

**AQUACULTURE STEWARDSHIP COUNCIL  
COMBINED FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2015**

COMPANY REGISTRATION NUMBER 08172832

**AQUACULTURE STEWARDSHIP COUNCIL  
DIRECTORS' REPORT AND COMBINED FINANCIAL  
STATEMENTS  
31 DECEMBER 2015**

**AQUACULTURE STEWARDSHIP COUNCIL  
COMBINED FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2015**

<b>CONTENTS</b>	<b>PAGE</b>
Directors' report	<b>1</b>
Combined statement of financial activities (incorporating the income and expenditure account)	<b>7</b>
Combined and charity balance sheet	<b>8</b>
Combined cash flow statement	<b>9</b>
Notes to the Combined financial statements	<b>10</b>

(Please note: the following accounts have been abbreviated for presentation purposes from the Signed Audited Accounts, the full Audited Accounts can be provided on request)

# AQUACULTURE STEWARDSHIP COUNCIL

## DIRECTORS' REPORT

### YEAR ENDED 31 DECEMBER 2015

The directors of Aquaculture Stewardship Council Limited and Stichting Aquaculture Stewardship Council present the Directors' Report and combined financial statements of Aquaculture Stewardship Council in respect of the year ended 31 December 2015.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Aquaculture Stewardship Council combined financial statements include the results of Aquaculture Stewardship Council Limited (charity registration number 1150418 and company registration number 8172832), ASCI Limited (company registration number 7788176) and Stichting Aquaculture Stewardship Council (34389683 )

**Principal office** 2 Selbourne House, 30 Grayshott Road, London, SW11 5UR

**Registered office** St Bride's House, 10 Salisbury Square, London EC4Y 8EH

#### The Directors

The Directors who served the company during the period were as follows:

Mr T H Van Der Put	(resigned as Chair 18 March 2015)
Mrs C Tippett	
Mr P Hajipieris	
Mr H Cauley	(resigned 18 March 2015)
Mr J Villalon	
Mr P Arnesen	
Dr P A Cook	(appointed as Chair 18 March 2015)
Mr J Thomas	
Mr Hillbrands	(appointed 18 March 2015)
Ms M Jeans	(appointed 17 June 2015)

**Chief Executive Officer & Company Secretary** Mr C Nines

#### Other Key Management Personnel

**Finance Manager** L Egan

#### Our Advisors

<b>Auditors</b>	Crowe Clark Whitehill LLP	St Bride's House, 10 Salisbury Square, London EC4Y 8EH
<b>Bankers</b>	HSBC	240 Lavender Hill, Clapham Junction, London, SW11 1LH
<b>Solicitors</b>	Wollen Michelmore	Carlton House, 30 The Terrace, Torquay, TQ1 1BS

# AQUACULTURE STEWARDSHIP COUNCIL

## DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2015

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Introduction

Aquaculture Stewardship Council combined financial statements include the results of Aquaculture Stewardship Council Limited, ASCI Limited and Stichting Aquaculture Stewardship Council.

Aquaculture Stewardship Council Limited also known as ASC, ("the charity") is a company limited by guarantee registered in England and Wales. Each of the directors have provided a guarantee limited to £1 each. It is governed and managed in accordance with its Articles of Association.

ASCI Limited is a wholly-owned subsidiary of ASC and is a company limited by shares registered in England and Wales. ASCI Limited carries out its trading activities related to logo licensing.

Stichting Aquaculture Stewardship Council are a foundation based in Utrecht and classed as 'Not for profit organization' under the Dutch Accounting Standards and granted ANBI status by the Dutch tax authorities.

The financial statements have been prepared in accordance with the basis of preparation set out in Note 1 of the combined financial statements.

#### The Directors' Management

The charity is managed by a committee of the directors. The charity directors are ultimately responsible for the good governance and supervision of ASC including supervision of its staff and assets in accordance with its charitable objectives.

