



MARINE STEWARDSHIP COUNCIL

(A company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2023

Registered Charity No: 1066806

Registered Company: 3322023

Registered Office: Marine House
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TRUSTEES' REPORT AND STRATEGIC REPORT

The Trustees of The Marine Stewardship Council (MSC) present their Annual Report for the year ended 31 March 2023 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report and the Strategic Report under the 2006 Act, together with the audited financial statements for the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

INTRODUCTION

The (MSC) is a company limited by guarantee (company number 3322023) and is registered as a charity with the Charity Commission (number 1066806). The Charity is constituted through a Memorandum and Articles of Association dated 17 February 1997, as amended.

The overall objectives of the MSC as set out in the Memorandum are "to conserve the marine and freshwater environments for the benefit of the public and to advance public education in the principles and practices of conservation, particularly, but not exclusively by:

- conserving marine and freshwater fish populations and the environment on which they depend
- promoting, for the public benefit, effective management of fisheries and ensuring the sustainability of global fish stocks and the health of aquatic ecosystems generally
- establishing and promoting the application of a broad set of principles, standards and criteria for sustainable fishing".

The MSC's mission is to use its fishery certification program and eco-label to contribute to the health of the world's oceans by recognising and rewarding sustainable fishing practices, influencing the choices people make when buying seafood and working with a range of partners to transform the seafood market to a sustainable basis.

The Trustees have prepared this report in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) – effective 1st January 2019.

THE TRUSTEES' MANAGEMENT AND STRUCTURE

The MSC is governed by a Board of up to fifteen Trustees, elected by the Board, taking into account a balance amongst interested groups: fishing companies, processors and retailers, NGOs and marine (fisheries) scientists, and the need for suitable geographical representation (MSC is a global organisation). Two seats each are set aside for representatives of the fishing industry (harvesting and processing), commercial sector, and the conservation sector, as well as two seats for marine scientists. The remaining seven seats are not allocated to specific interest groups. The Articles of Association provide for ex officio positions on the Board for each of the co-chairs of the Stakeholder Advisory Council, the chair of the Technical Advisory Board, and the chair of the MSCi (see below for descriptions of these bodies). A Board Code of Conduct and Conflict and Declaration of Interest Policy is in place.

The Board and Executive receive advice from two advisory bodies that are an integral part of the MSC's governance structure. The Technical Advisory Board is made up of scientists and technical experts and provides the Board and Executive with advice on setting,

reviewing and implementing the organisation's standards for sustainable fisheries and chain of custody and related issues. The Stakeholder Advisory Council comprises up to 17 members including representatives from the seafood industry, conservation community, market sector and academia. It provides advice to the Executive and the Board and input into the MSC's review processes, ensuring these are representative of a wide range of views and opinions.

Many Trustees are involved in the specialist aspects of the MSC's program and work. The Board delegates some of its work to standing committees and ad hoc work groups. The Finance Committee oversees MSC's financial operations, examining periodic management accounts and recommending the annual budget to the Board; it also reviews the MSC's investments and certain fundraising activities. The Development Committee's focus is to help shape fundraising strategy and identify fundraising opportunities. A Governance Committee has been established to provide advice to the MSC Board regarding governance arrangements for the Board of Trustees, Technical Advisory Board and Stakeholder Advisory Council and MSC's subsidiary companies. The Audit & Risk Committee is responsible to the MSC Board for ensuring that the MSC has in place a robust framework for financial accountability and financial control, suitably qualified external auditors, and an adequate and effective corporate risk management and assurance framework, and also that MSC is compliant with relevant financial and audit regulations. It also fulfils this function for MSC's subsidiary boards.

The range of these committees provides for robust governance and is vital to the complex and sensitive work of the organisation.

The Board seeks new Trustees through a transparent external recruitment process as vacancies arise, through open, public advertisement and formal interview of shortlisted candidates. The Governance Committee of the Board scrutinises the applications (i.e. CV and covering letter) and the outcomes of the candidates' interviews, before making a recommendation to the Board.

Upon appointment, Trustees receive a Trustees' Induction pack, including documents such as the latest published financial statements, the Memorandum Articles and of Association, an explanation of Trustees' roles and responsibilities, the Charity Commission's guidance on public benefit and fiduciary duty etc. The Board of Trustees also adopted a Code of Conduct for all members of the Board in 2017.

MSC wholly owns a subsidiary company, Marine Stewardship Council International Limited (MSCI), which carries out its trading activities, most notably those related to logo licensing. MSC wholly owns a further three subsidiaries (MSC Ltd, MSC Asia Ltd, MSC Asia Pacific Pty) the activities of which help fulfil MSC's charitable mission in the Americas, South East Asia and Australia, New Zealand and the wider Pacific. MSCI also has a Chinese registered subsidiary, An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co (known as MSC China), the activities of which help fulfil MSC's charitable mission in China. In 2020, MSC established a non-profit General incorporated association (GIA), Ippan Shadan Hojin MSC Japan, to support its charitable mission in Japan.

The day-to-day operational management of the MSC is delegated by the Board to the Chief Executive Officer (CEO) and the senior executive team (collectively comprising the Executive Committee). The key management team is considered to be the Executive Committee which consists of the CEO, Chief Science & Standards Officer, Chief Operating Officer, Chief Program Officer, and Chief Communications Officer.

