

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **Trustees Report and Accounts**

**Year ended 28th February 2015**

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## **Trustees' Report for the year ended 28 February 2015**

### **Scottish Aquaculture Research Forum**

The trustees present their report and the audited financial statements for the year ended 28 February 2015.

### **Structure, Governance & Management**

The charity is a company limited by guarantee.

### **Governing Document**

The company is governed by its Memorandum and Articles of Association, last amended 28 April 2004.

### **Recruitment and Appointment of Trustees**

From our 14 Member organisations listed below, 14 trustees, together with designated alternates, have been recruited. Trustees are also required to serve as members of the company under the Articles and are formally appointed as Company Directors, guaranteeing to contribute £1 in the event of the company being wound up. The Member organisation is responsible for selecting and nominating the candidates it wishes to serve on the SARF Board. Existing Board Members are informed of the nomination and, in the absence of substantive objection, the individual is appointed. There is no fixed term for SARF trustees. The Chairman is an independent appointee of the Board and the position is reviewed annually.

SARF Trustees are drawn from a broad range of interest groups including:

- The Scottish Government – Marine Directorate
- Scottish Environment Protection Agency
- Scottish Natural Heritage
- Highlands and Islands Enterprise
- Marine Scotland Science
- Scottish Environment Link
- The Crown Estate
- Sea Fish Industry Authority

- British Trout Association
- Association of Salmon Fishery Boards
- Scottish Salmon Producers Organisation
- Scottish Salmon Education and Research Foundation
- Association of Scottish Shellfish Growers
- Marine Harvest (Scotland) Ltd

### **Trustees Induction and Training**

At the time of their appointment, all trustees are provided with an information pack containing:

- The Role of the Charity Trustee (Liddell, 2011)<sup>1</sup>
- Memorandum and Articles of Association
- Standard SARF confidentiality agreement
- The previous year's Board meeting and Annual General Meeting minutes
- The latest set of accounts
- The latest annual report

The Secretariat also provides an induction presentation providing details of the structure, function and status of SARF. Trustees are encouraged to attend workshops and training events relevant to their role with SARF. The Secretariat also provides specific advice and guidance to new trustees. In addition to its normal cycle of Board meetings, SARF has previously staged an internal workshop to encourage the development of specific areas of SARF business through designated task groups. This mechanism was found to be very effective and in future ad hoc workshops will take place to develop the Board's capabilities and take forward important work streams.

### **Organisational Management**

SARF is operated by a Board constituted by trustees who are also Company Directors. Board members are drawn from each of SARF's Member organisations and take overall responsibility for ensuring that SARF fulfils its stated aims and maintains the appropriate infrastructure for the effective, accountable and lawful conduct of the organisation. The Chairman is an

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<sup>1</sup> Liddell, C. (2011) – The Role of the Charity Trustee (Unpublished).

independent appointee of the Board. The Company Secretary is J&H Mitchell Solicitors. Day to day management and administration of SARF is undertaken by the Secretariat, which has been Epsilon Resource Management Ltd since 31<sup>st</sup> January 2012. SARF accounts are audited by Johnston Carmichael LLP.

The Board consists of 14 trustees together with a similar number of designated alternates who may act on behalf of a specified trustee in their absence. The Board has agreed that other relevant bodies or individuals shall have observational or advisory status and be invited to participate in normal board meetings. Trustees are drawn from a diverse range of SARF Member organisations including Government, local authorities, regulators, industry, environmental and fisheries non-governmental organisations (NGO's). As individuals the Trustees bring a combination of policy, technical and business expertise to the Board.

The Board meets at least twice each year: an AGM and Board Meeting usually take place in May with a further Board meeting in late Autumn. The main function of the May Board meeting is to select the project areas that will be published as a call for proposals for research and development funding. The Autumn meeting is used to assess which of the proposals submitted should be supported by SARF. Sub-groups of the Board also meet on an *ad hoc* basis to address specific tasks agreed by the Board. Interim Board meetings also occur as required.

The Chairman and the Secretariat liaise regularly with respect to routine operational matters. All decisions related to policy, strategic development, project approvals and fundamental aspects of company business are referred to the Board. In the absence of Board consensus on an issue, decisions are carried on the basis of a simple majority with the Chairman holding a casting vote.

### ***Relationship with Related Parties***

The trustees, who are also Directors for the purposes of company law, are each drawn from SARF Member organisations. All trustees are formally requested to declare any potential conflict of interest prior to its discussion at a Board meeting. Exclusion of the Board member from further participation in discussions is at the Chairman's discretion. In instances where the Member organisation that a trustee represents has a vested interest in a research proposal, the trustee will remove themselves from the assessment and voting process in relation to that proposal. Directors are not permitted to be direct participants in a SARF project.

### ***Risk Management***

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. These risks are re-evaluated on an ongoing basis by the Secretariat and the Board is alerted to salient emerging issues. The Board retains insurance for "Professional and legal liability (charity)" and "Trustees and individual liability (charity)" with Hiscox Underwriting Limited.

### ***Aims, Objectives and Principal Activities***

The aims of SARF are:

- To promote, encourage and support scientific research and development in aquaculture and related areas. This includes research in the fields of environmental, economic and social impacts, technical and biological cultivation and health and welfare science.
- To enhance public understanding of aquaculture through the dissemination of research results in the public domain. This will include research exhibitions and on-line publications of investigations and results.
- SARF has a range of members including representatives from the aquaculture industry, government organisations, wild fish groups and environmental NGO's.

The research undertaken will be across a broad range of areas and will be required to meet the collective needs of its members.

### **Strategic Aim**

Through the support of research and the dissemination and publication thereof, promote and encourage a sustainable, diverse and economically viable aquaculture industry, based on the principles of stewardship, social responsibility and working within the carrying capacity of the environment, both locally and nationally and throughout its supply chain.

#### **Objectives for the year**

- Commission research and development projects prioritised and agreed by the Board
- Ensure the delivery of objective scientific research and development outputs from ongoing projects to underpin the sustainable development of aquaculture.
- Develop the educational remit of SARF.