The directors have considered the major risks to which the charity is exposed and have reviewed the risks and established systems and procedures to manage these risks.

#### Recruitment and appointment of Board:

The directors who are also the directors for the purpose of company law are known as member's of the Board. The Board members are guided by the Memorandum and Articles of Association of the charity. The ASC is an international in scope and works with a diverse group of stakeholders with an interest in the work of the charity. The board is also guided by the need to maintain representation of these stakeholder groups. Term limits are in place. When seeking a new candidate the directors will advertise through the organisations web site, review candidates that have proposed themselves and use their existing, extensive international networks to propose a shortlist of possible candidates. These are passed to the 'recruitment committee', an appointed sub-set of directors, to seek further advice on potential candidates, conduct interviews and make recommendations to the board concerning their suitability. The board will discuss and appoint the selected candidate.

#### Structure

The board of directors, which can have up to 9 members, administers the charity. The board normally meets 3 times yearly and there are sub-committees covering, finance and audit nominations, which meet around the Budget and Accounting cycle. A Chief Executive is appointed by the directors to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters including finance, employment and any related operating activity.

ASC wholly owns a subsidiary company, ASCI Limited, which carries out its trading activities related to logo licensing.

#### Remuneration Policy

The directors consider that the board of directors, who are the trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the ASC on a day to day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. The remuneration is of the range paid for similar roles adjusting for any additional responsibilities. If recruitment has proven difficult a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

# AQUACULTURE STEWARDSHIP COUNCIL

## DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2015

### OBJECTIVES AND ACTIVITIES

#### Charitable objectives

The charity is set up to conserve the marine and freshwater environments for the benefit of the public and to advance public education in the principles and practice of conservation.

Its activities are to promote and quantify responsibly farmed fish, shellfish and crustacean inter alia by furthering the understanding and adoption of responsible aquaculture practices, maintaining and monitoring standards for responsible aquaculture that are already in place or that are yet to be developed, in order to reduce negative social and environmental impact, and, furthermore, to perform any acts conducive to or relating directly or in directly to the foregoing, all in the broadest sense.

#### Public benefit statement

The directors confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

### ACHIEVEMENTS AND PERFORMANCE

The ASC continues with a series of initiatives to improve the delivery of its certification programmes and promote the use of its logo to deliver its charitable objectives. These focus on delivering improvements that will facilitate a larger number of farms to engage through the resulting efficiencies. Key are projects to:

- harmonise the 7 operational standards and create a generic core standard (this will remove redundancy, improve consistency and coherence, reduce accreditation and training costs and ultimately allow for the easier development of standards for new species),
- improve the salmon, pangasius and tilapia standards based on the operation experience from their implementation,
- develop approaches that will allow groups of operators to seek certification, and,
- to develop a quality assurance programme that provides quality checks of assessment reports.

The ASC continues to strengthen its partnerships with the aquaculture industry, seafood processors, suppliers, retailers, seafood buyers and with the many NGOs working in the sector. The certification programme and logo is being more widely recognised which enables society to make more informed decisions about purchasing responsibly farmed aquaculture.

Over the past year the ASC continues to see strong growth in its programme: the number of certified farms rose from 105 to 195 and the total number of certified products available in the market more than doubled from 1,752 to 4,462 and these are now available in 58 countries. This growing global market is demonstrably rewarding environmentally responsible aquaculture practices and this growth is expected to be sustained into the near future.

The ASC was accepted as a full member of ISEAL in 2015. ISEAL membership demands demonstrable compliance with its world-leading Codes of Best Practice established to ensure that voluntary standards organisation develop and maintain their standards in accordance with international best practice. The ASC, is developing a Monitoring and Evaluation programme to fulfil ISEAL's Impacts Code to ensure that the ASC can demonstrate the environmental and social improvements as a consequence of farms implementing its standards. The ASC now currently operates 7 ISEAL compliant farm standards when abalone and bivalves were added to those for Tilapia, Pangasius, trout and salmon, shrimp. Two more farm standards for Seriola and Cobia and grouper, snapper and barramundi are under development. Work continues on the development of a feed standard to provide a consistent approach to this essential ingredient to many aquaculture operations across all ASC farm standards. In partnership with the Marine Stewardship Council (MSC) the ASC is also developing a standard for seaweed, which will be jointly owned, implemented and marketed.