The remuneration of the CEO is set jointly by the Chair of the Board and the Chair of the Finance Committee, referencing appropriate market data. The remuneration of the rest of

the Executive Committee is set by the CEO in consultation with the Board Executive Committee, based upon independent market data provided by a third-party consultancy.

THE CHARITY CODE OF GOVERNANCE

The MSC takes its governance responsibilities seriously and, as an international charity, aims to have a governance framework that is fit for purpose, compliant and efficient. In 2017 the new Charity Code of Governance was launched and updated in 2020, with a recommendation that charities review their level of application and to explain any aspects of the code they were not applying. In our review, MSC carried out a detailed examination of each element of the updated Code:

- Organisational purpose
- Leadership
- Integrity
- Decision making, risk and control
- Board effectiveness
- Equality, diversity and inclusion
- Openness and accountability

This review found that MSC applies the Code in all material aspects. Further, in order to build on its compliance with the Code and maintain governance best practice, over the current year, the Board has implemented range of governance evolutions. A key element of this best practice progression is a review and update of the Charity's Articles of Association, which is currently close to completion.

The principles of equality, diversity and inclusion are embedded within the MSC and its work, through the leadership of the Board. The Trustees particularly recognise the importance and value of a diverse Board, taking account of this in their Board succession planning and recruitment processes. To this end, a number of newly appointed Trustees will join the Board from July 2023. The new Trustees bring wide-ranging, relevant experience to the MSC and come from diverse backgrounds: these appointments will serve to enrich the diversity of the composition of the Board of Trustees.

BOARD OF TRUSTEE DUTIES UNDER SECTION 172 OF THE UK COMPANIES ACT

DUTIES & RESPONSIBILITIES

The responsibilities of the Board of Trustees under section 172 are summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company and have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term
- b) the interests of the company's employees
- c) the need to foster the company's relationships with stakeholders and suppliers,
- d) the impact of the company's operations on the environment
- e) desirability of the company maintaining a high reputation for high standards of business conduct.

On joining the MSC Board, all new Trustees are briefed on their duties, and Trustees also receive relevant training and information throughout the period of their term of appointment.

It is important to recognise that the Trustees partly fulfil their duties through a governance framework (including a formal Scheme of Delegated Authorities) that delegates day to day decision-making to the Executive Committee of the Charity. Details of our governance arrangements are outlined in the Trustees Management and Structure on page 3.

The MSC Trustees consider that they have fulfilled their obligations under section 172. The following summarises how this has been achieved.

RISK MANAGEMENT

We operate in an uncertain and challenging environment, from which emerge a range of risks, many of which are beyond our direct control. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face.

The Board has set in place a robust risk management framework, enabling it to assess and manage both its risk appetite and our current risks and their mitigation. The Audit & Risk Committee is responsible to the MSC Board for ensuring that the MSC has in place an adequate and effective corporate risk management and assurance framework.

For details of our principal risks and uncertainties, see the Risk section of the Finance Report on page 14.

STATEMENT OF ENGAGEMENT WITH OUR EMPLOYEES

As a 'knowledge-based' organisation, our employees and our 'Better Together' culture are critical to the success of the MSC. With this in mind, development and investment in our people is integral to our charity.

Key people initiatives we have set in place, and continue to progress include:

- biannual survey of all employees (reported to the Board), which consistently engenders almost universal participation, with the results demonstrating the continual highly positive engagement of our staff
- development and delivery of a Learning & Development Strategy
- robust staff performance management systems
- development and delivery of a diversity, equity and inclusion action plan
- policies and procedures to support the full HR lifecycle of our employees
- policies, tools and systems to enable staff to fulfil their roles, to ensure their health and safety, and to support their well-being.

STATEMENT OF MSC'S RELATIONSHIPS WITH STAKEHOLDERS & SUPPLIERS

Independence, transparency, impartiality and multi-stakeholder governance are central to the MSC's values and commitment to maintain and strengthen world-leading standards.

We work hard to ensure our standards, strategy and decision-making take account of the views, expertise and experience of a wide range of perspectives, from academia and government, the fishery and market sectors, and the environmental NGO community.

Our governance structure therefore involves a wide range of individuals with different perspectives to ensure that the MSC's decisions are balanced, reflecting many sectors and interests. Stakeholders are included in the membership of the MSC Board itself, the Technical Advisory Board, and Stakeholder Advisory Council (STAC). Indeed, the STAC was specifically established to provide advice and stakeholder perspectives to the Board and

Executive. Its membership includes representatives from the seafood industry, conservation community, market sector and academia, and reflects the diverse expertise, experiences, geographies and interests in relation to the work of the MSC.

In addition to our governance bodies, other stakeholder engagement initiatives and activities include:

- stakeholders are invited to participate in consultations on our standards and requirements
- the fisheries certification process encompasses formal opportunities in which stakeholders are encouraged to participate in the third-party assessment of a fishery against MSC Fisheries Standard
- day to day informal, regular interaction with stakeholders across all sectors.

We also value all our suppliers (all of whom are selected through robust procurement processes) and the contributions that they make to our organisation. Our effective working relationships with our suppliers served us very well during the COVID-19 pandemic, particularly that with our outsourced IT partner, which worked closely with us to ensure we were able to continue to operate fully and maintain organisational cohesiveness throughout extended lockdowns across the world.

MSC'S ENVIRONMENTAL PERFORMANCE

The following table sets out MSC's GHGe (Green House Gas emissions). 2022/23 is considered as MSC's "base" year for GHGe reporting.

