

Charity Registration No. SC045119 (Scotland)

Company Registration No. SC477579 (Scotland)

FISHERIES INNOVATION SCOTLAND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

FISHERIES INNOVATION SCOTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J H Goodlad (Chairman)	
	Mr M E Mitchell	
	Mr M Coleman	
	Ms A L Freeman	(Appointed 25 January 2022)
	Mr S J McLean	(Appointed 27 June 2022)
Secretary	J&H Mitchell WS	
Charity number	SC045119	
Company number	SC477579	
Registered office	PO Box 7223 PITLOCHRY PH16 9AF	
Independent examiner	Scott Jeffrey CA Johnston Carmichael LLP 66 Tay Street Perth PH2 8RA	
Bankers	Royal Bank of Scotland St Andrews Branch 113-115 South Street ST ANDREWS KY15 9QB	

FISHERIES INNOVATION SCOTLAND

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FISHERIES INNOVATION SCOTLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2022

The trustees present their annual report and financial statements for the year ended 31 May 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

FIS believes that innovation is the key to releasing untapped potential for greater prosperity and sustainability in Scotland's seafood industry.

FIS is a unique public-private collaboration between seafood experts, government and scientists to champion innovation in the Scottish fishing industry.

FIS commissions multidisciplinary research projects and creates a non-competitive environment for collaboration, bringing seafood experts, government and scientists together to champion innovation in the Scottish fishing industry.

FIS champions projects which will make the greatest positive change for Scotland's seafood industry and the people driving it.

Achievements and performance

- In this eighth year of operation, FIS responded to the most pressing innovation needs for Scottish seafood with projects piloting digital technology to improve traceability and verification, and understanding what alternative vessel fuels might be realistic in a Scottish context. FIS welcomed its newest member, The Fishmongers' Company, and is delighted to have the support of this ancient and esteemed industry leader and together hope that this partnership will enable FIS to scale up projects and share practices for the benefit of the wider sector.
- 'Digitalisation' in seafood is information captured on a digital platform shared under a set of permissions with selected stakeholders to improve the safety, efficiency, value, and sustainability of seafood supply-chains and increase consumer trust. As a result of priority-setting discussions with experts inside and outwith Scottish fisheries, FIS commissioned seafood traceability experts to assess how emerging technologies can add value to our industry. The resulting report, A Digitalisation Roadmap for Scotland's Fisheries, recommended that FIS embark on pilots to test how current ad hoc data collection could be improved by a coordinated approach, allowing data to be captured once but used as many times as needed and by different users - in science, markets, certification and management. At a workshop in September, stakeholders developed FIS vision for digitalisation and agreed a pilot to provide proof of concept for gathering accurate data to protect and position the industry for the future.
- FIS hosted a 'Vessels of the Future' workshop at the Strathclyde Technology & Innovation Centre in Glasgow, to explore energy efficient measures relevant to Scottish fishing vessels. 50 participants from Scotland, the UK and as far afield as Norway and Canada came together to discuss what alternative fuels, engines, designs, or other innovations are realistic in a Scottish context. This workshop was a valuable first step towards ensuring the fishing industry's perspective is included in wider discussions around reducing vessel emissions in the maritime sector.
- The event built momentum and enthusiasm towards addressing the challenge of transforming the fishing industry to meet the low-carbon expectations of the modern world. Following on from the workshop, FIS and the Fishmongers' Company's Fisheries Charitable Trust invited James Duthie Jr, a skipper and naval architect from Fraserburgh, to participate in a knowledge-exchange with Norway. James travelled to Norway to see innovations in reducing vessel emissions, meet key players in the decarbonised vessel sector, and consider how FIS can help apply Norwegian know-how to the UK fleet.

