

Charity Registration No SC035745

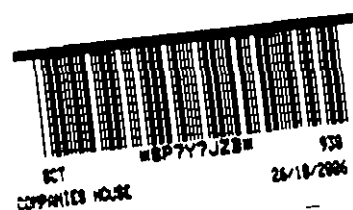
Company Registration No. SC267177 (Scotland)

SCOTTISH AQUACULTURE RESEARCH FORUM

(SARF)

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2006



**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
LEGAL AND ADMINISTRATIVE INFORMATION**

Chairman	Professor William Ritchie
Trustees	Anton Edwards Iain Sutherland Jane Wnght Andrew Wallace Ronald Stagg Douglas McLeod Jon Harman Richard Slaski Philip Gilmour John Webster David Sandison David Bassett Michael Cowling George Hamilton
Secretary	J & H Mitchell
Charity number	SC035745
Company number	SC267177
Registered office	Collie Bhrochain, Bonskeid Estate Pitlochry Perthshire PH16 5NP
Auditors	Morris & Young Chartered Accountants & Registered Auditors 6 Atholl Crescent Perth PH1 5JN
Bankers	Royal Bank of Scotland 84 Atholl Road Pitlochry PH16 5BJ
Solicitors	J & H Mitchell 51 Atholl Road Pitlochry Perthshire PH16 5BU

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**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
TRUSTEES' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2006**

The trustees present their report and accounts for the year ended 28 February 2006

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000

Objects of the charity

The charity is a company limited by guarantee registered in Scotland number SC267177 on 28 April 2004. The charity's objects are

- (i) the promotion, encouragement, and support of research into a sustainable diverse and economically viable aquaculture industry, based on the principles of stewardship and social responsibility and working within the carrying capacity of the environment, both locally and nationally and through out its supply chain. Which research shall be published and the results of same disseminated in the public domain,
- (ii) the promotion, encouragement, and support of scientific research and development in aquaculture and related activities, including within such, research in the fields of environmental impacts, technical and biological cultivation, and health and welfare science. Which research shall be published and the results of same disseminated in the public domain
- (iii) the advancement of education relative to aquaculture for the public benefit

The policies adopted in furtherance of these objects are

- (i) to write, print or otherwise reproduce and circulate, gratuitously or otherwise, periodicals, magazines, books, leaflets or other documents or visual or audio medium
- (ii) to hold exhibits, meetings, lectures, classes, seminars and courses either alone or with others
- (iii) to foster and sponsor research into any aspect of the objects and its work and to disseminate the results of any such research
- (iv) to co-operate and enter into arrangements with authorities, national, local or otherwise
- (v) to bring together representatives of statutory and other agencies and bodies engaged in the furtherance of the objects and to facilitate the collective research needs of its members
- (vi) to accept subscriptions, donations, devises and bequests of, and to purchase, take on lease or in exchange, hire or otherwise acquire and hold any heritable or moveable, real or personal property, and to maintain and alter any of the same as are necessary for any of the objects and (subject to such consents as may be required by law, to sell, lease or otherwise dispose of or mortgage any such heritable or moveable, real or personal property

There has been no change in these during the year

The board of directors is chaired by Professor William Ritchie

Review of activities

The charity has obtained funding from SEERAD, The Crown Estate, Seafish Industry Authority, SEPA, Scottish Natural Heritage, British Trout Association, Shetland Aquaculture, Scottish Quality Salmon, Fisheries Research Services and Highland & Islands Enterprise

**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2006**

Trustees

The trustees, who are also the directors for the purpose of company law, who served during the year were

Anton Edwards

Rebecca Boyd

(Resigned 1 September 2005)

Matthew Dalkin

(Resigned 31 January 2006)

Iain Sutherland

Jane Wright

Andrew Wallace

Ronald Stagg

Douglas McLeod

Jon Harman

Richard Slaski

Philip Gilmour

John Webster

David Sandison

Anthony Murray

(Resigned 30 April 2005)

Jane Davis

(Resigned 31 October 2005)

Laura Bateson

(Appointed 1 September 2005 and resigned 17 January 2006)

David Bassett

(Appointed 1 November 2005)

Michael Cowling

(Appointed 1 September 2005)

George Hamilton

(Appointed 6 June 2005)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Review of financial position

The surplus income in the year will be added to unrestricted reserves.

Reserves policy

It is the policy of the charity that unrestricted funds will be designated for research and development as defined in the memorandum and articles of association.