	2022/23
Energy use (kWh hrs)	131,847
Associated greenhouse gas emissions (tonnes CO2 equivalent) (TCO2e)	67
Intensity ratio (TCO2e/number employees)	0.27

CO2 emissions arising from work travel (including commuting to the office) are estimated to be 788 TCO2e. As an international organisation, overseas travel is an inherent feature of our day-to-day operations for many staff, but we seek always to ensure we only undertake necessary journeys, and to do so in a way which minimises our carbon emissions. MSC will investigate options to offset the emissions made.

We have also introduced a number of energy-saving initiatives designed to minimise our energy consumption and environmental impact, an important consideration for an environmental organisation such as MSC. These include:

- 100% certified green energy in our UK headquarters, and all other offices globally where this is possible, using an energy broker to generate efficiencies and cost savings
- encouraging employees to use public transport where they need to travel for meetings, and to consider video-conferencing as an effective alternative to travel
- recycling arrangements available in all offices
- installation of energy efficient elements for refurbishment and replacement projects
- introduction of light sensors in many of the communal areas of our headquarters office, and encouragement of efficient use of electricity and water by all staff
- encouragement and support for internal greening initiatives instigated by our employees.

MAINTAINING A REPUTATION FOR HIGH STANDARDS

As an organisation, we operate within a robust governance framework which underpins and enables all aspects of our decision making. Further details on this can be found on page 3.

MSC's Fisheries Standard is compliant with the highest globally recognised standards laid down by bodies such as the UN's Food and Agriculture Organisation (FAO), the Global Sustainable Seafood Initiative (GSSI) and ISEAL, the international body for credible standard setters. Indeed, the MSC is the only global wild-capture fisheries certification program that simultaneously meets best practice requirements set by the UN FAO and has been independently evaluated against ISEAL's Codes of Good Practice.

In order to ensure the highest standards and the credibility of our third-third party certification program, the MSC has set in place a robust assurance system:

- fishery assessments are carried out by independent accredited conformity assessment bodies (CABs) with teams of experts in fisheries science and management who are independent of the fishery and the MSC, and the process also includes an independent peer review to check the expert judgement within fishery assessments
- assessment reports are transparent and are published on our Track a Fishery website
- a similar independent, third-party approach is also used for our chain of custody certification program
- as an additional safeguard, MSC has appointed Assurance Services International (ASI) as an external oversight body for CABs
- we also ensure assessors follow ISO17065, an international Standard used in many sectors including food safety, to ensure that assessment teams operate in a competent, consistent and impartial manner
- and we provide mandatory online training and relevant qualification requirements for assessors.

Most importantly, the MSC receives no money for fishery or chain of custody assessments or certifications.

OBJECTIVES AND ACTIVITIES

PUBLIC BENEFIT

The MSC is an international organisation which partners with the environmental, science and funder communities and the seafood industry to pursue an overall charitable purpose of the advancement of environmental improvement, using its fishery certification and eco-labelling program. It does so by recognising and rewarding sustainable fishing practices, influencing the choices people make when buying seafood and working with partners to help to transform the seafood market to a sustainable basis. The MSC believes its work delivers positive environmental impacts for the marine environment, which in turn provides a significant benefit to the public and to the local communities that depend on fishing.

The application of the MSC's certification program and eco-label empowers seafood buyers, both major retailer buyers and individual consumers, to make better and more informed choices when buying seafood. The effect is one that rewards in the marketplace those fisheries that follow responsible practices. In turn, this creates the incentives for fisheries around the world to meet the MSC's standard for environmentally responsible and sustainable fishing. In doing so they will have to demonstrate to third party certifiers that they are operating in a way that helps to ensure the long-term sustainability of the fish stocks they are targeting, and that they respect the ecosystems in which they operate. As the reach of the MSC's program expands globally, the public will, increasingly, be able to identify the best environmental choice in seafood and will be more empowered to play their role in creating a sustainable marine environment. With the marine environment under considerable threat, particularly in the face of climate change, all those that value and derive benefit from the oceans and marine resources stand to benefit from the work of the MSC.

Community groups and other sub-sets of the public that are dependent on the long-term resilience of fisheries and the resulting creation of sustainable livelihoods, in particular, stand to benefit from the realisation of the MSC's aims through increased economic development, food security and resilience in the face of climate change.

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission of England and Wales. The Trustees further confirm that the activities of the Charity are carried out, in line with its objects, for the public benefit as described above.

STRATEGIC REPORT

ACHIEVEMENT AND PERFORMANCE

The expenditure for charitable activities during the current year can be viewed in Note 5 of the accounts, where the charitable activities are grouped together under four activity headings: development of policy and the maintenance of the standards, education and raising awareness of the issue of over fishing and MSC's role as one of the potential solutions, servicing fisheries and commercial partners that are already engaged in the program as well as outreach to potential new partners in developing regions and beyond, and logo licensing, which increases the transparency in the supply chain allowing consumers to choose seafood caught sustainably and so incentivise sustainability.

The MSC's charitable funding has faced difficult challenges in the past several years due to the twin shocks of the COVID-19 pandemic and the ongoing war in Ukraine. While the effects of the pandemic have gradually lessened, the war in Ukraine continued to impact

supply chains sourcing Russian-caught fish directly in this fiscal year and in addition, the conflict contributed inflationary strains to the fishing and consumer retail industries. It is likely that the war in the Ukraine will continue into the next fiscal year, and as the situation is as yet still too unpredictable to know with certainty what the effects of war in Ukraine will be ultimately on the MSC program.