# AQUACULTURE STEWARDSHIP COUNCIL

## DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2015

### ACHIEVEMENTS AND PERFORMANCE (continued)

There is a growing global awareness and interest in many countries for ASC certification. The preparatory work with Organizing Committee for the Olympic and Paralympic Games to only source ASC and MSC products for the Rio 2016 games has created important market incentives for certification in South and Central America.

Uptake of the salmon standard has seen particularly strong demand. This has been driven by an important commitment to the ASC salmon standard by the Global Salmon Initiative, an industry organisation now representing just over 70% of global salmon production and wants to achieve compliance with the ASC standards.

### FINANCIAL REVIEW

The results for the period ended 31 December 2015 are shown in the attached Statement of Financial Activities.

Net incoming resources of the group for the year was a surplus of €252,607 (2014: €216,425), of which there was a balance of €1,153,923 (2014: €901,316) on unrestricted funds, and for 2015 £nil balance for restricted funds (2014:€38,331). ASC has a wholly owned trading subsidiary, ASCI Ltd (Company number 07788176), established with a view to generate income through ASC's trade logo licensing and feeding through the profit of the company into the charity. At 31 December 2015 ASC has advanced a sum of €321,483 to support the trading activities of that subsidiary. The trading subsidiary, whose accounts are consolidated into these group accounts, has generated trading revenue of €1,517,021 against trading expenditure of €516,880 giving a net income of €1,100,141 before taxation. This trading net income during the year helped absorb all of the trading deficit brought forward from earlier years of €74,120. The surplus trading profits of €926,021 will be donated to the parent charity ASC UK. The donation is equal to the taxable profits, therefore ASCI Ltd will have no payable Corporation tax due.

#### Principal Funding Sources

ASC is reliant on contributions in the form of donations and grants from commercial organisations and like-minded international charities and the revenue generated by trading subsidiary, ASCI Ltd. Total incoming resources of €2,506,278 (2014:€2,050,294) is an encouraging achievement.

During the year the Charity generated €49,339 from the Trout and Salmon auditor training program conducted by the charity.

The Charity's expenditure in charitable activity during the year was €1,736,791 (2014: €1,394,335) as the charity started its activities from current financial year in the true sense, after having laid the foundation in the previous financial period.

#### Risk Management

The Directors address from time to time the risks that face the charity and adopt responses to manage the risks identified. Some of the major risks identified are:

- Mission Risk – interest and demand for the ASC certified seafood is not maintained while supply develops. It is critical to encourage farms to seek the ASC certification, this can be done by undertaking commercial outreach and communication initiatives
- Market Risk – industry's lack of interest in the promotion &/or development of certified products, undermines the credibility of the programme. Need to be active in the market, engaging with retailers & food services to demonstrate the added value of the ASC programme
- Organisational Risk – a lack of funding and slow adoption of the use of the ASC Logo, and the reliance on a single business model, could have limitations to the capacity of ASC ambitions. ASC needs to be continually active in its search for supportive partners, and in addition focus on key receptive markets and countries

#### Investment Policy

The Charity has no investments apart from the trading subsidiary and therefore there is no immediate need for an investment policy.

# AQUACULTURE STEWARDSHIP COUNCIL

## DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2015

### FINANCIAL REVIEW (continued)

#### Reserves Policy

The Board has examined the Charity's requirements for reserves in light of the main risks to the organisation and satisfied that the current reserves are sufficient to meet the organisations' immediate funding requirements. The Board constantly reviews the level of reserves as part of its oversight.