FISHERIES INNOVATION SCOTLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

- This year saw another important step in developing Smartrawl, the highly innovative gear system which aims to allow skippers to select fish species and sizes in the trawl. This will reduce waste caused by discarding, while allowing skippers to retain commercially valuable catch. The system involves a stereo camera in the trawl extension producing high quality images of fish entering the cod-end. An onboard computer identifies fish size and species so that decisions can be made in real time to catch or release the fish. FIS has completed a further Scottish Government funded project phase, where significant progress was made in developing the AI algorithms, and extensive sea trials of the camera. The next phase of work will focus on integrating the system.
- In this period, FIS held four meetings of the Board of Trustees, and three meetings of the Technical Advisory Committee. Members reflected on the new political landscape and catching sector priorities, now very different to when FIS was established in 2014. These new challenges face not only the Scottish catching sector, but businesses end-to-end along the UK seafood supply chain. To meet these challenges, which point to an even greater need for innovative thinking, the Board is considering opportunities to grow FIS into an innovation body to serve as a catalyst for greater prosperity and sustainability across UK seafood.

Financial review

Results for the year ended 31 May 2022 are given in the Statement of Financial Activities on page 7. The assets and liabilities are given in the Balance Sheet on page 8. The financial statements should be read in conjunction with the related notes which appear on pages 9 to 17.

In summary, income amounted to £439,768 (2021 - £321,492), expenditure totalled £422,634 (2021 - £109,107), resulting in net income for the year of £17,134 (2021 - £212,385).

During this period, the Executive Director and Secretariat have been responsible for the day-to-day management of FIS finance and responsibility for ensuring that an effective system of internal financial control is maintained and operated in respect of FIS 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 by the Executive Director and Secretariat;
- following Board agreement, contractual agreement for the allocation of FIS funds requiring the witnessed signature of the Executive Director;
- a system of continuous cash flow control;
- all contractors' invoices being checked prior to settlement and, under the terms of the standard FIS Agreement, the right to secure financial audit of contractors;
- Johnston Carmichael LLP continue to independently review the FIS accounts annually;
- Informing FIS Directors at Board meetings of the financial status of the company;
- minimising the financial risk to FIS by 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 Executive Director, the Chairman, the FIS Board and the Secretariat financial administrator who has responsibility for the development and maintenance of the financial control framework.

FISHERIES INNOVATION SCOTLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Reserves policy

It is the policy of the charity that unrestricted funds that have not been designated for a specific use should be maintained at a level equivalent to three months of the total expenditure excluding grants payable for the year. At 31 May 2022 this amounted to £136,667 therefore three months amounts to approximately £34,000. At the end of the reporting period the total funds held amounted to £591,789 which related to unrestricted funds, therefore this level of reserves has been maintained. Restricted funds were fully utilised in the year and are fully explained in note 14.

The majority of the funds committed to FIS by the members are allocated on the basis that they will support the research and development projects therefore this level of reserves is held mainly to cover any administrative costs for the notice period of three months in the event of a significant drop in funding.

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 these risks. These risks are re-evaluated on an ongoing basis by the Executive Director and the Secretariat, and the Board is alerted to emerging issues. The most important risk to the charity is the security of its future funding stream and therefore its ability to fulfil its objectives, and this risk is discussed at every meeting of the Board.

The Board retains insurance for "Professional and legal liability (charity)" and "Trustees and Individual liability (charity)" with Hiscox Underwriting Limited.

Structure, governance and management

The charity is a company limited by guarantee. The company is governed by its Memorandum and Articles of Association, last amended 28 July 2014.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J H Goodlad (Chairman)	
Mr A W Dingwall	(Resigned 5 November 2021)
Mr M E Mitchell	
Mr A G Gibb	(Resigned 31 May 2022)
Mr M Coleman	
Ms H Macintyre (Farr)	(Resigned 27 June 2022)
Ms E M MacDonald	(Resigned 31 May 2022)
Ms A L Freeman	(Appointed 25 January 2022)
Mr S J McLean	(Appointed 27 June 2022)

Four trustees from our member organisations listed below, together with designated alternates, are in post. The Chairman is also an elected trustee. Scottish Natural Heritage (Nature Scot) elects not to nominate a trustee to the Board. Trustees are also required to serve as members of the company under the Articles and are formally appointed as Company Directors. None of the directors has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Member organisation is responsible for selecting and nominating the candidate it wishes to serve on the FIS 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 FIS trustees. The Chairman is an independent appointee of the Board and the position is reviewed annually.