Despite these challenges, we continue to place particular emphasis on maintaining our strong outreach with retailers and consumers and increasing our engagement with governments and non-government organisations around key areas for change. The MSC's certification program and eco-label have made it easier for major seafood buyers and consumers to choose certified sustainable seafood, providing both a reward and an incentive for fishers to fish sustainably—our theory of change. With our many partners, the MSC continues to pursue the goal of healthy oceans and sustainable seafood markets globally.

Over the last financial year, we are pleased to report that the number of units of certification rose by almost 7% from 950 to 1018, while the total number of fisheries engaged in the program (i.e. certified or in assessment) fell to 1,046 from 1,067 (i.e. an additional 28 were in full assessment this year versus 117 last year). A growing global market for MSC-certified seafood is demonstrably rewarding environmentally responsible fisheries and providing incentives for more to join the program and make changes in their practices where necessary. At the end of the year 20,780 MSC labelled products (consumer facing) were actively on sale in over 100 countries, compared with 20,544 active products in 2021/22, an increase of 1.15%.

Other relevant indicators of the MSC's impact and growth include:

- Over 17% of global wild caught seafood now comes from fisheries certified under the MSC Fisheries Standard (with over 19% of all wild marine catch was engaged with the MSC): global collaboration has doubled sustainable MSC catch and more than tripled chain of custody commitment since 2010.
- Our presence in developing economies to see strong growth: There are now 126 MSC units of certification in developing economies (up from 108 in 2021/22, 73 in 2020/21 and 66 in 2019/20), with a further 19 in assessment.
- The quantity of sold MSC labelled seafood (by product weight), has globally increased to over 1.21 million MT. Globally, stocks targeted by MSC certified fisheries continue to show sustainable levels of stock biomass and in many regions, stocks show higher biomass after MSC certification occurred.
- And in the supply chain, DNA testing results continue to show levels of mislabelling of <1% for MSC certified products.

Chain of Custody Standard

The MSC Chain of Custody (CoC) program grew again in 2022/23, albeit at a slower pace than in previous years, with the number of certificate holders rising to 5,665, up from 5,437 in 2020/21, 5,170 in 2019/20 and 4,729 in 2018/19 (and note that the baseline in 2010 was 1,099 in 2010). China overtook the United States in 2019/20 for the first time and it continued in 2022/23 to have the most certificate holders despite the COVID-19 pandemic, with the US still in second place and France now in third, replacing Germany.

As in 2021/22, the majority of certificates are still held in Europe, but with notable growth in Asia Pacific, particularly China as noted, and in the category the "rest of the world," which captures CoC mainly in developing economies. In 2023, MSC will celebrate the 10th anniversary of its opening an office in China and during this time, the number of MSC labelled products in the country has increased from 10 to more than 200. The MSC has also

seen considerable growth in the number of Chinese supply chain companies, retailers and fisheries engaging in the MSC program.

The MSC's current CoC Standard is widely considered best in class, and our vision is to ensure that the MSC's CoC system has improved accessibility and efficiency of engagement for all levels of the supply chain which continues to ensure that key risks such as product substitution are controlled, monitored and minimised.

Fishery Standard

As of 31 March 2023, 1044 units of certification in 36 countries had been certified as sustainable to the MSC Fisheries Standard (up from 950 in 2021/22), demonstrating their commitment to healthy ecosystems and the long-term sustainability of fish stocks. Another 28 units were in assessment. Some 2,000 sustainability improvements were made by MSC fisheries in 2022/23 with over 95% of MSC certified fisheries having made improvements in fishing practices.

In addition, hundreds of fisheries around the world are engaged in Fishery Improvement Projects (FIPs), including MSC's own Pathway to Sustainability projects and In-Transition to MSC (ITM) program. MSC's Pathways projects help to move fisheries along the path towards greater sustainability and ultimately, where possible, certification as part of our commitment to work with small scale and/or fisheries in developing economies (see below under Ocean Stewardship Fund).

Every five years the MSC initiates a Fisheries Standard Review (FSR). The FSR is an opportunity to consider potential improvements to the Fisheries Standard by reviewing issues raised by stakeholders and by our own monitoring and evaluation processes, and where appropriate, to incorporate widely accepted new science or fisheries management best practice.

The latest version of our Standard (version 3.0) was published in October 2022, following the most comprehensive Review to date. The Fisheries Standard 3.0 contains significant improvements to help address some of the most difficult issues facing the oceans, including better protections for marine biodiversity and incentivising stronger ocean governance. We have also clarified language, refined existing tools and developed new guidance to ensure our Standard can be applied efficiently and is increasingly accessible to all fisheries.

Specifically, the latest review FSR worked to:

- incorporate improved and generally accepted global scientific understanding and fishery management practice into the Fisheries Standard
- enhance program credibility and legitimacy by reviewing issues identified in previous versions of the Standard or fisheries assessment process
- improve fisheries data collection to enable rigorous monitoring and evaluation
- increase standard applicability and accessibility for fisheries from emerging economies
- reduce Standard complexity to reduce barriers for new fisheries.