ASC ended the year with unrestricted reserves of €1,153,923. Removing tangible fixed assets of €19,394, the remaining liquid unrestricted reserves amount to €1,134,529. The Board recognises the reserves are building year on year, as the logo license fees income increases. The budget for 2016 is in surplus to further increase reserves. The budgets surplus reflects the growing need to build reserves to counter the expected decline in generous grants ASC has received in their growth years, this future level of reduced voluntary income increases the dependence of logo licence fees from the supply chain and is expected to continue over the near future.

### PLANS FOR FUTURE PERIODS

The ASC's planned activities are structured around the primary objectives set out in its strategic plan. The top level priorities continue to focus on:

- Achieving a strong global certification programme covering the main species of farmed seafood that are traded internationally.
- Improving farm production by engaging with and certifying as environmentally and socially responsible an increasing number of farms.
- Further developing the ASC certification with major retailers and foodservice companies by achieving a critical mass presence in the key receptive target markets in Europe (Germany, Austria, Switzerland, Netherlands, Denmark and Sweden), establishing a market position in other less receptive markets (USA, Canada, UK, France, Australia, Belgium and South Africa) and developing the potential elsewhere.
- Raising awareness of the ASC among seafood buyers and consumers.
- Working collaboratively with like-minded organisations that are also seeking to transform seafood production
- Strengthening the institutional development of the ASC and achieving financial self-sufficiency.

Building on these initiatives and by the end of this decade the ASC will have:

- Secured significant market penetration in most major developed markets. That will lead, ultimately, to securing a meaningful presence in all major seafood producing and consuming countries, but this will be beyond 2020.
- Established its appeal to export oriented farmers around the world and so provide a supply of ASC certified seafood that will meet the demands from the marketplace.

# AQUACULTURE STEWARDSHIP COUNCIL

## DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2015

### DIRECTORS' RESPONSIBILITIES

The directors of Aquaculture Stewardship Council and Stichting Aquaculture Stewardship Council are responsible for preparing the Directors' Report and combined financial statements.

The Directors have chosen to prepare combined financial statements for each financial year in accordance with the basis of preparation set out in Note 1 to the combined financial statements. They are responsible for determining that the basis of presentation is acceptable in the circumstances and for such internal control as management determines is necessary to enable the preparation of combined financial statements and for being satisfied they give a true and fair view of the state of affairs of the combined entities as set out in Note 1 to the combined financial statements and of the profit or loss of for that period.

In preparing these financial statements, the directors are required to:

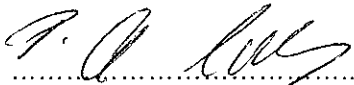
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors of Aquaculture Stewardship Council, together with the directors of Stichting Aquaculture Stewardship Council, are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the combined financial position of Aquaculture Stewardship Council, and to enable them to ensure that the combined financial statements comply with the basis of preparation set out in Note 1 of the combined financial statements. They are also responsible for safeguarding the assets of the companies and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a director at the date of approval of this report confirms that:

- in so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Directors on 8<sup>th</sup> December 2016 and signed on its behalf by:



Dr Peter Cook  
ASC Trustee Chairman



**AQUACULTURE STEWARDSHIP COUNCIL LIMITED**  
**COMBINED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2015**

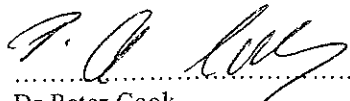
	Note	Total Funds Year to 31-Dec-15 €	Total Funds Year to 31-Dec-14 €
<b>INCOME FROM:</b>			
Grants and donations	2	939,918	1,174,781
Other trading activities	3	1,556,051	874,878
Investments		309	635
<b>TOTAL</b>		<u>2,506,278</u>	<u>2,050,294</u>
<b>EXPENDITURE ON:</b>			
Raising funds:			
Trading activities	4	( 516,880)	( 439,534)
Charitable activities	5	( 1,736,791)	( 1,394,336)
<b>TOTAL</b>		<u>( 2,253,671)</u>	<u>( 1,833,870)</u>
<b>NET EXPENDITURE</b>		252,607	216,424
<b>OTHER RECOGNISED GAINS</b>			
Foreign exchange differences		17,715	14,743
Arising on combination of subsidiaries			
<b>NET MOVEMENT IN FUNDS</b>		270,322	231,167
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		883,601	652,434
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,153,923</u>	<u>883,601</u>

All of the above amounts relate to continuing activities.  
The notes on pages 10 to 15 form part of these financial statements.