### **Strategies for achieving objectives**

#### **Commissioning research**

SARF has established robust mechanisms for commissioning, managing and evaluating research and development projects. Prioritised research requirements are agreed by the Board and published as a call for proposals. Submitted proposals are subject to internal and external peer review, before being tabled for final assessment by the Board in the Autumn when funding decisions are made.

In addition to SARF's established grant round, exceptionally, *ad hoc* proposal procedures have been established to permit high priority projects to be taken forward through a fast track mechanism.

To encourage innovation, SARF has introduced an open concept note application process whereby brief outline proposals are invited at specific times. Concept notes

deemed by the Board to be of interest to SARF will be required to provide full applications which will be subject to internal and external peer review before the Board makes a final decision on funding the proposed research.

#### **Ensuring delivery**

Successful proposals are contracted through SARF and their progress monitored according to agreed protocols. Projects are encouraged to disseminate their results widely through appropriate media and fora. Final reports for projects are subject to internal and external peer review and, subject to commercial sensitivity, are published on the SARF website.

#### **Developing educational remit**

In addition to publishing the results of SARF projects through established online media, some projects have produced specific guidance material that has been disseminated directly to the appropriate target audiences. An example of this activity is a guidance note on the use of Acoustic Deterrent Devices which was distributed electronically to all licensed marine fish farms in Scotland. We are aware that the outputs from SARF projects are being used or are under active consideration by Government and Regulators. Work on Permitted Development Rights and Technical Standards are just some of the examples of work that is directly informing policy and regulation.

The SARF website is regularly updated.

### **Review of Achievements and Performance for the Year – 2014-15**

#### **Operational Performance and Strategic Analysis of Commitments**

All the principal objectives for 2014-15 were achieved.

Since its inception in 2004, SARF has developed a respected system for the procurement of high calibre applied research

and development in the field of aquaculture. Between 2004 and the end of this reporting period, SARF in collaboration with its co-sponsors has committed a total of £6,364,814 in fulfilment of its charitable role, with direct SARF commitments (projects and operational costs) accounting for £4,331,640 (68%) of the total.

Research and Development projects are the greatest proportion (87%) of expenditure, with a total of £5,549,207 (£3,516,033 - 63% from SARF). A total of 87 projects have been commissioned.

Operational expenditure as a function of total commitment over the period 2004 to the end of this reporting period is 13% of the total SARF commitment, a variable proportion of which relates to seeking leverage funding to supplement SARF's core income stream. The SARF Secretariat deals with all the day-to-day management of SARF and its various projects, including contractual and financial management together with all processes connected with project monitoring and evaluation. The Secretariat is also responsible for taking forward the education and dissemination role of SARF.

In 2014-15 SARF continued to operate a separate project budget line to account for the provision of advice.

#### *Research and Development*

Table 1 provides a list of SARF sponsored research and development projects. Of the 86 research & development projects commissioned since the inception of SARF, 72 are complete and 14 are ongoing.

Since the start of the reporting period 2014-2015, SARF has commissioned 6 new projects. The total value of the 6 commissioned projects during the reporting period is £233K.

In the same period, 22 SARF project meetings were conducted, with 5 projects ending or being finalised. The 5 projects completed in this financial year have been graded by external reviewers and considered

satisfactory or above, and accepted by the Board.

Whilst overall, the quality of project outputs is good, the Secretariat and the Board are aware of the need for some contractors to improve the provision of practical guidance and recommendations based on best available evidence.

The following SARF projects ended during the reporting period

Project Code	Project Title
SARF085	Sediment sulphide response to organic loading
SARF090	Impacts of salmonid pen aquaculture on hard substrates
SARF096	New approaches to mussel seedstock acquisition
SARF100	Novel Treatments for Freshwater Aquaculture
SARF SP006	Availability and use of freshwater resource in Scotland

#### *Education and Dissemination*

The SARF Secretariat has developed promotional material that is available to Member organisations, outlining SARF's role, remit and progress, together with a link to the SARF website.

The SARF application form which forms the basis of our research contracts requires that contractors define their plans to disseminate the outcomes of projects in appropriate formats, and also requires them to consider the subsequent use and/or impacts resulting from their research.

SARF secretariat attended and/or made presentations to several meetings during the year, publicising its activities and outcomes: Aquaculture Common Issues Group; EMFF PMC; SAIC Workshop; BBSRC workshop; Scottish Aquaculture Conference.

SARF remains available to provide the Ministerial Working Group on Aquaculture, directly or via one of its working groups, with an annual status update, and continues to respond to specific requests for information

related to projects that address actions being taken forward under the renewed Strategic Framework for Scottish Aquaculture.

### *Representational Role*

The SARF Secretariat is increasingly recognised as an important source for strategic aquaculture R&D related information and is developing a representational role in fora at UK and EU level. A member of the SARF Secretariat served on the Aquaculture Common Issues Group and the UK European Fisheries Fund Programme Monitoring Committee during the reporting period. Members of the SARF Board are also active participants in the MGSA together with other international fora, where they actively promote the work of SARF.

Throughout the year, the Chairman and the Secretariat engage with senior officials within Government, academia and industry to promote the work of SARF, remain abreast of relevant initiatives and to encourage further collaboration and support.

SARF is a founding member of the European Aquaculture Technology and Innovation Platform (EATIP) and continues to be a member of the European Aquaculture Society (EAS).

### *Contracts*

Additional clauses to the SARF standard R&D contract have been approved which will help to ensure that contractors record, archive and share the data they collect in appropriate formats and through nationally recognised Data Archive Centres.

### *Finance*

A corporate level risk assessment pro-forma has been developed and adopted by the Board.

Assessment of research council and other funding source opportunities is ongoing.

SARF continues to encourage funding from organisations wishing to use the SARF

commissioning and management processes to deliver R&D projects.

### *Factors outside the charity's control affecting objectives*

Securing longer term financial stability is fundamental to SARF's continued success. Contributing SARF Members are encouraged to formalise their commitments to SARF through contracts and increase their sponsorship to reflect increasing costs.

