

Registered number: SC477579  
Charity number: SC045119

**FISHERIES INNOVATION & SUSTAINABILITY**  
**(A Company Limited by Guarantee)**  
**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2024**

**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers

**FISHERIES INNOVATION & SUSTAINABILITY**  
**(A Company Limited by Guarantee)**

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**FISHERIES INNOVATION & SUSTAINABILITY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 MAY 2024**

<b>Trustees</b>	Mr J H Goodlad, Chairman Mr M E Mitchell (resigned 18 September 2023) Mr M Coleman Ms A L Freeman (resigned 4 April 2024) Mr A R Wallace (appointed 4 April 2024) Mr S J McLean Mr D G Parker (appointed 7 August 2023) Mr W O Davies (appointed 18 September 2023)
<b>Company registered number</b>	SC477579
<b>Charity registered number</b>	SC045119
<b>Registered office</b>	Keepers Cottage Balnakeilly Pitlochry Scotland PH16 5RA
<b>Chief executive officer</b>	Kara Brydson
<b>Accountants</b>	Armstrong Watson LLP Chartered Accountants 1st Floor 24 Blythswood Square Glasgow G2 4BG
<b>Bankers</b>	Royal Bank of Scotland 113 South Street St Andrews KY16 9QB
<b>Solicitors</b>	J&H Mitchell W.S. 51 Atholl Road Pitlochry PH16 5BU

**FISHERIES INNOVATION & SUSTAINABILITY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MAY 2024**

The Trustees present their annual report together with the audited financial statements of the charitable company for the year 1 June 2023 to 31 May 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

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 charity's Article of Association, the Companies Act 2006, the Charities and Trust 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**

**a. Vision and remit**

Fisheries Innovation & Sustainability is the coalition of experts driving strategic innovation for a prosperous and sustainable UK seafood industry.

FIS' remit is to facilitate, coordinate and leverage investment for innovation in UK seafood.

Since 2014, FIS has leveraged more than £3million investment into seafood innovation.

FIS creates a pre-competitive environment for collaboration, connecting the seafood supply chain around shared opportunities to add value to UK businesses and communities.

**Achievements and performance**

**a. Driving innovation across the UK**

In the first year of its expanded remit supporting the whole UK seafood industry, FIS's growing community of seafood and innovation experts came together to unlock new opportunities for sustainable and prosperous fisheries. In November, FIS' UK Stakeholder Committee met for the first time to discuss how game changing innovation could address challenges facing seafood businesses and communities. FIS projects this year include trialling AI-aided precision fishing gear, supporting decarbonisation in ways that are practical for UK fleets, and developing a prototype machine to help fishers meet new animal welfare requirements.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2024**

**Achievements and performance (continued)**

**b. Pioneering designs for net zero fishing vessels**

FIS continues to be a beacon for decarbonisation with first-of-their-kind concept designs of fishing vessels powered by alternative fuels. Supported by the Marine Fund Scotland, the concept designs by Macduff Ship Design represent a feasible way for fishing vessels to transition away from diesel. This work highlights the need to address technical, regulatory, and financial barriers before these designs can become a reality. While the designs show what is possible for UK fishing vessels if these barriers are addressed, vessel owners switching to alternative fuels will, for now, be at a critical disadvantage competing in a market with diesel vessels. FIS is facilitating discussions to ensure that fishers are at the heart of decision making on infrastructure and training, and that early adopters can access financial assistance, business advice and regulatory support.

A further report for FIS by Macduff Ship Design allows vessel owners, for the first time, to compare methanol, LNG, hydrogen and battery electric options against diesel vessels fishing around UK waters today. As routes to decarbonisation can seem overwhelming, this study allows direct comparisons to active vessels, and explores impacts on business viability, safety, and feasibility from a regulatory and infrastructure perspective. This programme of work is right at the core of FIS' mission, helping UK fishing stay safe and competitive as it adopts alternative fuels to catch low carbon, nutritious seafood.

**c. Fisheries Exchange Programme supports groundbreaking prototype**

FIS was asked by a group of seafood businesses to facilitate an unprecedented collaboration with the aim of developing an onboard nephrops stunning and tailing machine. Similar machines exist separately, but never used together on a commercial fishing vessel. The project will develop proof of concept of a nephrops stunning and tailing machine used at sea on small UK fishing vessels. The ability to stun and tail nephrops at sea could have significant benefits for the fishery, with the potential to improve both crew conditions and the humane handling of animals caught. FIS and the Fishmongers' Company supported a knowledge exchange trip for technologists and fishers to travel to Northern Ireland and the West of Scotland to view current tailing processes, with the University of Stirling providing academic oversight on initial prototype tests.