FISHERIES INNOVATION SCOTLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MAY 2022**

Qualifying third party indemnity provisions

FIS members are drawn from a broad range of interests, namely:

- Sainsbury's
- Scottish Fishermen's Federation
- Nature Scot
- Seafish
- Marks and Spencer
- Marine Scotland
- Young's Seafood
- Fishmongers' Company

Organisational Management

FIS is operated by a Board constituted by trustees who are also Company Directors. Board members are drawn from each of FIS's member organisations and take overall responsibility for ensuring that FIS fulfils its stated aims and maintains the appropriate infrastructure for the effective, accountable and lawful conduct of the organisation. The Chairman is an independent appointee of the Board. The Company Secretary is J&H Mitchell Solicitors. Day to day management and administration of FIS is undertaken by the Executive Director, Kara Brydson. A Secretariat supports the Board, the Chairman and the Executive Director, a role which is undertaken by Sandra Gray on a self-employed basis. FIS accounts are independently examined by Johnston Carmichael LLP.

The Board consists of five 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. Specifically, the Chair of the Technical Advisory Committee (TAC) has been a regular attendee at Board meetings during the reporting period. The Board meets at least twice each year. Sub-groups of the Board also meet on an ad hoc basis to address specific tasks agreed by the Board.

The work of FIS is supported by the TAC, whose members are selected by the Board on the basis of their personal expertise and experience. The TAC meets independently of the Board and communications between the two are maintained by the Executive Director.

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

At the time of appointment, trustees are provided with an Information pack containing:

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

FISHERIES INNOVATION SCOTLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Relationship with Related Parties

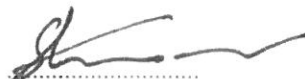
The trustees, who are also directors for the purposes of company law, are each drawn from FIS Member organisations. All trustees are formally requested to declare any potential conflict of interest prior to its discussion at a Board meeting. Exclusion of the Board member from further participation in discussions is at the Chairman's discretion. In instances where the Member organisation has a vested interest in a research proposal, that 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 FIS project.

The trustees' report was approved by the Board of Trustees.



Mr M Coleman
Trustee

Date: 6/12/22



Mr S J McLean
Trustee

Date: 6/12/22

FISHERIES INNOVATION SCOTLAND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FISHERIES INNOVATION SCOTLAND

I report to the charity trustees on my examination of the financial statements of the charitable company for the year ended 31 May 2022, which are set out on pages 7 to 17.

Respective responsibilities of trustees and examiner

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

Basis of independent examiner's statement

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

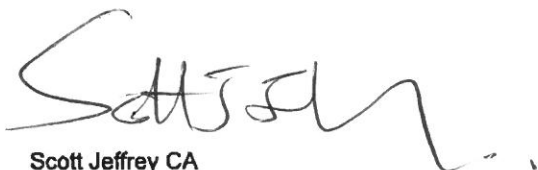
Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Use of our report

This report is made to the company's board of directors, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's financial statements on behalf of the company's board of directors and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's board of directors as a body, for my work or for this report.



Scott Jeffrey CA

Johnston Carmichael LLP
66 Tay Street
Perth
PH2 8RA

Dated: 15/12/22

FISHERIES INNOVATION SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and grants	2	275,000	164,768	439,768	321,292
Other	3	-	-	-	200
Total income		<u>275,000</u>	<u>164,768</u>	<u>439,768</u>	<u>321,492</u>
<u>Expenditure on:</u>					
Charitable activities	4	<u>296,672</u>	<u>125,962</u>	<u>422,634</u>	<u>109,107</u>
Net (expenditure)/income for the year/ Net movement in funds		(21,672)	38,806	17,134	212,385
<u>Reconciliation of Funds</u>					
Fund balances at 1 June 2021		<u>613,461</u>	<u>(38,806)</u>	<u>574,655</u>	<u>362,270</u>
Fund balances at 31 May 2022		<u><u>591,789</u></u>	<u><u>-</u></u>	<u><u>591,789</u></u>	<u><u>574,655</u></u>

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

FISHERIES INNOVATION SCOTLAND

BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	9	-		8,448	
Cash at bank and in hand		865,454		918,826	
		865,454		927,274	
Creditors: amounts falling due within one year	10	(271,265)		(202,633)	
Net current assets			594,189		724,641
Creditors: amounts falling due after more than one year	11		(2,400)		(149,986)
Net assets			591,789		574,655
Income funds					
Restricted funds	14	-		(38,806)	
Unrestricted funds		591,789		613,461	
		591,789		574,655	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2022.