**AQUACULTURE STEWARDSHIP COUNCIL LIMITED**  
**COMBINED AND CHARITY BALANCE SHEETS**  
**YEAR ENDED 31 DECEMBER 2015**

	Note	2015 Group €	2014 Group €
<b>FIXED ASSETS</b>			
Tangible Assets		19,394	23,570
Investments		-	-
		<u>19,394</u>	<u>23,570</u>
<b>CURRENT ASSETS</b>			
Debtors	6	1,293,269	747,145
Cash at bank		837,221	654,434
		<u>2,130,490</u>	<u>1,401,579</u>
<b>CREDITORS: Amounts due within one year</b>	7	<u>(995,961)</u>	<u>( 541,548)</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>1,134,529</u>	<u>860,031</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,153,923</u>	<u>883,601</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>1,153,923</u>	<u>883,601</u>
<b>FUNDS</b>			
Restricted funds		-	38,332
Unrestricted funds		1,153,923	845,269
		<u>1,153,923</u>	<u>845,269</u>
<b>TOTAL FUNDS</b>		<u>1,153,923</u>	<u>883,601</u>

These financial statements were approved by the Board and authorised for issue on the 8<sup>th</sup> December 2016 and are signed on their behalf by:

  
 .....  
 Dr Peter Cook  
 ASC Trustee Chairman

The notes on pages 10 to 15 form part of these financial statements.

**AQUACULTURE STEWARDSHIP COUNCIL LIMITED**  
**COMBINED AND CHARITY BALANCE SHEETS**  
**YEAR ENDED 31 DECEMBER 2015**

	<b>2015</b>	<b>2014</b>
	€	€
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the reporting period per the SOFA	252,607	216,424
Depreciation charges	8,921	886
Dividends and interest from investments	309	635
(Increase) in debtors	(543,359)	(399,004)
Increase/(decrease) in creditors	491,481	(361,357)
	<hr/>	<hr/>
<b>NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES</b>	<b>209,961</b>	<b>(542,420)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net cash provided by / (used in) operating activities	209,961	(542,420)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Dividends and interest from investments	(309)	(635)
Purchase of property, plant and equipment	(4,745)	(2,995)
	<hr/>	<hr/>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5,054)</b>	<b>(3,630)</b>
Change in cash and cash equivalents in the reporting period	204,907	(546,050)
Effect of change in translation rates	(3,184)	51,530
Cash and cash equivalents at the beginning of the reporting period	635,498	1,148,954
Cash and cash equivalents at the end of the reporting period	<b>837,221</b>	<b>654,434</b>
	<hr/>	<hr/>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS:</b>		
Cash in hand	837,221	654,434
Total cash and cash equivalents	<b>837,221</b>	<b>654,434</b>
	<hr/>	<hr/>

The notes on pages 10 to 15 form part of these financial statements.

# AQUACULTURE STEWARDSHIP COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

### 1. ACCOUNTING POLICIES

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, except that fixed asset investments are stated at market value, and in accordance with Financial Reporting Standard 102 (FRS 102) and follow recommendations in Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102) effective 1 January 2015.

These financial statements combine the consolidated results of Aquaculture Stewardship Council Limited and Stichting Aquaculture Stewardship Council Foundation at Utrecht on a line by line basis.