Growth of the MSC's Ocean Stewardship Fund

The MSC Ocean Stewardship Fund (OSF) aims to increase the proportion of global fisheries operating in a sustainable way by providing financial support in the form of grants or other financial instruments to both certified fisheries and for fisheries in MSC's ITM program. The OSF was first announced in November 2018, along with a £1 million seed fund allocated from MSC's unrestricted reserves to help kickstart the Fund. The Board of Trustees then formally approved the OSF on 30 July 2019 and agreed to designate 5% of MSC's annual volume royalties to the OSF for the foreseeable future.

As of 31 March 2023, OSF has secured a total of £7,727,970 in income, from a mix of MSC royalty contributions and third-party philanthropic funding. Some £2,041,395 of this funding was received in 2022/23. Since 2019/20, the OSF has awarded 107 grants totalling almost £4 million across 30 countries, 40 of which have supported fisheries and projects in developing economies. The 44 grants approved by MSC in 2022/23 totalled approximately £1,723,000.

As part of the support received in 2022/23, the OSF continued to expand with an unrestricted donation of €1 million in June 2022 from the Hans Wilsdorf Foundation, which will enable OSF to fund a broad range of projects that are of strategic importance to MSC's vision and mission as a whole. Work has now begun on developing the criteria and processes that will be used to award this unrestricted funding.

In addition, funding provided by the MAVA Foundation amounting to a total of €750,000 (£639,443) was granted out in this past fiscal year. All funds from this grant were awarded to fishery improvement projects in the Mediterranean and West Africa by the end of the MAVA grant (31 October 2022). Additional support of US\$1,000,000 (£750,589) was donated by the Walton Family Foundation to provide a Loan Guarantee Facility (LGF) for selected fisheries.

Finally, in addition to supporting fisheries directly with certification, the OSF also started to fund larger MSC-led projects in 2022/23 in areas such as climate change and MSC Pathway Projects.

CHARITABLE FUNDRAISING

The MSC employs an international fundraising staff of five full time employees who are tasked with delivering MSC's fundraising plan as articulated by the Board and senior management and managing the Ocean Stewardship Fund (OSF); the MSC is registered with the UK Fundraising Regulator and voluntarily observes the UK Charity Commission's Code of best practices. This includes complying with any relevant statutory accounting and reporting requirements on fundraising. Fundraising staff at the MSC are overseen and monitored by both senior management and the Development Committee of the Board of Trustees. The MSC worked with the Swiss-based independent investment advisory company Clarmondial around fundraising for the OSF in 2022/23 as part of a grant from the MAVA Foundation pour la Nature, but does not otherwise employ outside fundraising consultants or similar commercial services, nor did the MSC receive any complaints around fundraising, or the staff engaged in fundraising in 2022/23.

The MSC undertook no active fundraising from the general public requiring disclosure under S162A of the Charities Act 2011 in the past financial year (2022/2023) and had no campaigns or other active attempts to fundraise from the general public. The majority of MSC's charitable income continues to come from institutional sources (foundations/trusts and government bodies) that are not domiciled in the United Kingdom (see below). While the

MSC does not in the main fundraise from individuals, the organisation is in full compliance with the General Data Protection Regulation (GDPR) rules in respect of personal data.

Support from Funders

The MSC is very grateful for our many charitable donors across the globe for the support they have given us this past year and since our founding. This year the MSC received significant new and generous support from both the Hans Wilsdorf Foundation, Walton Foundation, and the MAVA Foundation for our Ocean Stewardship Fund, and from the MAVA Foundation specifically for our work both in the Mediterranean, western Africa and around enabling financing for fishery improvements. In addition, the MSC continued to receive generous core support from the Dutch Postcode Lottery and Holzer Family Foundation, as well as continued support from the Adessium Foundation and Leventis Foundations for our work in the Mediterranean and the Remmer Family Foundation for our work in southern Africa. We would also like to thank the Triad Foundation for their generous support of our Pathway project in Canada.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Total group income in 2022/23 was £32.73 million compared to £29.79 million in the previous year. Income from charitable activities (that is, largely logo licensing royalty and annual fee revenue) amounted to 89% of total income (2021/22 88%).

Income from donations and legacies was £2.27 million in 2022/23, down 5% from the £2.41 million received in 2021/22. Note 2 to the accounts shows a further breakdown of voluntary income.

Income from charitable activities, consisting largely of royalty income and annual fees, increased overall by 11.2% from £26.13 million in 2021/22 to £29.05 million in 2022/23. Annual fees increased by 4% to £2.16 million (2021/22 £2.07 million). Volume royalty increased by 11.9% to £26.61 million (2021/22 £23.77 million).

Income from investments of £0.79 million increased compared to the previous year (2021/22 £0.74 million). The net losses on the investment portfolio (that is, the reduction in market valuation of the investments at the year-end) amounting to £0.77 million (2021/22 gain £0.95 million) are excluded from investment income and are disclosed separately on the Statement of Financial Activities as "Gains / (Losses) on revaluation of fixed asset investments".

Expenditure totalled £30.57 million in 2022/23, up 6.6% from £28.67 million in 2021/22.

Staff costs increased by 4% to £15.65 million from £15.03 million. The average number of employees in the year decreased to 247 in 2022/23 (2021/22 251).

Expenditure on raising funds for the MSC's fundraising activities increased by 19% to £0.74 million (2021/22 £0.62 million).

Note 5 to these accounts provides a breakdown of costs incurred in furtherance of the Charity's objectives and shows a year-on-year increase in spend on the MSC's charitable activities of 6% to £29.82 million (2021/22 £28.05 million).

