

**FISHERIES INNOVATION & SUSTAINABILITY**  
**(A Company Limited by Guarantee)**  
**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

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

**CONTENTS**

	Page
<b>Reference and Administrative Details of the Charitable company, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 6
<b>Independent Examiner's Report</b>	7
<b>Statement of Financial Activities</b>	8
<b>Balance Sheet</b>	9 - 10
<b>Notes to the Financial Statements</b>	11 - 23

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 MAY 2025**

**Trustees** Mr J H Goodlad, Chairman (resigned 11 December 2024)  
Mr M Coleman (resigned 18 November 2025)  
Mr A R Wallace  
Mr S J McLean  
Mr D G Parker  
Mr W O Davies

**Company registered  
number** SC477579

**Charity registered  
number** SC045119

**Registered office** Keepers Cottage  
Balnakeilly  
Pitlochry  
Scotland  
PH16 5RA

**Independent Chair** Melanie Siggs (appointed 11 December 2024)

**Chief executive officer** Kara Brydson

**Accountants** Armstrong Watson LLP  
Chartered Accountants  
89 Seaward Street  
Glasgow  
G41 1HJ

**Bankers** Royal Bank of Scotland  
113 South Street  
St Andrews  
KY16 9QB

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

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MAY 2025**

The Trustees present their annual report together with the financial statements of the charitable company for the year 1 June 2024 to 31 May 2025. 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 and beyond**

In its tenth anniversary year, and its second year with a UK wide remit, Fisheries Innovation & Sustainability shared innovation successes at global seafood events at home and in Iceland and Norway, strengthened its projects on AI-aided precision fishing gear and fishing vessel decarbonisation, and secured a world first with its prototype machine to help fishers meet new legal requirements.

**b. Successful first sea trial of pioneering machine**

FIS and its project partners from across the seafood supply chain have achieved a world first, with sea trials of a prototype 'stunning and tailing' machine for use onboard fishing vessels catching nephrops (langoustine) to be made into scampi. The ability to stun and tail nephrops at sea offers significant benefits for the UK nephrops supply chain, improving crew working conditions and meeting animal welfare requirements. With funding from seafood businesses matched by the UK Government, an unprecedented partnership of catchers, processors, retailers and engineers has successfully designed a novel machine which can withstand the harsh conditions of commercial fishing. With leadership from FIS, this project will act as the catalyst for more precompetitive collaboration for seafood innovation.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2025**

**Achievements and performance (continued)**

**c. All eyes on fishing technology**

FIS and its Smartrawl invention had a global audience at the Responsible Seafood Summit, where FIS chaired the panel discussion on 'New Eyes of Fishing Technology'. Focusing on the role of cameras and AI in advancing fisheries sustainability, FIS presented the latest Smartrawl sea trials, demonstrating how its AI aided 'gate' can select and sort-out unwanted species. Back on land, the team created a dataset of 3,000 images of UK fish species to improve the AI technology's ability to recognise fish in real-world scenarios. A crucial next step is to get the technology directly into the hands of fishers so that they can better meet regulatory and market demands.

**d. Partnering with Government in response to spatial squeeze**

A collaboration between FIS and the Scottish Government tested a novel fish 'trap' as an alternative way to catch whitefish, helping fishermen to access 'no trawl' areas. The project aims to find out whether these innovative designs could be a commercially viable and sustainable method in grounds not accessible to mobile gears. The trap would incorporate escape panels for undersized fish, and biodegradable components to prevent ghost fishing in the event of being lost at sea. Novel gears designed by fishermen can ensure they are practical and effective in response to spatial squeeze from marine renewable energy sites or protected areas.