There has been a trend amongst some sponsors of SARF to reduce their core funding commitments, in favour of selective support for specific projects. This continues to be an area of concern in that it tends to reduce the flexibility with which funds can be allocated and can result in increased Secretariat costs in securing the balance of funding required to commission projects.

Previously, increasing resources from the Scottish Government helped to offset reduced contributions in funding from some sponsors, but this source of funding is likely to decline significantly from 2015. SARF will need to continue to actively seek additional funding sources. Whilst the economic climate appears to have stabilised over the past two years, there is likely to be a significant impact on public expenditure in the coming year and beyond which may impact on SARF's capacity to deliver prioritised R&D. The proportion of Government derived sponsorship for SARF has increased since its inception in 2004 and it is important that the non-Government commitment of funds to SARF is augmented to maintain both a broad funding base and a balance of contributions between the public and private sectors.

Better co-ordination and management of research effort will be required at National and UK level to ensure that what limited resources are available are properly targeted, efficiently managed and focus on delivery.

In the coming year, an important role for SARF could be to facilitate better co-ordination of aquaculture relevant R&D. The Secretariat continues to liaise with other

organisations involved in sponsoring aquaculture related R&D with a view to collaboration and co-sponsorship of projects.

### ***Financial Review and Results for the Year***

Incoming funds are donations from member organisations for core funding and specific additional project funding. In total these donations amounted £279,825 in the year from core sources.

It is anticipated that any reserves will be used to fund research projects in future accounting periods.

### ***Financial management policies***

Since 31<sup>st</sup> January 2012 Epsilon Resource Management Ltd (Epsilon) has been responsible for the day-to-day management of SARF finance and responsibility for ensuring that an effective system of internal financial control is maintained and operated in respect of SARF accounts.

The system of internal financial control is based on a framework of regular management information, periodic audit, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

- the existence of an appropriate control environment, such as clearly defined management responsibilities and evidence of reaction to control failures;
- regular monitoring of financial activity, on a weekly basis by Epsilon's financial controller and on a monthly basis all transactions of more than £1,000 are agreed by the SARF Chairman and one other designated signatory;
- contractual agreement for the allocation of SARF funds requiring the signature of two Directors;
- the Chairman also approves on a regular basis the expenses and fees generated by the Secretariat;
- a system of continuous cash flow control;
- all contractors invoices being checked prior to settlement and, under the terms of

the standard SARF Agreement, the right to secure financial audit of contractors;

- Johnston Carmichael LLP independently audit the SARF accounts annually;
- the Directors of SARF are informed at biannual Board meetings of the financial status of the company;
- minimising the financial risk to SARF by, as far as possible, securing contractually agreed contributions from Member organisations and committing funds within the constraints of these confirmed allocations.

The system of internal financial control is overseen by the Chairman, the SARF Board and the financial administrator who has responsibility for the development and maintenance of the financial control framework.

### ***Reserves Policy and Objectives***

It is the policy of SARF not to accrue reserves. The majority of the funds committed to SARF by our sponsors are allocated on the basis that they will support research and development projects. As research projects have a life of up to three years, the majority of related funding is in place at the outset. In addition, SARF conducts an annual research prioritisation exercise with its Member organisations and the number of high priority research areas submitted for consideration is always considerably more than SARF sponsorship alone could support.

### ***Future Plans***

Over the coming year, in addition to commissioning a new tranche of research and development projects, SARF will continue to engage with other major sponsors of R&D in this sector, including BBSRC and NERC, to better co-ordinate research effort and make best use of scarce resources.

In addition to maintaining a close dialogue with existing sponsors, work to develop strategic alliances with potential sponsors and co-funders will be actively pursued, together with assessments of the potential to



secure European Maritime and Fisheries Fund (EMFF) grant funding for specific areas of SARF's work.

The annual report including an assessment of progress against annually agreed objectives and targets is used as an expedient and dynamic means of defining and evaluating SARF's performance.

An additional allocation of research budget was made available to SARF by Marine Scotland, for projects commissioned in 2013-14, 2014-15 and 2015-16. This additional allocation was £500,000. Some £210,000 of the available £500,000 from Marine Scotland has been committed to projects. The remainder of the £500,000 funding tranche will likely be utilised for co-funding of new sea lice related research during 2015-16 and beyond.

The following strategic, medium and short term objectives were agreed for the reporting period beginning 2014. The progress made against each of these objectives during the reporting year is outlined below.

### **Strategic objectives**

#### **1. Research and Development**

- Seek to measurably improve the quality of research being delivered in support of SARF's aims, by maintaining and improving appraisal, assessment, monitoring and evaluation processes.
- Take an active role in co-ordinating aquaculture relevant research in Scotland.
- Better understand and develop aquaculture knowledge and expertise in both food and non-food production.
- Demonstrably deliver policy, regulatory and industry relevant research outcomes.

#### **Progress:**

- All proposals and projects continue to be subject to internal and external peer review and the list of peer reviewed publications emerging from projects is growing steadily.
- All projects are formally monitored on an interim and/or annual basis. Many

projects involve steering groups.

- SARF is taking an increasingly proactive role in providing advice and in R&D co-ordination activities at a strategic level.
- The SARF Board has taken the decision to encourage a broader range of R&D to include both food and non-food aquaculture production.
- The majority of SARF projects relate directly to informing policy, regulation and industry best practice.

#### **2. Education and Dissemination**

- Take a more prominent role in developing and promoting Scotland's reputation in aquaculture research.
- Encourage use of the results of SARF research projects to promote national and international improvements in aquaculture sustainability.
- Seek measurable improvement in targeted communication of research results to non-specialists.

#### **Progress:**

- The Secretariat's involvement in a range of UK and EU related aquaculture R&D fora helps to ensure that Scotland's reputation as an important and internationally recognised centre for research in this field is promoted.