The businesses included in the combined financial statements have not operated as a single entity. There is no legal requirement to prepare these combined financial statements as Aquaculture Stewardship Council Limited (and its wholly owned subsidiary Aquaculture Stewardship Council International Limited) and Stichting Aquaculture Stewardship Council Foundation are separate legal entities. However, the combined financial statements are prepared voluntarily in order to present the combined financial position, results and cash flows of Aquaculture Stewardship Council.

All transactions and balances between entities included in the combined financial statements are eliminated.

The directors of Aquaculture Stewardship Council and Stichting Aquaculture Stewardship Council have concluded that the functional currency of Aquaculture Stewardship Council is Euros on the basis that this is the predominant currency affecting Aquaculture Stewardship Council's operations. In addition, they have decided to present these combined financial statements in Euros.

#### **Income Recognition**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income received in advance of all or part of the specified performance conditions is deferred until the criteria for income recognition are met.

Donations are included in income when received. Income eligible for gift aid is recognised in full on receipt. There are no donated services.

Grants are recognised as income when it is clear ASC has entitlement to the income. Where income through contract or grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

Logo license royalties are accounted for in the period in which the labelled products were sold by our trading partners.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charity.

Restricted funds are only available to spend on specific programmes or purpose for which a grant is received for.

#### **Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred.

Costs generating funds comprise expenditure incurred in encouraging others to make contributions to the charity and include staff costs attributable to that activity.

# AQUACULTURE STEWARDSHIP COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

### 1. ACCOUNTING POLICIES (continued)

Where costs could not be directly attributed to any particular function or activity, they have been allocated by applying bases consistent with the use of the resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and any costs linked to the strategic management of the charity.

#### **Investments assets and income**

Investment income is recognised in the accounts when it is receivable and is allocated to the appropriate fund.

Investments: The charity has one wholly owned subsidiary undertaking, ASCI Ltd, incorporated in England & Wales. It is a trading subsidiary and receives royalties from logo licensing fees.

#### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, which are described in note 1, Directors are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Directors, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

#### **Fixed Assets**

Fixed assets are recorded at cost or, in cases where fixed assets have been donated to Aquaculture Stewardship Council, at valuation at the time of acquisition. Fixed assets are capitalised in the balance sheet at cost, except for items costing less than £500 which are expensed in the year of purchase.

Depreciation has been provided at the following rates in order to write down cost or valuation, less estimated residual value, of all tangible assets by equal annual instalments over their expected useful lives.

Furniture, Fittings & IT equipment	33%
Software and Database	20%

#### **Going concern**

We have set out in the Directors' report a review of financial performance and the charity and the group's reserve position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity and the group's ability to continue. The accounts have therefore been prepared on the basis that the charity and the group is a going concern.

#### **Foreign Exchange**

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

# AQUACULTURE STEWARDSHIP COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

### 1. ACCOUNTING POLICIES (continued)

#### Pension costs

The charity operates a defined contribution group personal pension scheme for the benefit of any employees wishing to join. The contributions payable under the scheme are charged in the income & expenditure account, and the assets are managed by an independent organisation.

#### Taxation

Aquaculture Stewardship Council is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, since it falls within the various exemptions available to registered charities.

#### Financial Instruments

ASC Ltd has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors. Investments in subsidiary undertakings are held at cost less impairment.

### 2. VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	€	€	€	€
<b>Grants receivable</b>				
Moore Foundation	-	122,090	122,090	139,356
Walton Foundation	-	99,364	99,364	-
John Ellerman Foundation	-	40,698	40,698	38,331
Governmental Grant - China	-	9,981	9,981	99,888
Packard Foundation	-	-	-	613,758
IDH	-	273,810	273,810	71,750
WWF US	65,398	-	65,398	-
WWF NL	62,000	-	62,000	101,000
<b>Donations</b>				
Garfield Weston Foundation	101,746	-	101,746	-
Corporate donations	-	164,891	164,831	110,697
	<u>229,144</u>	<u>710,774</u>	<u>939,918</u>	<u>1,174,781</u>