Governance costs increased by 8% to £0.76 million (2021/22 £0.7 million) as the Board and other governance committees increased travel to meet in person after the global relaxation

of pandemic lockdown restrictions. These costs also include the audit fee, the cost of holding Board meetings as well as other Board relevant costs and an allocation of relevant staff salary costs. Governance costs are only 2.3% of total MSC income, welcomingly low for an organisation which is very complex and has a truly global reach.

Gains upon revaluation of foreign assets amounted to £0.02 million (2021/22 loss £0.15 million). This gain or loss arises from the revaluation of the net assets held by the MSC's overseas subsidiaries.

The MSC ended the year in a sound financial position.

The overall surplus for the year of £1.41 million increased total reserves going forward to £42.13 million. £2.51 million of this carry forward reserve are restricted funds, £1.86 million are funds designated to OSF activities and £37.76 million unrestricted. The surplus in the year on unrestricted reserves was £1.43 million.

Cash balances (including cash investments of £3.9 million) totalled £10.38 million (2021/22 £10.4 million).

RISK MANAGEMENT

The Trustees address from time to time the risks that face the Company and adopt responses to minimise the risks identified.

The major risks identified are:

- Global biological change (climate change) undermines the productivity and resilience of marine ecosystems, and the enabling environment for fisheries to be managed sustainably, increasing the risk of fisheries' suspension from the MSC program. This can be partially mitigated by ensuring the Fisheries Standard evolves to reflect global climate change.
- Vulnerability of the MSC's program to external events beyond its control (such as a failure of Regional Fisheries Management Organisations (RFMOs) to reach agreement on harvest control rules leading to fishery suspensions and withdrawals) reducing MSC's ability to drive change on the water. This can be partially mitigated by the maintenance of a "heatmap" to give early anticipation and identification of fishery suspension risk, the implementation of an RFMO strategy and continued outreach effort.
- Global political change (for example, the conflict in Ukraine) and increased nationalism / trade wars presents limitations to the ability of the MSC program to scale. This can be partially mitigated by continued, systematic engagement with governments (EU / US / Asia).

The Trustees review the risks regularly, and they believe that there are adequate systems in place to minimise them.

The impact of Brexit continues to be a risk, with ongoing uncertainty over the changing distribution patterns of raw material inputs into UK and European supply chains. A global perspective of the MSC highlights that much larger volumes of MSC certified fish supplies come from outside Brexit affected geographies, thus mitigating the potential downside impact of Brexit on MSC royalty income. The conclusion is that Brexit is unlikely to become an existential crisis.

The war in Ukraine presents potential risks to the MSC caused by disruption to global supply chains and impacts on financial markets. MSC continues to monitor the situation and engage actively with supply chain partners.

RESERVES POLICY

The Trustees believe that it is generally good practice to hold reserves to protect against funding and other financial difficulties.

The MSC raises the majority of its voluntary income from a relatively small number of supportive trusts and foundations and consequently the financial impact should a donor decide to phase out its support would be material. The MSC is striving to diversify its charitable donor base. As a result, more speculative income and more restricted income may be included in the MSC's budgets. Holding reserves ensures confidence that such target income can be given time to be nurtured without detrimentally affecting the MSC's operations.

Certified fish entering the supply chain is the fuel that facilitates the generation of ecolabel royalty income for the MSC, via its trading subsidiary MSCI. While royalty income is therefore diversified across many certified fisheries, MSC certification can be lost or withdrawn. Similarly, royalty income is dependent upon the use of the MSC's ecolabel on a pack, which is an entirely voluntary decision made by the brand owner, not the MSC. Should royalty income unexpectedly decline, it may be necessary to realign expenditure to income. Reserves are therefore held to allow time for this realignment to take place and to cover the costs of such a fundamental restructuring in the event of a major downturn.

The reserves also cover the exchange rate risk implicit in the MSC's income and expenditure patterns, as well as the risk of losses arising from liquidating fund investments that form a major part of the MSC's unrestricted reserves, in the unlikely circumstance that these investments are needed to fund day to day operational expenditure. Finally, the MSC's short term cash flow requirements (i.e., its "working capital") are also covered by reserves.

The Board has quantified the makeup of reserves against each of the above-named risks and concluded, in total, the unrestricted "free" reserve should be set between a minimum of 9 months and a maximum of 12 months of the following year's budgeted expenditure.

Should the maximum reserves ceiling be habitually exceeded (defined as being two continuous years in succession), the Board will consider strategically whether the MSC's capacity to generate royalty revenue remains appropriate and in line with its current and predicted expenditure requirements, or whether the success of the MSC licensing program has resulted in royalty income being generated at rates in excess of the organisation's ability to spend it over the longer term.

Alongside any such strategic consideration, within a financial year that any breach in the maximum reserves ceiling is identified, the Board will give consideration to investing all the surplus free reserves, or an appropriate proportion, in the following areas:

- a) Ocean Stewardship Fund: Transition Assistance strand – with the objective of enabling prospect fishery partners to overcome generic obstacles to achieve certification.
- b) Ocean Stewardship Fund: Science & Research strand with the objective of commissioning additional scientific research that would benefit multiple fisheries which could enable existing certified fisheries to maintain their certifications.
- c) Marketing – magnifying the impact of already planned marketing activities.

- d) Any capital project which the Board deems appropriate for the furtherance of the MSC's mission and charitable objects.

This reserves policy was adopted by the Board of Trustees in June 2019 and its appropriateness is continually monitored.