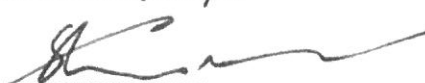
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 6/12/22


Mr M Coleman
Trustee


Mr S J McLean
Trustee

Company Registration No. SC477579

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Charity Information

Fisheries Innovation Scotland is a charitable company limited by guarantee incorporated in Scotland. The registered office and business address is PO Box 7223, PITLOCHRY, PH16 9AF.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") section 1A applicable to small entities and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charitable company is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have considered the going concern status of the charity. The charity has unrestricted free reserves of £526,789 which would be sufficient to allow the charity to cover its ongoing recurring costs (excluding grant funding) for a period considerably in excess of 12 months from the balance sheet date and will be able to continue in operational existence for the foreseeable future. The trustees have therefore continued to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donation and gifts represent the member's donation to the charity and is recognised when the amounts can be measured and it is probable that the income will be received.

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

Income from government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. These are allocated between charitable expenditure and support costs.

Charitable expenditure is incurred in direct pursuance of the charity's principal objects and as set out in the trustees' report.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include secretariat costs, governance costs and administrative costs. They are incurred directly in support of expenditure on the objects of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Computer equipment	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

1.8 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	275,000	-	275,000	250,000	-	250,000
Government grants	-	164,768	164,768	-	71,292	71,292
	<u>275,000</u>	<u>164,768</u>	<u>439,768</u>	<u>250,000</u>	<u>71,292</u>	<u>321,292</u>
Donations and gifts						
Marine Scotland	100,000	-	100,000	100,000	-	100,000
Scottish Fishermen's Federation	25,000	-	25,000	25,000	-	25,000
Seafish Industry	25,000	-	25,000	25,000	-	25,000
Young's Seafood Ltd	25,000	-	25,000	25,000	-	25,000
Scottish Natural Heritage	25,000	-	25,000	25,000	-	25,000
Sainsbury's						
Supermarkets Ltd	25,000	-	25,000	25,000	-	25,000
Marks and Spencers	25,000	-	25,000	25,000	-	25,000
Fishmongers' Company	25,000	-	25,000	-	-	-
	<u>275,000</u>	<u>-</u>	<u>275,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Grants receivable for core activities						
Scottish Government	-	164,768	164,768	-	71,292	71,292
	<u>-</u>	<u>164,768</u>	<u>164,768</u>	<u>-</u>	<u>71,292</u>	<u>71,292</u>

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

3 Other

	Total	Unrestricted funds
	2022	2021
	£	£
Other Income	-	200

4 Charitable activities

	Research project costs 2022	Research project costs 2021
	£	£
Staff costs	67,960	68,816
Depreciation and impairment	-	594
Secretariat costs	16,843	11,426
Conferences and seminars	15,440	100
Programme expenses and referee payments	853	525
Chairman's honorarium	10,000	10,000
Travelling and meeting expenses	3,406	1,855
Research costs	4,263	-
	118,765	93,316
Grant funding of activities (see note 5)	285,967	(3,766)
Share of support costs (see note 6)	14,902	16,590
Share of governance costs (see note 6)	3,000	2,967
	422,634	109,107
Analysis by fund		
Unrestricted funds	296,672	109,107
Restricted funds	125,962	-
	422,634	109,107

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

5 Grants payable

	Research project costs 2022 £	Research project costs 2021 £
Grants to institutions:		
University of Aberdeen	128,396	(3,766)
Marine Applications Ltd T/A Verifact	123,431	-
Space Intelligence Ltd	24,985	-
MarFishEco Fisheries Consultants Ltd	9,600	-
Other	142	-
	<u>286,554</u>	<u>(3,766)</u>
Grants to individuals	(587)	-
	<u>285,967</u>	<u>(3,766)</u>

The grants payable by FIS are recognised in full in the period that they are committed.