# AQUACULTURE STEWARDSHIP COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 DECEMBER 2015**

### 3. OTHER TRADING ACTIVITIES

	Total Funds 2015	Total Funds 2014
	€	€
Trading Income	1,517,021	857,140
Trout auditor training	49,030	17,738
	1,566,051	874,878
UK	158,508	35,529
Outside Europe	315,592	131,423
Europe	1,091,751	707,926
	1,566,051	874,878

### 4. COSTS OF: TRADING ACTIVITIES

	Total Costs 2015	Total Costs 2014
	€	€
Direct Costs – Cost of Goods Sold	222,556	202,089
Other Direct Costs - Administration	294,323	237,445
	516,879	439,534

### 5. COSTS OF CHARITABLE ACTIVITIES

	Total Costs 2015	Total Costs 2014
	€	€
Consultants	249,050	289,222
Accreditation	15,625	15,236
Depreciation	8,921	886
Finance Costs	(438)	13,310
Insurance	7,914	7,365
Information Technology	6,693	9,848
Legal and Accounting	71,300	56,140
Office and Premises	52,187	88,443
Telephone	14,254	9,722
Fees and Salaries	940,370	538,215
Training	3,624	225
Travel	224,635	194,114
Meetings	106,012	58,117
Marketing	74,870	63,077
Bad Debt Provision	17,792	-
Revaluation	( 56,018)	50,416
Other Costs	-	-
	1,736,791	1,394,336

# AQUACULTURE STEWARDSHIP COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 DECEMBER 2015**

### 6. DEBTORS

	2015 Group	2014 Group
	€	€
Trade debtors	256,728	148,400
Other debtors - ASC Netherlands	-	-
Other debtors	40,920	23,089
Prepayments & accrued income	995,621	575,656
Amount due from subsidiary - ASCI Ltd	-	-
	<b>1,293,269</b>	<b>747,145</b>

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

	2015 Group	2014 Group
	€	€
Trade creditors	162,829	182,475
Taxation and social security	37,296	13,752
ASC - Netherlands	-	-
Accruals & deferred Income	795,836	235,321
Loan	-	110,000
	<b>995,961</b>	<b>541,548</b>

	2015 Group
	€
Movement on deferred income	
Deferred income at 1 January 2015	-
Released to income in year	-
Income deferred in year	<u>518,724</u>
Deferred income at 31 December 2015	<u>518,724</u>

Deferred income comprises of 2016 allocated restricted funds per the agreement with the Moore Foundation and the Walton Foundation



# AQUACULTURE STEWARDSHIP COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 DECEMBER 2015**

### 8. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds €	Restricted Funds €	Total Funds Year to 31-Dec-14 €
<b>INCOME FROM:</b>				
Grants and donations	2	950,710	224,071	1,174,781
Other trading activities	3	874,878	-	874,878
Investments		635	-	635
<b>TOTAL</b>		<u>1,826,223</u>	<u>224,072</u>	<u>2,050,294</u>
<b>EXPENDITURE ON:</b>				
Raising funds:				
Support costs	4	( 237,445)	-	( 237,445)
Trading costs	5	( 202,089)	-	( 202,089)
Charitable activities	6/7	( 1,170,263)	( 224,072)	( 1,394,335)
<b>TOTAL</b>		<u>( 1,609,798)</u>	<u>(224,072)</u>	<u>( 1,833,870)</u>
<b>NET (EXPENDITURE) / INCOME</b>		<b>216,425</b>	<b>-</b>	<b>216,425</b>
<b>OTHER RECOGNISED GAINS</b>				
Foreign exchange differences Arising on the combination of subsidiaries		14,741	-	14,741
<b>NET MOVEMENT IN FUNDS</b>		<b>231,166</b>	<b>-</b>	<b>231,166</b>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward		614,103	38,331	652,434
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>845,270</u>	<u>38,331</u>	<u>883,601</u>