**e. Leading the charge for net zero fishing vessels**

FIS has mapped out the practicalities of decarbonising the UK fishing fleet, with first-of-their-kind designs for net zero fishing vessels. These concepts by vessel architects at Macduff Ship Design allow skippers to compare methanol, hydrogen and battery-electric options against their current diesel vessels, to explore impacts on business viability, safety, crew recruitment and regulatory compliance. To encourage a move away from diesel, fishing businesses say they need more clarity on future fuel costs and availability. FIS is calling on governments to help break the stalemate between ports who seek confidence in fuel demand prior to investment in infrastructure, and vessel owners who seek confidence in fuel supply prior to investment in vessels.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2025**

**Financial review**

**a. Review**

Results for the year ended 31 May 2025 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 £366,329 (2024 - £186,504), expenditure totalled £408,206 (2024 - £180,067), resulting in a deficit for the year of £41,877 (2024 - surplus £6,437).

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 Chair, 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 2025 this amounted to £143,803 and therefore three months amounts to approximately £35,951. At the end of the reporting period the total funds held amounted to £541,891 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**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2025**

**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 Chair 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 Chair 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 Chair 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 five 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.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MAY 2025**

**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 . 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:

*A. R Wallace*

[A. R Wallace \(Jan 21, 2026 12:02:49 GMT+1\)](#)

**Mr A R Wallace**  
Trustee

Date: 21/01/2026



**Mr D G Parker**  
Trustee

27/01/2026

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

**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MAY 2025**

**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 2025 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 (Jan 27, 2026 12:58:37 GMT)

Dated: 27/01/2026

Karen Rae FCCA

Armstrong Watson LLP, Glasgow

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MAY 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
<b>Income from:</b>					
Donations and grants	3	-	241,329	241,329	61,504
Charitable activities	4	125,000	-	125,000	125,000
<b>Total income</b>		<b>125,000</b>	<b>241,329</b>	<b>366,329</b>	<b>186,504</b>
<b>Expenditure on:</b>					
Charitable activities	5	144,223	263,983	408,206	180,067
<b>Total expenditure</b>		<b>144,223</b>	<b>263,983</b>	<b>408,206</b>	<b>180,067</b>
<b>Net (expenditure)/income</b>		<b>(19,223)</b>	<b>(22,654)</b>	<b>(41,877)</b>	<b>6,437</b>
Transfers between funds	14	3,398	(3,398)	-	-
<b>Net movement in funds</b>		<b>(15,825)</b>	<b>(26,052)</b>	<b>(41,877)</b>	<b>6,437</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		557,716	29,858	587,574	581,137
Net movement in funds		(15,825)	(26,052)	(41,877)	6,437
<b>Total funds carried forward</b>		<b>541,891</b>	<b>3,806</b>	<b>545,697</b>	<b>587,574</b>

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**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: SC477579**

**BALANCE SHEET**  
**AS AT 31 MAY 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	10	<b>12,727</b>	19,054
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>12,727</b>	19,054
<b>Current assets</b>			
Debtors	11	<b>464</b>	151,458
Cash at bank and in hand		<b>700,168</b>	759,023
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>700,632</b>	910,481
Creditors: amounts falling due within one year	12	<b>(167,662)</b>	(341,961)
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Net current assets</b>		<b>532,970</b>	568,520
<b>Total assets less current liabilities</b>		<hr style="width: 100%;"/> <b>545,697</b>	<hr style="width: 100%;"/> <b>587,574</b>
<b>Total net assets</b>		<hr style="width: 100%;"/> <b>545,697</b> <hr style="width: 100%;"/>	<hr style="width: 100%;"/> <b>587,574</b> <hr style="width: 100%;"/>

**FISHERIES INNOVATION & SUSTAINABILITY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: SC477579**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MAY 2025**

	Note	2025 £	2024 £
<b>Charity funds</b>			
Restricted funds	14	<b>3,806</b>	29,858
Unrestricted funds	14	<b>541,891</b>	557,716
<b>Total funds</b>		<b>545,697</b>	587,574

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:

*A. R Wallace*

[A. R Wallace \(Jan 21, 2026 12:02:49 GMT+1\)](#)

**Mr A R Wallace**  
Trustee

Date: 21/01/2026



**Mr D G Parker**  
Trustee

Date: 27/01/2026

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**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 £541,891 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**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
---------------------	---------------------