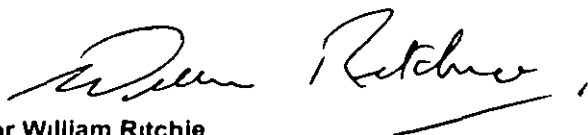
Risk factors

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Morris & Young be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of trustees



Professor William Ritchie

Chairman

Dated 26 April 2006

SCOTTISH AQUACULTURE RESEARCH FORUM (SARF) STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period

In preparing those accounts, the trustees are required to

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent and,

prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 1985. 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

**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SCOTTISH AQUACULTURE RESEARCH FORUM**

We have audited the accounts of Scottish Aquaculture Research Forum for the year ended 28 February 2006 set out on pages 5 to 9. These accounts have been prepared under the accounting policies set out on page 7.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 3, the trustees, who are also the directors of Scottish Aquaculture Research Forum for the purpose of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.


Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 28 February 2006 and of its incoming resources and application of resources in the year then ended. The accounts have been properly prepared in accordance with the Companies Act 1985, the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Charity Accounts (Scotland) Regulations 1992 and the founding document and the information given in the Directors' Report is consistent with the accounts.


Morris & Young,
Chartered Accountants & Registered Auditors
6 Atholl Crescent
Perth
PH1 5JN

Dated 3 August 2006

**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)**

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2006**

			10 months ended 28 February
	Notes	2006 £	2005 £
<u>Incoming resources</u>			
Donations and legacies	2	377,210	312,000
Investment income	3	13,410	2,497
Total incoming resources		390,620	314,497
<u>Resources expended</u>			
Costs of generating funds			
Fundraising and publicity costs		595	1,791
		595	1,791
Net incoming resources available		390,025	312,706
Charitable expenditure			
Research		110,654	
Management and administration		40,986	41,368
Total charitable expenditure		151,640	41,368
Total resources expended	4	152,235	43,159
Net income for the year/ Net movement in funds		238,385	271,338
Fund balances at 1 March 2005		271,338	
Fund balances at 28 February 2006		509,723	271,338

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985

**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
BALANCE SHEET
AS AT 28 FEBRUARY 2006**

	Notes	2006 £	£	2005 £	£
Current assets					
Debtors	7			13,750	
Cash at bank and in hand		578,025		260,260	
		<u>578,025</u>		<u>274,010</u>	
Creditors amounts falling due within one year	8	(68,302)		(2,672)	
Total assets less current liabilities		<u>509,723</u>		<u>271,338</u>	
Income funds					
Unrestricted funds					
Designated funds		509,723		271,338	
		<u>509,723</u>		<u>271,338</u>	

The accounts were approved by the Board on 26 April 2006

Trustee



Trustee



**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2006**

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000

1.2 Incoming resources

Income is recognised when received or scheduled to be received No income is recognised in respect of monies committed by organisations to be received in future periods

2 Donations and legacies

	2006 £	2005 £
Grants receivable for core activities	<u>377,210</u>	<u>312,000</u>

3 Investment income

	2006 £	2005 £
Interest receivable	<u>13,410</u>	<u>2,497</u>

4 Total resources expended

	Total 2006 £	Total 2005 £
Costs of generating funds		
Fundraising and publicity	<u>595</u>	<u>1,791</u>
Chantable expenditure		
Research	110,654	
Management and administration	<u>40,986</u>	<u>41,368</u>
	<u>151,640</u>	<u>41,368</u>
	<u>152,235</u>	<u>43,159</u>

Management and administration costs includes payments to the auditors of £1,528 (2005 £1,528) for audit fees and £164 (2005 £264) for other services

SCOTTISH AQUACULTURE RESEARCH FORUM (SARF)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2006

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. Chairman, Professor Ritchie, who is not a trustee, received an honorarium of £2,000 (2005 £2,000) and travel expenses reimbursed amounting to £468 (2005 £697).

6 Employees

Number of employees

There were no employees during the year.

7 Debtors	2006 £	2005 £
Trade debtors		13,750

8 Creditors: amounts falling due within one year	2006 £	2005 £
Trade creditors	15,831	2,672
Accruals	18,181	-
Deferred income	34,290	-
	68,302	2,672

9 Commitments

At 28 February 2006 the company had commitments as follows

	2006 £	2005 £
Expiry date		
Within one year	614,811	132,303
Between two and five years	169,091	162,399
	783,902	294,702

The charity has committed to funding research and development at a cost of £783,902 over the next 2 years. Incoming resources in the next 2 years is expected to be £408,500.

**SCOTTISH AQUACULTURE RESEARCH FORUM
(SARF)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2006**

10 Related parties

The trustees, who are also directors for the purposes of company law, each represent one of the sponsor organisations of SARF

In instances where the organisation that a trustee represents has a vested interest in a research proposal, the trustee will remove themselves from the evaluation and voting process in relation to that proposal