**d. Smartrawl – the AI-aided fishing net**

FIS' Smartrawl project is an eagerly awaited solution to illegal fisheries discards and bycatch, using AI technology to allow skippers to retain only their target catch, releasing other animals back unharmed into their natural environment. The invention is an in-water device with three components: a stereo camera, taking images of animals in the trawl; a computer using AI to determine species and size of animals; and a gate controlled by the computer to catch or release animals according to market conditions and quota. The Smartrawl team at Heriot-Watt University presented their latest progress to the FIS Board of Trustees in April, when members had the opportunity to see, first-hand, the impact of their support to the Smartrawl project, now in its fifth phase and with additional funding from the UK Seafood Innovation Fund. The team is planning further sea trials in collaboration with UHI Shetland.

**e. New partnerships and outreach**

In this period, FIS held three meetings of the Board of Trustees, and two meetings of the FIS UK Stakeholder Committee. FIS showcased its projects at various parliamentary and government meetings, academic conferences and seafood industry events, including the Scottish Skipper Expo in Aberdeen in May, where FIS hosted a stand which became a hub for project partners and stakeholders.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2024**

**Financial review**

**a. Review**

Results for the year ended 31 May 2024 are given in the Statement of Financial Activities on page 8. The assets and liabilities are given in the Statement of Financial Position on pages 9-10. The financial statements should be read in conjunction with the related notes which appear on pages 11 to 24. In summary, income amounted to £186,504 (2023 - £586,508), expenditure totalled £180,067 (2023 - £597,160), resulting in a surplus for the year of £6,437 (2023 - deficit of £10,652).

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;
- Armstrong Watson 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.

**b. 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 2024 this amounted to £155,996 and therefore three months amounts to approximately £38,999. At the end of the reporting period the total funds held amounted to £543,428 therefore this level of reserves has been maintained.

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

**c. 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.

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2024**

**d. Going Concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**Structure, governance and management**

**a. Constitution**

Fisheries Innovation & Sustainability is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

**b. Methods of appointment or election of Trustees**

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. 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.

Membership of FIS is open to any organisation which supports FIS charitable purposes and its activities, has a demonstrable track record as a stakeholder in relation to UK seafood; and which both applies to join and is accepted for membership by the Board in terms laid out in the FIS Articles of Association available online at [www.fisorg.uk](http://www.fisorg.uk)

**c. Organisational structure and decision-making policies**

FIS is operated by a Board constituted by Trustees who are also Company Directors. Board members are drawn from each FIS 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. 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 Armstrong Watson LLP.

The Board consists of six Trustees together with a similar number of designated alternates who may act on behalf of a specified Trustee in their absence. 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 Stakeholder Committee, whose members are selected by the Board on the basis of their personal expertise and experience. The Stakeholder Committee meets independently of the Board and communications between the two are maintained by the Executive Director.

FIS governance and operating procedures are detailed in the Articles of Association and Governance Document available online at [www.fisorg.uk](http://www.fisorg.uk)

**Trustees' liability**

The Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2024**

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
**Mr J H Goodlad**  
Trustee  
Date: 11/12/24

**Mr W O Davies**  
Trustee  
  
11/12/24



**FISHERIES INNOVATION & SUSTAINABILITY**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MAY 2024**

**Independent Examiner's Report to the Trustees of Fisheries Innovation & Sustainability**

I report on the accounts of the charitable company for the year ended 31 May 2024 which are set out on pages 8 to 23.

**Respective Responsibilities of Trustees and Examiner**

The trustees, who are also 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 ('the Act') and the Charities Accounts (Scotland) Regulation 2006 ('the Accounts Regulations'). The 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 was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the charitable company 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 seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent Examiner's Statement**

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 44(1)(a) of the Act and regulation 4 of the Accounts Regulations; and
  - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with regulation 8 of the Accounts Regulationshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable proper understanding of the financial statements to be reached.

This report is made solely to the charitable company's Trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the charitable company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for my work or for this report.