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**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**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 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
<b>Grants</b>			
Scottish Government	-	-	15,504
Marks and Spencer	-	-	20,000
FaSS & Partners	168,474	<b>168,474</b>	-
Seafood Innovation Fund	11,328	<b>11,328</b>	-
Seafood Scotland	35,118	<b>35,118</b>	-
Fishmongers Company	-	-	25,000
Macduff Shellfish	26,409	<b>26,409</b>	1,000
<b>Total 2025</b>	<b>241,329</b>	<b>241,329</b>	<i>61,504</i>

**4. Income from charitable activities**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Membership fees	125,000	<b>125,000</b>	<i>125,000</i>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2025 £</b>	<b>Grant funding of activities 2025 £</b>	<b>Support costs 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Research projects	126,278	264,403	17,525	<b>408,206</b>	180,067
<i>Total 2024</i>	<u>138,679</u>	<u>19,661</u>	<u>21,727</u>	<u>180,067</u>	

**Analysis of direct costs**

	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Staff costs	62,198	79,268
Depreciation	6,327	5,248
Secretarial Costs	25,694	20,991
Conferences and seminars	4,825	16,508
Chairman's honorarium	13,130	10,000
Travelling and meeting expenses	14,104	6,664
	<u>126,278</u>	<u>138,679</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

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

**Analysis of support costs**

	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Insurance	781	767
Postage, stationary and computer expenses	2,145	6,170
Advertising	8,478	7,476
Telephone	213	253
Payroll costs	-	994
Bank charges	354	367
Audit fees	4,500	1,450
Accountancy fees	1,054	4,250
	<u>17,525</u>	<u>21,727</u>

**6. Analysis of grants**

	<b>Grants to Institutions 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Research projects	264,403	264,403	19,661
	<u>264,403</u>	<u>264,403</u>	<u>19,661</u>
<i>Total 2024</i>	<u>19,661</u>	<u>19,661</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

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

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

	2025 £	2024 £
<b>Name of institution</b>		
Optimar Global	204,277	-
Macduff Ship Design Ltd	24,588	15,504
Heriot-Watt University	35,118	-
Other	420	4,157
	264,403	19,661
	264,403	19,661

**7. Independent examiner's remuneration**

	2025 £	2024 £
Fees payable to the charitable company's independent examiner for the independent examination of the charitable company's annual accounts	4,500	3,750
Fees payable to the charitable company's independent examiner in respect of:		
Audit of the 2023 financial statements	-	1,450
Non-audit services performed	500	500
	500	500

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**8. Staff costs**

	<b>2025</b>	<b>2024</b>
	£	£
Wages and salaries	<b>53,798</b>	66,111
Social security costs	<b>3,060</b>	7,868
Other pension costs	<b>5,340</b>	5,289
	<b>62,198</b>	79,268
	<b>62,198</b>	79,268

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

	<b>2025</b>	<b>2024</b>
	No.	No.
Executive Director	<b>1</b>	1
	<b>1</b>	1
	<b>1</b>	1

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

	<b>2025</b>	<b>2024</b>
	No.	No.
In the band £60,001 - £70,000	<b>1</b>	1
	<b>1</b>	1

**9. Trustees' remuneration and expenses**

	<b>2025</b>	<b>2024</b>
	£	£
Chairman's Honorarium	<b>13,130</b>	10,000
	<b>13,130</b>	10,000

During the year ended 31 May 2025, expenses totalling £963 were reimbursed or paid directly to 1 Trustee (2024 - £3,990 to 2 Trustees). Expenses reimbursed by the charity relate to travel and subsistence incurred by the Trustees.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**10. Tangible fixed assets**

	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 June 2024	25,307	25,307
At 31 May 2025	25,307	25,307
<b>Depreciation</b>		
At 1 June 2024	6,253	6,253
Charge for the year	6,327	6,327
At 31 May 2025	12,580	12,580
<b>Net book value</b>		
At 31 May 2025	12,727	12,727
At 31 May 2024	19,054	19,054

**11. Debtors**

	<b>2025 £</b>	<b>2024 £</b>
<b>Due within one year</b>		
Prepayments and accrued income	464	151,458
	464	151,458
	464	151,458