The MSC ended the year with unrestricted reserves of £37.8 million (see note 20). Once intangible assets and tangible fixed assets of £4.8 million (see notes 10 and 11), free reserves amounted to £33.0 million (2021/22 £31.2 million). This equates to 12.75 months of the Board approved unrestricted expenditure budget for 2023/24 (£31.05 million), up from 12.3 months reported for the previous year.

INVESTMENT POLICY

The general objective of holding investments is so the MSC's reserves generate a return that would be greater than the return that could be obtained if the reserves were held as interest bearing cash deposits.

Fixed asset investments are held in investment funds managed by Northern Trust and UBS. The intention is for these investments to be held long term, within a balanced and diversified portfolio, and that the MSC will not need to liquidate the investment in the foreseeable future. Both investment managers have delegated authority to make investment decisions, within a framework of pre-defined portfolio parameters, in response to market movements.

The Northern Trust portfolio covers equities, fixed income securities, real estate, and commodities. The equity element (the majority of the investment) is invested in Socially Responsible Investment (SRI) funds. The SRI funds mirror Morgan Stanley Capital International Ethical, Social and Governance indexes (namely the MSCI World ESG index and the MSCI US IMI index) to guide investment opportunities in equities screened for ESG criteria.

The investment fund managed by UBS consists of a mix of fixed income securities and equities, weighted towards equities. UBS use third party rating providers MSCI Research, Inrate or Oekom to allocate to each holding an ESG score and to provide MSC with a portfolio with an overall sustainability profile.

Current asset investments are all held as cash deposits.

PLANS FOR FUTURE PERIODS

2022 marked the 25th anniversary of the establishment of the MSC. Having reached this milestone, our goal of sustainable fisheries supporting healthy and productive ocean ecosystems remains unchanged, and we believe that our existing goal of engaging over a third of global landings in the MSC program by 2030, is not only achievable, but essential. Achievement of this ambitious goal through the engagement and leadership of our partners will make a significant contribution to the delivery of the United Nations Sustainable Development Goal 14 targets.

In 2022, we developed our fourth Integrated Strategic Plan, which will guide the organisation's priorities and activities from 2023 to 2030 towards the achievement of our 2030 goal. Under this Plan, the MSC will continue to maintain world-leading Standards for sustainable fishing while expanding market opportunities that incentivise more sustainable fishing globally. This new strategy will see an increased focus on research efforts which support MSC certified fisheries and those on their journey to sustainability.

To help fisheries fund their continuous improvement, the MSC is expanding its Ocean Stewardship Fund while also opening up its In-Transition to MSC (ITM) program to all fisheries. In addition, we are accelerating progress and increasing the number of sustainable fisheries worldwide by funding innovative research and supporting fisheries at all stages on the path to sustainability.

In order to enable this, the MSC has set an ambitious goal to mobilise US\$100 million to help safeguard the ocean and sustainable seafood supplies over the next decade. The announcement marks a significant expansion of the MSC's Ocean Stewardship Fund (see above) which aims to end overfishing. Philanthropic organisations, businesses and governments are encouraged to contribute to the fund, which has already delivered more than 100 grants, including almost 40 in emerging economies. These funds assist a wide range of fisheries and invest in research and innovation to improve fishing practices on the water.

REFERENCE AND ADMINISTRATION

Trustees and Directors of the Marine Stewardship Council (MSC):

Dr Werner Kiene	Chair	Appointed October 12
Mr Giles Bolton		Appointed January 19
Ms Maria Damanaki	Development Committee Chair	Appointed July 19
Mr Kristjan Th. Davidsson	Treasurer and Finance Committee Chair	Appointed July 21
Mr David Lock	Audit & Risk Committee Chair	Appointed November 18
Dr Kevin Stokes		Appointed July 20
Mr Paul Uys	MSCI Board Chair	Appointed August 15
Mr Stuart Green		Resigned March 23
Dr Christopher Zimmermann	Technical Advisory Board Chair (to January 23)	Resigned January 23
Mr Jim Leape		Resigned July 22
Ms Amanda Nickson	Stakeholder Advisory Council Co-Chair	Resigned July 22
Ms Stefanie Moreland	Stakeholder Advisory Council Co-Chair	Resigned May 22

The Trustees of the MSC are the charity's Trustees under charity law and are the directors of the charitable company.

Principal Office & Registered Office: Marine House, 1 - 3 Snow Hill, London, EC1A 2DH

Principal Officers – the Executive Committee

Mr Rupert Howes	Chief Executive Officer
Dr Alene Wilton	Chief Operating Officer
Dr Rohan Currey	Chief Science & Standards Officer
Mr Nicolas Guichoux	Chief Program Officer
Ms Ishbel Matheson	Chief Communications Officer

Advisers

Auditors: Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

Bankers: HSBC Plc, 165 Fleet Street, London, EC4A 2DY

Solicitors: DAC Beachcroft LLP, 100 Fetter Lane, London, EC4A 1BN
Bird & Bird LLP, 12 New Fetter Lane, London, EC4A 1JP

Investment managers:

Northern Trust Company, 50 South LaSalle Street, Chicago, IL 60680, USA
UBS, 1 Finsbury Avenue, London, EC2M 2AN

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report, the Strategic Report, and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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 net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

S 418 CONFIRMATION

Each of the Trustees at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 under Companies Act 2006.

This Annual Report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 27 July 2023 including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:

A handwritten signature in black ink, appearing to read 'Werner Kiene', with a stylized, flowing script.