Signed: *Karen Rae*

Dated: *6 January 2025*

Karen Rae FCCA

Armstrong Watson LLP, Glasgow

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MAY 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
<b>Income from:</b>					
Donations and grants	3	-	61,504	61,504	461,508
Charitable activities	4	125,000	-	125,000	125,000
<b>Total income</b>		<u>125,000</u>	<u>61,504</u>	<u>186,504</u>	<u>586,508</u>
<b>Expenditure on:</b>					
Charitable activities	5	161,362	18,705	180,067	597,160
<b>Total expenditure</b>		<u>161,362</u>	<u>18,705</u>	<u>180,067</u>	<u>597,160</u>
<b>Net (expenditure)/income</b>		<u>(36,362)</u>	<u>42,799</u>	<u>6,437</u>	<u>(10,652)</u>
Transfers between funds	15	19,154	(19,154)	-	-
<b>Net movement in funds</b>		<u>(17,208)</u>	<u>23,645</u>	<u>6,437</u>	<u>(10,652)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		574,924	6,213	581,137	591,789
Net movement in funds		(17,208)	23,645	6,437	(10,652)
<b>Total funds carried forward</b>		<u>557,716</u>	<u>29,858</u>	<u>587,574</u>	<u>581,137</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 23 form part of these financial statements.

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**REGISTERED NUMBER: SC477579**

**BALANCE SHEET**  
**AS AT 31 MAY 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	10	19,054	7,035
		19,054	7,035
<b>Current assets</b>			
Debtors	11	151,458	242,686
Cash at bank and in hand		759,023	852,571
		910,481	1,095,257
Creditors: amounts falling due within one year	12	(341,961)	(391,483)
		568,520	703,774
<b>Net current assets</b>			
		587,574	710,809
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	13	-	(129,672)
		587,574	581,137
<b>Total net assets</b>			
		587,574	581,137

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MAY 2024**

	Note	2024 £	2023 £
<b>Charity funds</b>			
Restricted funds	15	<b>29,858</b>	6,213
Unrestricted funds	15	<b>557,716</b>	574,924
<b>Total funds</b>		<b>587,574</b>	<b>581,137</b>

The charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006.

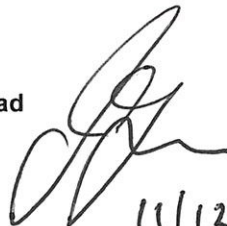
The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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


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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Mr J H Goodlad**  
Trustee

  
 Date: 11/12/24

**Mr W O Davies**  
Trustee

  
 Date: 11/12/24

The notes on pages 11 to 23 form part of these financial statements.

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2024**

**1. General information**

Fisheries Innovation & Sustainability is a charitable company limited by guarantee incorporated in Scotland. The registered office and business address is Keepers Cottage, Balnakeilly, Pitlochry, Scotland, PH26 5RA

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fisheries Innovation & Sustainability meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charity's functional and presentation currency is pounds sterling.

**2.2 Going concern**

The Trustees have considered the going concern status of the charity. The charity has unrestricted free reserves of £538,662 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. There are no material uncertainties that cast significant doubt upon the charity's ability to continue as a going concern. The Trustees have therefore continued to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2024**

**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made 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 year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 25% straight line
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Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

**2.6 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.9 Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2024**

**2. Accounting policies (continued)**

**2.10 Pensions**

The charitable company to a personal pension plan held by the Executive Director. The pension charge represents the amounts payable by the charity to the fund in respect of the year.

**2.11 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**3. Income from donations and grants**

	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
<b>Grants</b>			
Scottish Government	15,504	<b>15,504</b>	30,330
Marks and Spencer	20,000	<b>20,000</b>	-
Seafood Innovation Fund	-	-	352,158
Lloyds Register Foundation	-	-	10,000
Seafood Scotland	-	-	69,020
Fishmongers Company	25,000	<b>25,000</b>	-
Macduff Shellfish	1,000	<b>1,000</b>	-
<b>Total 2024</b>	<u>61,504</u>	<u><b>61,504</b></u>	<u>461,508</u>

**4. Income from charitable activities**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Membership fees	125,000	<b>125,000</b>	125,000
	<u>125,000</u>	<u><b>125,000</b></u>	<u>125,000</u>

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2024**

**5. Analysis of expenditure by activities**

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Research projects	138,679	19,661	21,727	<b>180,067</b>	597,160
<i>Total 2023</i>	<u>123,379</u>	<u>453,768</u>	<u>20,013</u>	<u>597,160</u>	

**Analysis of direct costs**

	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	79,268	74,868
Depreciation	5,248	1,005
Secretarial Costs	20,991	20,744
Conferences and seminars	16,508	11,098
Programme expenses and referee payments	-	176
Chairman's honorarium	10,000	10,000
Travelling and meeting expenses	6,664	5,488
	<u><b>138,679</b></u>	<u>123,379</u>



