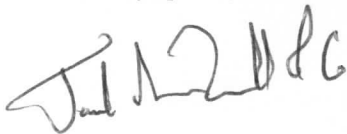
Independent examiner's statement

In the course of my examination, no matter has come to my attention

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

have not been met, or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



20/9/2020

Jack MacDonald ACA
Jack MacDonald & Co
Reporting Accountants
Cuan Aille
1 Aldersyde
Taynuilt
Argyll
PA35 1AG

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31st December 2019

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Year to 31 st December 2018
		£	£	£	£
Income					
Donations		46,524	4,280	50,804	33,909
Activities for generating funds		26,198	-	26,198	25,495
Charitable activities - grants	2	29,000	264,294	293,294	147,328
Charitable activities - other	3	<u>108,810</u>	-	<u>108,810</u>	<u>103,496</u>
Total Income		<u>210,532</u>	<u>268,574</u>	<u>479,106</u>	<u>310,228</u>
Expenditure					
Cost of goods sold		15,531	-	15,531	13,116
Interest		866	-	866	948
Charitable activities	4	147,191	223,317	370,508	380,334
Support costs	5	1,032	-	1,032	840
Depreciation	8	<u>607</u>	<u>1,500</u>	<u>2,107</u>	<u>2,107</u>
Total expenditure		<u>165,227</u>	<u>224,817</u>	390,044	<u>397,345</u>
Net income /(deficit)		45,305	43,757	89,062	(87,117)
Reconciliation of funds					
Total funds brought forward		<u>140,502</u>	<u>56,955</u>	197,457	<u>284,574</u>
TOTAL FUNDS CARRIED FORWARD		<u>185,807</u>	<u>100,712</u>	286,519	<u>197,457</u>

The notes on pages 9 to 13 form part of these financial statements

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Balance sheet as at 31st December 2019

Company Number

SC172338

	Notes	2019 £	2018 £
Fixed Assets			
Tangible assets	8	50,112	52,219
Current Assets			
Stocks		3,978	2,437
Debtors	9	11,394	805
Cash in bank and in hand		<u>236,108</u>	<u>164,465</u>
		251,480	167,707
CREDITORS			
Amounts falling due within one year	10	<u>(15,073)</u>	<u>(10,464)</u>
NET CURRENT ASSETS		<u>236,407</u>	<u>157,243</u>
Total Assets less current liabilities		286,519	209,462
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR			
	11	<u>-</u>	<u>(12,005)</u>
NET ASSETS		<u>286,519</u>	<u>197,457</u>
Funds			
Unrestricted funds	14	185,807	140,502
Restricted funds	15	100,712	56,955
Total funds		<u>286,519</u>	<u>197,457</u>

Directors' statements required by Section 477 of the Companies Act 2006 for the year ended 31st December 2019

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

- that for the year ending 31st December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 ;
- that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31st December 2019
- that we acknowledge our responsibilities for:
 - ensuring that the company keeps proper accounting records which comply with Section 386 & 387 of the Companies Act 2006
 - 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 sections 394 and 395, and which otherwise comply with the provisions of the Companies Act 2006 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
The financial statements were approved by the Board on 14th September 2020 and signed on its behalf by

Director



Date: 20/9/2020

The notes on pages 10 to 14 form part of these financial statements

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard (FRS 102) effective January 2016, and the Companies Act 2006. Assets and Liabilities are initially recognised at historical cost or transaction values unless otherwise stated.

Incoming recognition policies

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

Designated funds are unrestricted funds which the Directors have decided to set aside to use for a specific purpose.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Silurian	-	10% on cost.
Shop Fittings		10% on cost
Shop		2.5% on cost

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Notes to financial statements
For the year ended 31st December 2019

2 Charitable activities – grants (income)

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
The Coastal Communities Fund	-	105,515	105,515	55,162
The Bromley Trust	10,000	-	10,000	10,000
Bòrd na Gàidhlig	-	1,000	1,000	4,000
The Postcode Local Trust	-	20,000	20,000	-
True and Fair Foundation	-	-	-	6,400
The Heritage Lottery Fund	-	22,923	22,923	7,929
Scottish Natural Heritage	-	50,815	50,815	28,519
European Maritime and Fisheries Fund	-	22,380	22,380	872
MESS	-	-	-	450
CharityWorks	-	-	-	4,996
William Grant Foundation	-	38,142	38,142	12,000
World Wildlife Fund	19,000	-	19,000	17,000
Argyll & Bute Council	-	242	242	-
Sea Changers	-	732	732	-
Waterfall Fund	-	545	545	-
Tesco	-	2,000	2,000	-
	<u>29,000</u>	<u>264,294</u>	<u>293,294</u>	<u>147,328</u>

3 Charitable activities - other

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Supporters	8,525	-	8,525	7,936
Events and Training Courses	7,861	-	7,861	7,178
Silurian Survey Payments	91,283	-	91,283	85,574
Other	1,141	-	1,141	2,808
	<u>108,810</u>	<u>-</u>	<u>108,810</u>	<u>103,496</u>