### **Medium term objectives**

#### **Research and Development**

- Demonstrably promote better communication between key stakeholders and research providers to improve research focus and delivery.
- Forge links with one or more research funding bodies with a view to delivering co-ordinated research effort to address areas of work which may require multidisciplinary approaches and or resources beyond those available to SARF.
- Submit SARF to independent external evaluation as agreed by the Board.

#### **Progress –**

- In addition to specific project dissemination activities and workshops, SARF continues to promote collaborative projects which engage key stakeholders

as project partners or sponsors.

- SARF has actively participated in aquaculture workshops/conferences hosted by NERC and BBSRC during the reporting period, and has maintained its support for the Scottish Aquaculture Innovation Centre.

#### *Education and Dissemination*

- Stage a high quality (international) symposium as appropriate.
- Develop the potential of SARF to disseminate audience specific educational material on line.
- Engage with other education and training bodies to facilitate the delivery of research results to appropriate target audiences.

#### *Progress –*

- Much of SARF's effort in this area during this reporting period has been focused on improving the delivery of relevant project information to policy, regulation and industry.
- The SARF website has been upgraded to ensure that it remains web compliant and contains new features to improve dissemination.

#### ***Recurrent short term objectives to be completed within the reporting period:***

##### *Research and Development*

- Identify research priorities and commission research prioritised by the Board.
- Conduct at least one project monitoring meeting per project per year.
- Ensure appropriate peer review of all proposals and final reports.
- Seek to hold inaugural project (inception) meetings with all projects engaging key SARF Member organisations at an early stage to encourage good communication, early data exchange and better experimental design and execution.

#### *Progress –*

- Research prioritisation, commissioning, and peer review are a fundamental and ongoing part of SARF's operational and management procedures. Inaugural or

inception meetings are now standard for all new projects.

#### *Education and Dissemination*

- Ensure that all SARF project final reports accepted by the Board and not subject to confidentiality are published on the SARF website.
- Ensure that all published SARF project reports are issued with an International Standard Book Number (ISBN) and lodged with the British Library.
- Seek to disseminate information on the work of SARF and its projects to appropriate audiences when ever possible.

#### *Progress –*

- All SARF project reports accepted by the Board are published on the SARF website.
- All SARF reports are now issued with an ISBN to ensure that they will be retained as formal references by the British Library.

#### ***Short term objectives which have been completed within the reporting period 2014-2015***

##### *Research and Development*

- Attendance and presentations at national and international workshops.

##### *Education and Dissemination*

- Continued upgrading of the SARF website to facilitate access to SARF reports and deliver project information in a form that is appropriate to diverse and geographically dispersed audiences.
- Consideration of the need for additional workshops.

#### *General*

- Seeking to improve co-ordination of aquaculture related R&D to ensure more efficient use of resources.
- Aquaculture R&D Database was published on the SARF website in October 2013.

#### *Progress –*

- All of the objectives to be completed in

2014-15 were achieved.

***Short term objectives to be completed within the forthcoming reporting period 2015 - 2016***

*Research and Development*

- For the Secretariat to consult directly with SARF members to establish their strategic research priorities.
- Through the Board, to select which of the identified research priorities should be commissioned within the reporting year and to complete this task.
- For the Secretariat with the assistance of the Board to secure additional funding to support the prioritised research.
- Commission additional research related to Special Projects 2013 – the term used to identify the additional Marine Scotland funding, as discussed previously.

*Education and Dissemination*

- For the Secretariat to investigate mechanisms to identify and increase the impact of SARF projects.
- To consider participation at other workshops and seminars during 2015-16.

*General*

- Seek to improve co-ordination of aquaculture related R&D to ensure more efficient use of resources.
- Consider additional membership on the SARF Board with a view to strengthening representation and expertise.
- For a strategy sub-group to consider future SARF funding and operations.

## **Chairman's Notes**

SARF has been busy during the financial year 2014-15, managing 17 'core' projects and five Special Projects. This represents a doubling of the normal annual activity level for the organisation. The remainder of the Special Projects funds will be committed to a new sea lice project over 2015-16 and beyond.

Exceptionally, three SARF projects (SARF092, SARF095 and SARFSP009) have had to be terminated during 2014-15, at no cost to SARF. This was due to unforeseen but significant reorganisation on the part of the lead contractor involved. SARF will re-advertise and re-commission the three projects during the 2015-16 period.

SARF's core budget has been similar to 2013-14, and remains constrained in comparison with earlier years – a trend which is now certain to continue into 2015-16.

There has been a significant increase in aquaculture-related activity amongst a number of organisations during 2014 and continuing into 2015, and SARF has been proactively involved with all of these. The Scottish Aquaculture Innovation Centre is now established, and SARF attended its workshop on cleaner fish research. More widely, both NERC and BBSRC have held aquaculture workshops, seeking to ascertain the priority research areas relevant to their remits. MASTS is also active in aquaculture research, and SARF liaises closely with its representatives. All of this activity is welcome, but it does seem to have led to an overload of requests to different groups for their research priorities. On a positive note, SARF will be able to draw on these interactions in order to avoid any risk of duplication of effort when we approach our own research agenda for 2015-16.

Bearing in mind that SARF operates a rolling budget in so far as some research projects straddle two or more financial years and in order to address the issues of trends in future funding and operational commitments, the Board commissioned a Strategy Subgroup to

scrutinise options and report back with recommendations. In addition to funding and cash flow, the group assessed the market for short and medium term demand for "SARF-type" services and research opportunities. Its work is now complete, and its recommendations will be debated by the full Board at its 2015 AGM in May.

As always, SARF's research provides focused outputs that are used to inform policy, to improve regulation and to guide the day-to-day activities of fish and shellfish farmers. SARF will look to organising and hosting a few thematic workshops in 2015-16, and I will be asking our Board for suggestions as to topics. The Secretariat continues to serve as a focal point for the provision of advice and other forms of assistance, including participation in the organisation of conference-type activities that relate to the remit of SARF. As Chairman, I have been able to work closely with the Secretariat in participating in more meetings and events, including several research project progress and review meetings, than in previous years.