6 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Insurance	883	-	883	1,172	-	1,172
Postage, stationery and computer expenses	2,209	-	2,209	1,837	-	1,837
Advertising	9,732	-	9,732	11,940	-	11,940
Telephone	361	-	361	409	-	409
Payroll costs	840	-	840	834	-	834
Bank charges	345	-	345	358	-	358
Sundry expenses	532	-	532	40	-	40
Legal and professional Independent examination fees	-	-	-	-	567	567
	-	3,000	3,000	-	2,400	2,400
	<u>14,902</u>	<u>3,000</u>	<u>17,902</u>	<u>16,590</u>	<u>2,967</u>	<u>19,557</u>
Analysed between Charitable activities	<u>14,902</u>	<u>3,000</u>	<u>17,902</u>	<u>16,590</u>	<u>2,967</u>	<u>19,557</u>

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

7 Trustees

None of the trustees in the current or comparative year (or any persons connected with them) received any remuneration.

During the year, one of the trustees received an honorarium of £10,000 (2021 - £10,000) and 3 trustees were reimbursed travel and meeting expenses of £1,369 (2021 - no trustees were reimbursed expenditure). The payment to trustees is permitted under clause 10.4.1 and 10.4.2 of the charity's constitution.

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Executive Director	1	1
Employment costs	2022 £	2021 £
Wages and salaries	60,000	57,580
Social security costs	3,160	6,836
Other pension costs	4,800	4,400
	67,960	68,816

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£60,000 - £70,000	1	-

9 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	-	8,448

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

10 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		2,227	2,128
Deferred income	12	100,000	-
Trade creditors		4,303	1,797
Other creditors		295	64
Accruals		164,440	198,644
		<u>271,265</u>	<u>202,633</u>

11 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Accruals	<u>2,400</u>	<u>149,986</u>

12 Deferred Income

	2022 £	2021 £
Other deferred income	<u>100,000</u>	<u>-</u>

Deferred income relates to donations received in advance from the member organisations for the period June 22 - May 23.

13 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to statement of financial activities in respect of defined contribution schemes was £4,800 (2021 - £4,400).

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

14 Restricted funds

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

	Movement in funds		Movement in funds			
	Balance at 1 June 2020	Income	Balance at 1 June 2021	Income	Expenditure	Balance at 31 May 2022
	£	£	£	£	£	£
Scottish Government	(110,098)	71,292	(38,806)	-	38,806	-
The Marine Scotland Fund	-	-	-	164,768	(164,768)	-
	<u>(110,098)</u>	<u>71,292</u>	<u>(38,806)</u>	<u>164,768</u>	<u>(125,962)</u>	<u>-</u>

Scottish Government have provided a grant towards the FIS024A project and have agreed to fund 100% of the eligible costs of the project. The grants payable by FIS in relation to the project are fully recognised in the accounts in the year that they are committed, therefore full £200,000 project cost was recognised in 2020. The actual claims made for the project in 2020 and 2021 amounted to £161,194 leaving a negative carry forward of restricted reserves of £38,806. In 2022, it was confirmed that the project was completed and the final claim of funding of £38,806 from the Scottish Government was not required. The balance of the grant commitment recognised in 2020 of the same amount has also been released to the Statement of Financial Activities.

The Marine Scotland Fund is a fund provided by the Scottish Government towards the eligible costs relating to the Smartrawl Project - Phase 4, system integration and testing.

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 May 2022 are represented by:						
Current assets/(liabilities)	594,189	-	594,189	763,447	(38,806)	724,641
Long term liabilities	(2,400)	-	(2,400)	(149,986)	-	(149,986)
	<u>591,789</u>	<u>-</u>	<u>591,789</u>	<u>613,461</u>	<u>(38,806)</u>	<u>574,655</u>

FISHERIES INNOVATION SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

16 Related party transactions

Transactions with related parties

Some of the trustees represent the member organisations of the company and during the period income received from these organisations amounted to £275,000 (2021 - £250,000) as detailed in note 2. 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.