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**5. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Insurance	767	762
Postage, stationary and computer expenses	6,170	2,237
Advertising	7,476	5,712
Telephone	253	337
Payroll costs	994	868
Bank charges	367	347
Audit fees	1,450	7,250
Accountancy fees	4,250	2,500
	<b>21,727</b>	<i>20,013</i>

**6. Analysis of grants**

	<b>Grants to Institutions 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Research projects	19,661	19,661	453,768
	453,768	453,768	
<i>Total 2023</i>			

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**6. Analysis of grants (continued)**

The charitable company has made the following material grants to institutions during the year:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Name of institution</b>		
University of Aberdeen	-	64,096
Marine Applications Ltd T/A Verifact	-	65,000
Space Intelligence Ltd	-	4,800
Macduff Ship Design Ltd	<b>15,504</b>	33,744
Heriot-Watt University	-	198,069
Other	<b>4,157</b>	-
	<hr/> <b>19,661</b>	<hr/> 365,709
Other grants to individuals	-	88,059
	<hr/> <b>19,661</b> <hr/>	<hr/> 453,768 <hr/>

**7. Independent examiner's remuneration**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees payable to the charitable company's independent examiner for the independent examination of the charitable company's annual accounts	<b>3,750</b>	-
Fees payable to the charitable company's independent examiner in respect of:		
Audit of the 2023 financial statements	<b>1,450</b>	7,250
Non-audit services performed	<b>500</b>	2,500
	<hr/> <b>500</b> <hr/>	<hr/> 2,500 <hr/>

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**8. Staff costs**

	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	66,111	63,332
Social security costs	7,868	6,469
Other pension costs	5,289	5,067
	<b>79,268</b>	<b>74,868</b>
	<b>79,268</b>	<b>74,868</b>

The average number of persons employed by the charitable company during the year was as follows:

	<b>2024</b>	<b>2023</b>
	No.	No.
Executive Director	1	1
	<b>1</b>	<b>1</b>
	<b>1</b>	<b>1</b>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2024</b>	<b>2023</b>
	No.	No.
In the band £60,001 - £70,000	1	1

**9. Trustees' remuneration and expenses**

	<b>2024</b>	<b>2023</b>
	£	£
Chairman's Honorarium	10,000	10,000
	<b>10,000</b>	<b>10,000</b>

During the year ended 31 May 2024, expenses totalling £3,990 were reimbursed or paid directly to 2 Trustees (2023 - £3,014 to 3 Trustees). Expenses reimbursed by the charity relate to travel and subsistence incurred by the Trustees.

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**10. Tangible fixed assets**

	Plant and machinery £	Total £
<b>Cost or valuation</b>		
At 1 June 2023	8,040	8,040
Additions	17,267	17,267
At 31 May 2024	25,307	25,307
<b>Depreciation</b>		
At 1 June 2023	1,005	1,005
Charge for the year	5,248	5,248
At 31 May 2024	6,253	6,253
<b>Net book value</b>		
At 31 May 2024	19,054	19,054
At 31 May 2023	7,035	7,035

**11. Debtors**

	2024 £	2023 £
<b>Due within one year</b>		
Prepayments and accrued income	151,458	242,686
	151,458	242,686

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**12. Creditors: Amounts falling due within one year**

	2024	2023
	£	£
Trade creditors	6,435	8,087
Other taxation and social security	9,046	1,706
Other creditors	569	1,091
Accruals and deferred income	325,911	380,599
	<b>341,961</b>	<b>391,483</b>
	<b>341,961</b>	<b>391,483</b>
	2024	2023
	£	£
Deferred income at 1st June	25,000	100,000
Resources deferred during the year	50,000	25,000
Amounts released from previous periods	(25,000)	(100,000)
	<b>50,000</b>	<b>25,000</b>
	<b>50,000</b>	<b>25,000</b>

Deferred income relates to membership fees received in advance from the member organisations for the period 01 June 2024 - 31 May 2025.