SARF Directors David Bassett of the BTA and Alan Wells of the ASFB have resigned this year, and SARF wishes to thank them for their assistance and insight over recent years. Andy Smith has joined the Board to represent the BTA, and we look forward to working with him over the coming years.

Finally, I wish to once again thank the secretariat for its hard work during the year, including its important role in supporting the aforementioned Strategy Subgroup. All aspects of SARF operations continued to function smoothly and effectively, and I am pleased to record that for the 10<sup>th</sup> year running the cost of our wide ranging secretarial and administrative functions have remained at less than 15% of total expenditure: 13.5% this year, which is a remarkable achievement.

On behalf of the board of trustees:



**Table 1. List of Projects**

Project Code	Project Title	Start Date	End Date
SARF001	Prevention and management of <i>Ichthyophthirius multifiliis</i>	01/01/2005	31/07/2005
SARF003	Development of a GIS-based tool to assist planning of aquaculture developments	01/03/2005	28/02/2006
SARF004	Vaccine performance - efficacy in gadoids measured by cell mediated immune responses	01/05/2005	30/04/2008
SARF004a	BAC Library	01/09/2006	28/02/2007
SARF005	Site optimisation for aquaculture operations	20/01/2005	19/10/2005
SARF009	Coastal assimilative capacity for amalgamated fish farm chemicals/organic pollutants	01/04/2005	31/03/2008
SARF011	Review of Environmental Quality Standards (EQS) for use in assimilative capacity model development	01/06/2005	31/05/2006
SARF012	The development of modelling techniques to improve predictions of assimilative capacity of water bodies utilised for marine caged fish farming	01/07/2005	30/09/2007
SARF012a	Development of assimilative capacity and carrying capacity models for water bodies utilised for marine bivalve and caged fish farming	01/04/2008	30/09/2010
SARF013 & 13a	Identification of sources of faecal pollution in Scottish coastal waters to help clarify causes of recent deterioration in the quality of Shellfish Harvesting waters ( to be associated with the EU REDRISK Project)	14/11/2005	13/11/2007
SARF014	Cod broodstock nutrition, and specifically the role of essential fatty acids such as arachidonic acid.	01/10/2005	30/09/2007
SARF015	The aetiology and epidemiology of Pancreas Disease (PD) and similar pathologies - Heart and Skeletal Muscle Inflammation (HSMI) and Cardiomyopathy Syndrome (CMS) - in Scotland	01/11/2005	30/11/2007
SARF016	Rainbow Trout Gastro Enteritis	01/05/2006	31/03/2009
SARF017	A rationale for the identification of sea lochs with isolated deep water, to help assess the risk of widespread basin de-oxygenation.	01/12/2005	30/11/2006
SARF021	The development of practical but meaningful welfare indices for cod ongrowing.	01/03/2006	11/06/2009
SARF022	Novel species risk to biodiversity assessments study: as discussed within the Scottish Biodiversity Strategy Implementation plans	05/01/2006	05/07/2006
SARF023	Review of sea lice bath treatment model	12/06/2006	17/08/2007
SARF024	A Review of Fish Farm Environmental Impact Assessments	01/09/2006	31/03/2007
SARF025	Consumer attitudes to aquaculture feed sustainability	01/02/2007	30/09/2007
SARF026	Evaluation of copper concentrations around marine cage fish farms.	01/02/2007	01/11/2009
SARF027	Stock management strategies to optimise growth potential in ongrowing of marine fish.	01/02/2007	31/01/2010
SARF027a	CON008 - continuation/extension of SARF027	15/02/2010	31/05/2011

SARF028	Development of a system for sentinel fish farm monitoring.	01/03/2007	01/02/2009
SARF030	Assessment of the rate of sedimentary ecosystem recovery following the removal of marine fish farm cages or the cessation of farming.	01/07/2007	30/09/2010
SARF031	Assessment of appropriate thresholds for the potential triggers for Environmental Impact Assessments (EIA) for shellfish farms.	15/01/2007	30/09/2007
SARF035	Determination of the fate of chemical/faecal material which is transported beyond the Allowable Zone of Effects (AZE).	26/02/2007	31/08/2007
SARF036	Establishing the effects of fish farm discharges on Biodiversity Action Plan (BAP) habitats and assessing their recoverability.	01/08/2007	31/12/2009
SARF037	Strategic waste management and minimisation in aquaculture – a detailed review of current status and future options.	19/02/2007	30/09/2007
SARF038	International Symposium	01/04/2007	01/04/2010
SARF039	SARF Education and Dissemination Programme	01/04/2007	Ongoing
SARF040	Review of Marine Fish Farm EIA Thresholds	10/03/2008	14/02/2009
SARF040a	Completion of SARF040	25/09/2009	27/11/2009
SARF040b	PDR	12/04/2010	30/06/2010
SARF041	Developing practical strategies for reducing the spread of harmful organisms during the transportation of live fish	01/04/2008	31/03/2009
SARF042	Assessment of the potential to reduce the infaunal species list required to give an indication of stress in sediments.	07/02/2008	06/06/2008
SARF043	Improving understanding of species specific requirements for marine finfish cultivation	01/03/2008	30/06/2012
SARF044	Assessment of the impacts and utility of acoustic deterrent devices	01/03/2008	31/12/2009
SARF045	Assessment of evidence that fish farming impacts on tourism.	08/02/2008	28/02/2009
SARF046	Socio-economic assessment of potential impacts of new and amended legislation on the cultivation of fish and shellfish species of current commercial importance.	08/02/2008	30/04/2009
SARF053	A systematic assessment of the environmental impact of Scottish shellfish farms, including benthos, water column and relevant special interactions	01/02/2009	30/06/2011
SARF054	Assessment of protocols and development of best practice contingency guidance to improve stock containment at cage and land based sites.	01/04/2009	01/10/2009
SARF055	Validation of OECD-model for predicted impact of freshwater cage production on in loch total phosphorus concentration	01/02/2009	31/03/2010
SARF056	Development and delivery of a proposal for re-establishment, on a pilot scale, of a native oyster population in Scotland	05/01/2009	30/09/2009
SARF057	Development of improved management strategies for Red Mark Syndrome (RMS)	01/02/2010	01/08/2011