4 Charitable activities - expenditure

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Salaries, wages and contract staff	104,292	143,475	247,767	256,304
Professional fees	64	5,200	5,264	4,204
Equipment	94	40,086	40,180	6,938
Marketing and publications	4,816	4,051	8,867	18,299
Travel and subsistence	4,594	5,420	10,014	15,386
Events and training courses	1,238	2,463	3,701	4,898
Discovery Centre maintenance and operation	2,916	-	2,916	2,936
Boat maintenance and operation	9,309	18,727	28,036	48,324
Administration	5,218	3,523	8,741	8,403
Utilities	5,983	-	5,983	6,901
Insurance	3,966	-	3,966	3,868
Organisational memberships and staff training	4,701	372	5,073	3,873
	<u>147,191</u>	<u>223,317</u>	<u>370,508</u>	<u>380,334</u>

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Notes to financial statements
For the year ended 31st December 2019

5 Support costs

	Unrestricted Funds £	2019 Total £	2018 Total £
Independent Examiner's Fees	1,032	1,032	840
	<u>1,032</u>	<u>1,032</u>	<u>840</u>

6 Employees

Number of employees

The average monthly number of employees (excluding the Directors) during the year, was as follows:

	2019 Number	2018 Number
Core staff	<u>10</u>	<u>12</u>

7 Taxation

As a charity the Company benefits from various exemptions from taxation afforded by tax legislation and is not liable to Corporation Tax on income or gains falling within these exemptions.

8 Tangible fixed assets

Cost or Valuation	Heritable Property £	Shop Fittings £	Boat £	Total £
At 1 st January 2019	60,000	6,078	141,000	207,078
Valuation	-	-	-	-
Additions in year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2019	<u>60,000</u>	<u>6,078</u>	<u>141,000</u>	<u>207,078</u>

Depreciation

At 1 st January 2019	9,000	4,859	141,000	154,859
Charge for the year	<u>1,500</u>	<u>607</u>	<u>-</u>	<u>2,107</u>
At 31 December 2019	<u>10,500</u>	<u>5,466</u>	<u>141,000</u>	<u>156,966</u>

Net book values

At 31 December 2019	<u>49,500</u>	<u>612</u>	<u>-</u>	<u>50,112</u>
At 1 st January 2019	<u>51,000</u>	<u>1,219</u>	<u>-</u>	<u>52,219</u>

The shop premises in the Main Street, Tobermory had been gifted by the previous owners to the Trust. The Directors considered the valuation of the property at 31st December 2013 to be £60,000 and an equivalent amount was taken to a restricted Capital Reserve. The market value of the Silurian is currently estimated to be between its insurance value of £170,000 and £100,000.

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Notes to financial statements
For the year ended 31st December 2019

9 Debtors

	2019 £	2018 £
Trade debtors	11,394	805
	<u>11,394</u>	<u>805</u>

10 Creditors: amounts falling due within one year

	£	£
Loans from the Charity Bank	-	1,650
Trade creditors	161	833
Accruals and deferred income	<u>14,912</u>	<u>7,981</u>
	<u>15,073</u>	<u>10,464</u>

11 Creditors: amounts falling due after one year

	2019 £	2018 £
Loans from the Charity Bank	=	<u>13,655</u>
Payable within one year	-	1,650
Payable between one year and two years	-	1,650
Payable between two and five years	=	<u>10,355</u>
	=	<u>13,655</u>

The loans from the Charity Bank were repaid on 19 December 2019.

12 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31st December 2019 as represented by:			
Tangible Fixed assets	612	49,500	50,112
Current assets	200,268	51,212	251,480
Current liabilities	(15,073)	-	(15,073)
	<u>185,807</u>	<u>100,712</u>	<u>286,519</u>

13 Company limited by guarantee

Hebridean Whale and Dolphin Trust Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Hebridean Whale and Dolphin Trust Limited
(A company limited by guarantee)

Notes to financial statements
For the year ended 31st December 2019

14 Unrestricted funds

	At 1 January 2019 £	Incoming £	Outgoing £	Transfer to Designated funds £	At 31 December 2019 £
Unrestricted funds	140,502	210,532	(165,227)	(75,862)	109,945
Designated Fund: Silurian Maintenance	-	-	-	50,000	50,000
Designated Fund: Gateway to the Trail	-	-	-	25,862	25,862
Total unrestricted funds	<u>140,502</u>	<u>210,532</u>	<u>(165,227)</u>	<u>-</u>	<u>185,807</u>

15 Restricted funds

	At 1 January 2019 £	Incoming £	Outgoing £	At 31 December 2019 £
Capital asset	51,000	-	1,500	49,500
The Coastal Communities Fund	1,101	105,515	104,748	1,868
The Postcode Local Trust	-	20,000	9,248	10,752
Big Give Donations	3,394	2,817	6,211	-
Scottish Natural Heritage	-	50,815	50,365	450
European Maritime and Fisheries Fund	-	22,380	22,380	-
William Grant Foundation	-	38,142	-	38,142
True and Fair Foundation	1,460	-	1,460	-
Bord Na Gaidhlig	-	1,000	1,000	-
The Heritage Lottery Fund	-	22,923	22,923	-
Tesco	-	2,000	2,000	-
Argyll & Bute Council	-	242	242	-
Sea Changers	-	732	732	-
Waterfall Fund	-	545	545	-
CaL Mac	-	1,463	1,463	-
Restricted funds	<u>56,955</u>	<u>268,574</u>	<u>224,817</u>	<u>100,712</u>

16 Trustee Expenses

Trustees were reimbursed travel expenses of £1,241. (2018 – £1,011). No Trustee received any remuneration (2018 – None).