**13. Creditors: Amounts falling due after more than one year**

	2024	2023
	£	£
Accruals and deferred income	-	129,672
	<b>-</b>	<b>129,672</b>
	<b>-</b>	<b>129,672</b>

**14. Financial instruments**

	2024	2023
	£	£
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	759,023	852,571
	<b>759,023</b>	<b>852,571</b>
	<b>759,023</b>	<b>852,571</b>

Financial assets measured at fair value through income and expenditure comprise cash at bank.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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15. Statement of funds

Statement of funds - current year

	Balance at 1 June 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 May 2024 £
<b>Unrestricted funds</b>					
General funds	574,924	125,000	(161,362)	19,154	557,716
<b>Restricted funds</b>					
Seafood Innovation Fund	2,074	-	-	-	2,074
Seafood Scotland	1,985	-	-	-	1,985
Lloyds Register Foundation	2,154	-	-	(2,154)	-
MFS Grant - MacDuff	-	15,504	(15,504)	-	-
Torque Tec	-	17,000	-	(17,000)	-
Nephrops De-Tailing Project	-	29,000	(3,201)	-	25,799
	<u>6,213</u>	<u>61,504</u>	<u>(18,705)</u>	<u>(19,154)</u>	<u>29,858</u>
<b>Total of funds</b>	<u><u>581,137</u></u>	<u><u>186,504</u></u>	<u><u>(180,067)</u></u>	<u><u>-</u></u>	<u><u>587,574</u></u>

The Seafood Innovation Fund SIF4 was established in 2023 to fund the latest phase of the ongoing Smartrawl project, Smartrawl5.

The Seafood Scotland fund was awarded in 2023 to contribute towards the costs incurred relating to the Digitalisation Pilot project.

The Lloyds Register Foundation fund was established in 2023 to assist in identifying training needs for Net Zero fishing vessels in Clyde. This project is complete and the residual balance on the fund has been transferred to unrestricted funds.

The MFS grant was awarded in connection with Vessels of the Future project which has been conducted alongside MacDuff Ship Design.

The Torque Tec fund was established to purchase a TorqueTrak Twin Shaft Sea Trial Kit. This was purchased in the year as a fixed asset fulfilling the restriction therefore the balance has been transferred to unrestricted funds for the depreciation to be offset against in future years.

The Nephrops project has been established in the year to develop and test an onboard nephrops stunning and tailing machine.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2024**

**15. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at</i> <i>1 June 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at</i> <i>31 May 2023</i>
	£	£	£	£
<b>Unrestricted funds</b>				
General funds	591,789	125,000	(141,865)	574,924
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted funds</b>				
Seafood Innovation Fund	-	352,158	(350,084)	2,074
Seafood Scotland	-	69,020	(67,035)	1,985
Lloyds Register Foundation	-	10,000	(7,846)	2,154
MFS Grant - MacDuff	-	30,330	(30,330)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	461,508	(455,295)	6,213
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<u>591,789</u>	<u>586,508</u>	<u>(597,160)</u>	<u>581,137</u>

**FISHERIES INNOVATION & SUSTAINABILITY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 MAY 2024

16. Summary of funds

Summary of funds - current year

	Balance at 1 June 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 May 2024 £
General funds	574,924	125,000	(161,362)	19,154	557,716
Restricted funds	6,213	61,504	(18,705)	(19,154)	29,858
	<u>581,137</u>	<u>186,504</u>	<u>(180,067)</u>	<u>-</u>	<u>587,574</u>

Summary of funds - prior year

	<i>Balance at</i> 1 June 2022 £	<i>Income</i> £	<i>Expenditure</i> £	<i>Balance at</i> 31 May 2023 £
General funds	591,789	125,000	(141,865)	574,924
Restricted funds	-	461,508	(455,295)	6,213
	<u>591,789</u>	<u>586,508</u>	<u>(597,160)</u>	<u>581,137</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	19,054	-	19,054
Current assets	610,165	300,316	910,481
Creditors due within one year	(71,503)	(270,458)	(341,961)
<b>Total</b>	<u>557,716</u>	<u>29,858</u>	<u>587,574</u>



**FISHERIES INNOVATION & SUSTAINABILITY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	7,035	-	7,035
Current assets	613,192	482,065	1,095,257
Creditors due within one year	(45,303)	(346,180)	(391,483)
Creditors due in more than one year	-	(129,672)	(129,672)
<b>Total</b>	<u>574,924</u>	<u>6,213</u>	<u>581,137</u>

**18. Pension commitments**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions paid by the charitable company to the fund and amounted to £5,289 (2023 - £5,067). The amount outstanding at the year end date is £nil (2023 - £nil).

**19. Related party transactions**

Out of the 6 Trustees who served during the period, 5 Trustees represent the member organisations of the charity during the current reporting period. Income received from these organisations amounted to £125,000 (2023 - £125,000) as detailed in note 3. At 31 May 2024, the amount owed by the member organisations was £Nil (2023 - £Nil). At 31 May 2024 £50,000 (2023 - £25,000) were received in advance and are included in accruals and deferred income.

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.