SARF063-01	Overcoming bottlenecks in the intensive commercial production of native oyster spat	01/01/2010	30/06/2012
SARF063-02	Establishment and development of a national broodstock of the European hake, <i>Merluccius merluccius</i>	04/01/2010	30/12/2012
SARF064	<i>Mytilus trossulus</i> : Managing impact on sustainable mussel production in Scotland	04/01/2010	31/08/2011
SARF065	Trials to enhance oyster depuration with respect to norovirus	01/03/2010	31/10/2010
SARF066	Practical trials and cost-benefit analysis for industry of reduced depuration times for the mussel <i>Mytilus edulis</i>	01/08/2010	30/01/2011
SARF068	Optimising sea lice treatment regimes to minimise the development of resistance - altered to - Management of sea lice numbers with wrasse and maintaining wrasse welfare - April/May 2011	01/03/2010	01/09/2012
SARF069	Evaluation of sensitivity to chemotherapeutants in successive generations of <i>Lepeophtheirus salmonis</i> from a resistant population	01/01/2010	28/02/2011
SARF070	Development of a risk evaluation system for the establishment of <i>Gyrodactylus salaris</i> in Scottish river systems	01/03/2010	30/09/2010
SARF071	Preliminary tests of the behavioural responses of seals to electric fields in sea water	01/10/2010	30/06/2012
SARF072	Independent Review of SARF	20/08/2010	15/12/2010
SARF073	Engineering Standards	01/12/2010	31/07/2011
SARF075	SARF/Telford Workshop	28/02/2010	28/02/2010
SARF076	Provision of Advice	01/10/2009	Ongoing
SARF077	Macro/Micro Algae	22/11/2010	22/05/2011
SARF078	Carbon Lifecycle	01/12/2010	30/06/2011
SARF079	Tourism Project - ISLAD	01/04/2011	30/09/2011
SARF080	Applications for external funding	Ongoing	Ongoing
SARF081	Multi Trophic Aquaculture - IMTA	13/12/2010	25/03/2011
SARF082	Scottish Aquaculture's Utilisation of Environmental Resources	01/05/2012	31/05/2013
SARF084	SARF Session on Fish Migration Assessment at WFC	11/05/2012	11/05/2012
SARF085	Sediment Sulphide Response to Organic Loading	01/03/2012	31/11/2013
SARF087	Monitoring and Eradication of Invasive and Non-native Species in Aquaculture Units	01/02/2012	31/07/2012
SARF088	Student Dissertations		On website
SARF088b	Student Dissertations		On website
SARF090	Impacts of salmonid pen aquaculture on hard substrates	01/03/2013	15/01/2014
SARF091	Use of algal and other non-fish oils in refined edible products	03/01/2013	03/07/2013
SARF092	Technical Standards for Finfish Pen Farms	01/05/2013	30/04/2014
SARF093	Renewable power generation on aquaculture sites	15/01/2013	31/10/2013
SARF094	RMS	07/01/2013	31/12/2014
SARF094b	RMS	01/01/2015	15/06/2016
SARF095	Methodology for Embedding Drag Anchors	01/04/2013	31/03/2014
SARF096	New approaches to mussel seedstock acquisition	08/04/2013	31/10/2013
SARF097	Plugging the Gaps: Improving Our knowledge of How Predators Impact Salmon Farms	15/10/2013	15/10/2015
SARF098	PAMP Refreshment Study	20/01/2014	30/11/2014

SARF099	Survey of Pacific oyster in Scotland	01/03/2014	30/11/2014
SARF100	Novel Treatments for Freshwater Aquaculture	06/01/2014	06/10/2014
SARF104	Sea Lice Research Feasibility Study	23/09/2013	20/12/2013
SARF104a	Expert Assistance for SARF104	23/09/2013	20/12/2013
SARF105	STS Write-up	01/02/2014	31/12/2014
SARFSP001	Assessment of the viability of the different life stages of <i>Lepeophtheirus salmonis</i> following exposure to hydrogen peroxide	01/02/2014	15/05/2015
SARFSP005	Assessment of the viability of <i>Neoparamoeba perurans</i> following exposure to hydrogen peroxide	01/02/2014	31/01/2015
SARFSP006	Availability and use of freshwater resources in Scotland	13/01/2014	13/07/2014
SARFSP007	Finfish Feed Ingredients	01/06/2014	31/03/2015
SARFSP008	Modelling of the potential for shortening the pen-based phase of the salmon on-growing cycle	01/02/2014	31/05/2015
SARFSP009	Technology for the Development of Aquaculture in More Exposed Locations in Scotland	27/01/2014	31/10/2014
SARF106	Mariculture	15/09/2014	31/05/2015
SARF108	Sea Lice Predation	01/11/2014	31/01/2015
SARF109	Load Cells	01/04/2015	15/06/2016
SARF110	Locational Regulation of Shellfish Aquaculture	01/01/2015	31/12/2015



**Charity Registration No. SC035745**

**Company Registration No. SC267177 (Scotland)**

**SCOTTISH AQUACULTURE RESEARCH FORUM**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2015**

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Chairman</b>	Professor William Ritchie
<b>Trustees</b>	Iain Sutherland John Webster David Sandison Michael Cowling George Lees Andrew Smith Alastair Mitchell Douglas Sinclair Piers Hart Rob Raynard Tom Pickerell Alan Sutherland Nick Lake
<b>Secretary</b>	J & H Mitchell LLP
<b>Charity number</b>	SC035745
<b>Company number</b>	SC267177
<b>Registered office</b>	PO BOX 7223 Balnakeilly Pitlochry Perthshire PH16 9AF
<b>Accountants</b>	Johnston Carmichael LLP 66 Tay Street Perth PH2 8RA
<b>Bankers</b>	The Royal Bank of Scotland plc 84 Atholl Road Pitlochry PH16 5BJ
<b>Solicitors</b>	J & H Mitchell LLP 51 Atholl Road Pitlochry Perthshire PH16 5BU

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

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# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 28 FEBRUARY 2015***

The trustees present their report and accounts for the year ended 28 February 2015.