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

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

	2025 £	2024 £
Trade creditors	2,308	6,435
Other taxation and social security	1,823	9,046
Other creditors	1,368	569
Accruals and deferred income	162,163	325,911
	167,662	341,961
	167,662	341,961
	2025 £	2024 £
Deferred income at 1st June	25,000	-
Resources deferred during the year	55,000	50,000
Amounts released from previous periods	(25,000)	(25,000)
	55,000	25,000
	55,000	25,000

Deferred income relates to membership fees received in advance from the member organisations for the period 01 June 2025 - 31 May 2026.

**13. Financial instruments**

	2025 £	2024 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	700,168	759,023
	700,168	759,023

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 June 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 May 2025 £
<b>Unrestricted funds</b>					
General funds	557,716	125,000	(144,223)	3,398	541,891
	<u>557,716</u>	<u>125,000</u>	<u>(144,223)</u>	<u>3,398</u>	<u>541,891</u>
	Balance at 1 June 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 May 2025 £
<b>Restricted funds</b>					
Seafood Innovation Fund	2,074	11,328	-	(13,402)	-
Seafood Scotland	1,985	-	-	-	1,985
MFS Grant - MacDuff	-	26,409	(24,588)	-	1,821
MFS Grant - Smartrawl 6	-	35,118	(35,118)	-	-
Nephrops De-Tailing Project	25,799	168,474	(204,277)	10,004	-
	<u>29,858</u>	<u>241,329</u>	<u>(263,983)</u>	<u>(3,398)</u>	<u>3,806</u>
<b>Total of funds</b>	<u><u>587,574</u></u>	<u><u>366,329</u></u>	<u><u>(408,206)</u></u>	<u><u>-</u></u>	<u><u>545,697</u></u>

The Seafood Innovation Fund SIF4 was established in 2023 to fund the ongoing Smartrawl project, Smartrawl 5. Transfer relates to overaccrual on final contract payment with balance being agreed by SIF to be utilised against employment and project related expenses.

During the year to 31 May 2025, Smartrawl moved into development stage 6, which meant the project was no longer actively funded by SIF. MFS provided grant funding for the ongoing Smartrawl6 project.

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 Nephrops project was established in 2023/24 to develop and test an onboard nephrops stunning and tailing machine. Transfer in year relates to balance funded by unrestricted funds to cover spend to date as project is only partially funded.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

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

**Statement of funds - prior year**

	<i>Balance at 1 June 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Balance at 31 May 2024</i> £
<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)	-	-
MFS Grant - Smartrawl 6	-	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>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**15. Summary of funds**

**Summary of funds - current year**

	Balance at 1 June 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 May 2025 £
General funds	557,716	125,000	(144,223)	3,398	541,891
Restricted funds	29,858	241,329	(263,983)	(3,398)	3,806
	<u>587,574</u>	<u>366,329</u>	<u>(408,206)</u>	<u>-</u>	<u>545,697</u>

**Summary of funds - prior year**

	<i>Balance at 1 June 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 May 2024 £</i>
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>

**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	12,727	-	12,727
Current assets	595,101	105,531	700,632
Creditors due within one year	(65,937)	(101,725)	(167,662)
<b>Total</b>	<u>541,891</u>	<u>3,806</u>	<u>545,697</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**

**16. Analysis of net assets between funds (continued)**

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

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total funds</i>
	<i>2024</i>	<i>2024</i>	<i>2024</i>
	£	£	£
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>	<b>557,716</b>	<b>29,858</b>	<b>587,574</b>

**17. 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 £5,340 (2024 - £5,289). The amount outstanding at the year end date is £nil (2024 - £nil).

**18. Related party transactions**

5 Trustees represent the member organisations of the charity during the current reporting period. Income received from these organisations amounted to £125,000 (2024 - £125,000) as detailed in note 3. At 31 May 2025, the amount owed by the member organisations was £Nil (2024 - £Nil). At 31 May 2025 £55,000 (2024 - £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.