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 memorandum and articles of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

#### **Structure, governance and management**

The charity is a company limited by guarantee.

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

Iain Sutherland

John Webster

David Sandison

David Bassett

(Resigned 1 September 2014)

Michael Cowling

George Lees

Andrew Smith

(Appointed 26 November 2014)

Alastair Mitchell

Douglas Sinclair

Piers Hart

Alan Wells

(Resigned 7 February 2015)

Rob Raynard

Tom Pickerell

Alan Sutherland

Nick Lake

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.

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.

# SCOTTISH AQUACULTURE RESEARCH FORUM

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

#### Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

#### Auditors

A resolution proposing that Johnston Carmichael LLP be reappointed as auditors of the company will be put to the members.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board of trustees

Alan Sutherland

Trustee

Dated: .....

  
13<sup>th</sup> May 2015

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of Scottish Aquaculture Research Forum for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **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 2015 set out on pages 25 to 34. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its 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 explained more fully in the Trustees' responsibilities statement set out on page 3, the trustees, who are also the directors of Scottish Aquaculture Research Forum for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the accounts and non-financial information in the charity's Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

# SCOTTISH AQUACULTURE RESEARCH FORUM

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF SCOTTISH AQUACULTURE RESEARCH FORUM

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Jean Main CA

for and on behalf of Johnston Carmichael LLP

Chartered Accountants

Statutory Auditor

66 Tay Street

Perth

PH2 8RA

Dated: 13 May 2015

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# SCOTTISH AQUACULTURE RESEARCH FORUM

## STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED 28 FEBRUARY 2015**

	Notes	Unrestrict funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b><u>Incoming resources</u></b>					
<b>Incoming resources from generated funds</b>					
Donations and legacies	2	279,825	-	279,825	281,500
Special projects income	2	-	135,044	135,044	560,000
Investment income	3	1,269	-	1,269	1,691
<b>Total incoming resources</b>		<b>281,094</b>	<b>135,044</b>	<b>416,138</b>	<b>843,191</b>
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Fundraising and publicity	4	516	-	516	1,212
<b>Net incoming resources available</b>		<b>280,578</b>	<b>135,044</b>	<b>415,622</b>	<b>841,979</b>
<b>Charitable activities</b>					
Secretariat and administration costs		73,294	-	73,294	84,611
Research costs	5	144,592	-	144,592	409,360
Special projects expenditure	5	-	(24,935)	(24,935)	361,321
<b>Total charitable expenditure</b>		<b>217,886</b>	<b>(24,935)</b>	<b>192,951</b>	<b>855,292</b>
<b>Governance costs</b>		<b>4,548</b>	<b>-</b>	<b>4,548</b>	<b>3,874</b>
<b>Total resources expended</b>		<b>222,950</b>	<b>(24,935)</b>	<b>198,015</b>	<b>860,378</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>58,144</b>	<b>159,979</b>	<b>218,123</b>	<b>(17,187)</b>
<b>Fund balances at 1 March 2014</b>		<b>147,118</b>	<b>213,679</b>	<b>360,797</b>	<b>377,984</b>
<b>Fund balances at 28 February 2015</b>		<b>205,262</b>	<b>373,658</b>	<b>578,920</b>	<b>360,797</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SCOTTISH AQUACULTURE RESEARCH FORUM

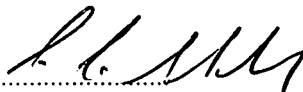
## BALANCE SHEET

AS AT 28 FEBRUARY 2015

	Notes	2015 £	2014 £
<b>Current assets</b>			
Debtors	10	64,840	997
Cash at bank and in hand		1,022,449	1,052,589
		<u>1,087,289</u>	<u>1,053,586</u>
<b>Creditors: amounts falling due within one year</b>	11	(446,036)	(669,956)
<b>Total assets less current liabilities</b>		<b>641,253</b>	<b>383,630</b>
<b>Creditors: amounts falling due after more than one year</b>	12	(42,000)	-
<b>Deferred income</b>	13	(20,333)	(22,833)
<b>Net assets</b>		<b>578,920</b>	<b>360,797</b>
<b>Income funds</b>			
Restricted funds	14	373,658	213,679
Unrestricted funds		205,262	147,118
		<u>578,920</u>	<u>360,797</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 13<sup>th</sup> May 2015



Alan Sutherland  
Trustee



Piers Hart  
Trustee

Company Registration No. SC267177

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 28 FEBRUARY 2015**

#### **1 Accounting policies**

##### **1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

##### **1.2 Incoming resources**

Incoming resources represent grants and donations received for revenue purposes which are included when the company is legally entitled to receive them.

Income is deferred if there are donor imposed conditions that specify the time period in which the expenditure can take place.

##### **1.3 Resources expended**

Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to that category and include irrecoverable VAT.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

Governance comprises costs for the running of the charity itself as an organisation.

##### **1.4 Accumulated funds**

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

##### **1.5 Taxation**

The company is recognised as a charity by HM Revenue and Customs under section 505 TA 1988; no provision is made for taxation.

# SCOTTISH AQUACULTURE RESEARCH FORUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

#### 2 Donations and legacies

	Unrestrict funds £	Restricted funds £	Total 2015 £	Total 2014 £
Donations and gifts	<b>279,825</b>	-	<b>279,825</b>	281,500

#### Special projects income

	Unrestrict funds £	Restricted funds £	Total 2015 £	Total 2014 £
Marine Scotland	-	-	-	500,000
Scottish Salmon Producers Organisation	-	<b>123,549</b>	<b>123,549</b>	-
The Crown Estate	-	<b>11,495</b>	<b>11,495</b>	60,000
	<b>-</b>	<b>135,044</b>	<b>135,044</b>	560,000

#### 3 Investment income

	2015 £	2014 £
Interest receivable	<b>1,269</b>	1,691

# SCOTTISH AQUACULTURE RESEARCH FORUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

#### 4 Total resources expended

	Other costs £	Grant funding £	Total 2015 £	Total 2014 £
<b>Costs of generating funds</b>				
Fundraising and publicity	516	-	516	1,212
<b>Charitable activities</b>				
<u>Secretariat and administration costs</u>				
Support costs	73,294	-	73,294	84,611
<u>Research costs</u>				
Grant funding of activities	-	144,592	144,592	409,360
Special projects expenditure	-	(24,935)	(24,935)	361,321
	<b>73,294</b>	<b>119,657</b>	<b>192,951</b>	<b>855,292</b>
<b>Governance costs</b>	<b>4,548</b>	<b>-</b>	<b>4,548</b>	<b>3,874</b>
	<b>78,358</b>	<b>119,657</b>	<b>198,015</b>	<b>860,378</b>

# SCOTTISH AQUACULTURE RESEARCH FORUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

#### 5 Grants payable

	Total 2015 £	Total 2014 £
Grants to institutions:		
Gael Force Engineering Limited	100,000	-
Fish Vet Group	-	93,368
Scottish Association for Marine Science	-	69,287
University of St Andrews	-	60,000
ABP Marine	58,939	45,895
University of Stirling	55,674	16,371
Epsilon Resource Management Ltd	25,325	38,649
Centre for Environment, Fisheries and Aquaculture Science	-	34,972
Homarus	-	17,880
Connel Marine Consultancy Services	-	5,000
Aquatera Limited	-	6,000
Provision for advice and others under £10,000	7,480	24,417
Projects terminated (SARF092 and SARF095)	(93,368)	-
Under spend on Projects	(9,458)	(2,479)
	<hr/> 144,592	<hr/> 409,360

#### Special projects expenditure

	Total 2015 £	Total 2014 £
Grants to institutions:		
Marine Scotland Science	-	154,783
Centre for Environment, Fisheries and Aquaculture Science	-	73,072
Viking Fish Farms	-	69,917
APEM Limited	-	54,405
Bluetail Consulting Limited	21,750	-
University of Stirling	16,159	-
Provision for advice and others under £10,000	7,073	9,144
Projects terminated (SARF SP009)	(69,917)	-
	<hr/> (24,935)	<hr/> 361,321
	<hr/> <hr/> 119,657	<hr/> <hr/> 770,681

# SCOTTISH AQUACULTURE RESEARCH FORUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

#### 6 Support costs

	2015 £	2014 £
Consultancy fees	60,711	69,688
Programme expenses and referees payments	1,540	3,676
Insurance	1,537	1,484
Postage and stationery	449	426
Conferences and seminars	7,008	6,207
Dues and subscriptions	853	1,559
Sundry expenses	1,196	1,571
	<u>73,294</u>	<u>84,611</u>

#### 7 Governance costs

	2015 £	2014 £
Legal and professional	648	74
Auditors' remuneration	3,900	3,800
	<u>4,548</u>	<u>3,874</u>

#### 8 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 (2014 - £2,000) and travel expenses reimbursed amounting to £428 (2014 - £848).

#### 9 Employees

There were no employees during the year.

#### 10 Debtors

	2015 £	2014 £
Trade debtors	64,799	938
Other debtors	41	59
	<u>64,840</u>	<u>997</u>

# SCOTTISH AQUACULTURE RESEARCH FORUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

<b>11 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>83,500</b>	39,638
Accruals	<b>362,536</b>	630,318
	<b>446,036</b>	669,956
<b>12 Creditors: amounts falling due after more than one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Accruals	<b>42,000</b>	-
<b>13 Deferred income</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Total deferred income at 1 March 2014	<b>22,833</b>	23,333
Amounts received in year	<b>173,500</b>	203,500
Amounts credited to statement of financial activities	<b>(176,000)</b>	(204,000)
<b>Total deferred income at 28 February 2015</b>	<b>20,333</b>	22,833

Deferred income represents grants received in the current and previous years which are in respect of expenditure that must take place in future accounting periods.



# SCOTTISH AQUACULTURE RESEARCH FORUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2015

#### 14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 March 2014	Incoming resources	Movement in funds Resources expended	Balance at 28 February 2015
	£	£	£	£
SARF 047	15,000	-	-	15,000
Special Projects 2013	198,679	135,044	24,935	358,658
	<u>213,679</u>	<u>135,044</u>	<u>24,935</u>	<u>373,658</u>

SARF 047 - funding from Scottish Salmon Producers' Organisation towards wellboat treatments and integrated sealice management.

Special Projects 2013 - funding from Marine Scotland, The Crown Estate and Scottish Salmon Producers Organisation towards strategic research to support sustainable growth of Scottish farmed fish and shellfish.

#### 15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 28 February 2015 are represented by:			
Current assets	540,461	546,828	1,087,289
Creditors: amounts falling due within one year	(272,866)	(173,170)	(446,036)
Creditors: amounts falling due after more than one year	(42,000)	-	(42,000)
Accruals and deferred income	(20,333)	-	(20,333)
	<u>205,262</u>	<u>373,658</u>	<u>578,920</u>

Restricted funds represent unexpended co-funders contributions to specific projects. These funds are restricted in purpose and are recorded separately.

Incoming resources currently confirmed for next year amounts to £89,000.

# **SCOTTISH AQUACULTURE RESEARCH FORUM**

## **NOTES TO THE ACCOUNTS (CONTINUED)**

### ***FOR THE YEAR ENDED 28 FEBRUARY 2015***

#### **16 Related parties**

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

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.

Marine Scotland Science is currently carrying out two projects under Special Projects 2013. Costs to date on these projects amounted to £nil (2014 - £154,783).

Epsilon Resource Management Limited is a company owned by Richard Slaski and acts as the Secretariat for the company and during the year secretariat costs amounted to £48,573 (2014 - £55,717). Epsilon Resource Management Limited is also carrying out one of the projects and the costs during the year for this project amounted to £25,325 (2014 - £38,649).