Dr Werner Kiene
Chairman of the Board of Trustees

Date 27 July 2023

Independent Auditor's Report to the Members of Marine Stewardship Council

Opinion

We have audited the financial statements of Marine Stewardship Council ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and the charitable company's affairs as at 31 March 2023 and of the group's and the charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit

procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation, employment legislation and taxation legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition and classification of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance. In respect of the recognition and classification of income, substantive sample testing was undertaken to ensure that the transactions occurred, were recognized accurately, completely, in the correct financial year and classified correctly in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Julia Poulter
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 25th August 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	UNRESTRICTED FUNDS			Total Funds 2023	UNRESTRICTED FUNDS			Total Funds 2022
		General	Designated	Restricted Funds		General	Designated	Restricted Funds	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income									
Donations and legacies	2	433	0	1,840	2,273	468	6	1,932	2,406
Income from charitable activities		29,045	0	0	29,045	26,132	0	0	26,132
Income from investments	3	774	0	21	795	744	0	0	744
Other trading activities		621	0	0	621	507	0	0	507
Total Income		30,873	0	1,861	32,734	27,851	6	1,932	29,789
Expenditure									
Expenditure on raising funds	4	615	125	1	741	621	0	0	621
Expenditure on charitable activities	5	26,867	930	2,031	29,828	25,023	751	2,274	28,048
Total Expenditure		27,482	1,055	2,032	30,569	25,644	751	2,274	28,669
Net income before transfers and other gains and losses		3,391	(1,055)	(171)	2,165	2,207	(745)	(342)	1,120
Gain / (Loss) on revaluation of fixed asset investments		(773)	0	0	(773)	947	0	0	947
Net income before transfers		2,618	(1,055)	(171)	1,392	3,154	(745)	(342)	2,067
Gain / (Loss) on revaluation of foreign assets		22	0	0	22	(149)	0	0	(149)
Transfers between funds		(1,208)	905	303	0	(1,268)	1,126	142	0
Net movement in funds		1,432	(150)	132	1,414	1,737	381	-200	1918
Funds at 31st March 2022 (31st March 2021)		36,331	2,006	2,379	40,716	34,594	1,625	2,579	38,798
Funds at 31st March 2023 (31st March 2022)		37,763	1,856	2,511	42,130	36,331	2,006	2,379	40,716

There were no recognised gains or losses other than those included in the Statement of Financial Activities.
All Income and Expenditure derive from continuing activity.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	UNRESTRICTED FUNDS				UNRESTRICTED FUNDS			
		Unrestricted	Designated	Restricted	Total Funds	Unrestricted	Designated	Restricted	Total Funds
		Funds	Funds	Funds	2023	Funds	Funds	Funds	2022
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income									
Donations and legacies		437	0	1,750	2,187	430	6	1,932	2,368
GiftAid received from trading subsidiary		15,905	0	0	15,905	13,379	0	0	13,379
Income from charitable activities		8,016	0	0	8,016	7,216	0	0	7,216
Income from investments		772	0	21	793	744	0	0	744
Other trading activities		0	0	0	0	6	0	0	6
Total Income		25,130	0	1,771	26,901	21,775	6	1,932	23,713
Expenditure									
Expenditure on raising funds		615	125	1	741	621	0	0	621
Expenditure on charitable activities		21,311	930	1,808	24,049	19,457	750	1,806	22,013
Total Expenditure		21,926	1,055	1,809	24,790	20,078	750	1,806	22,634
Net income before transfers and other gains and losses		3,204	(1,055)	(38)	2,111	1,697	(744)	126	1,079
Gain / (Loss) on revaluation of fixed asset investments		(773)	0	0	(773)	947	0	0	947
Net income before transfers		2,431	(1,055)	(38)	1,338	2,644	(744)	126	2,026
Transfers between funds		(1,194)	905	289	0	(1,243)	1,126	117	0
Net movement in funds		1,237	(150)	251	1,338	1,401	382	243	2,026
Funds at 31st March 2022 (31st March 2021)		33,885	2,006	4,705	40,596	32,484	1,624	4,462	38,570
Funds at 31st March 2023 (31st March 2022)		35,122	1,856	4,956	41,934	33,885	2,006	4,705	40,596

There were no recognised gains or losses other than those included in the Statement of Financial Activities.
All Income and Expenditure derive from continuing activity.

CONSOLIDATED AND CHARITY BALANCE SHEET
as at 31 March 2023

	Note	Group 2023 £'000	Group 2023 £'000	Group 2022 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed Assets							
Intangible	10	1,393		1,564		1,394	1,563
Tangible assets	11	3,421		3,516		3,404	3,494
Investments	12	19,111		19,222		19,255	19,368
			23,925		24,302	24,053	24,425
Current Assets							
Investments	13	3,972		3,544		3,972	3,421
Debtors	14	11,978		10,866		13,786	12,535
Cash at bank and in hand		6,407		6,854		2,821	2,791
		22,357		21,264		20,579	18,747
Creditors: Amounts falling due within one year	15	(3,816)		(4,650)		(2,396)	(2,388)
Net current assets			18,541		16,614	18,183	16,359
Creditors: Amounts falling due after more than one year	16	(336)	(336)		(200)	(302)	(188)
Total assets less total liabilities			42,130		40,716	41,934	40,596
Funds							
Unrestricted funds - General Funds			37,763		36,331	35,122	33,885
Unrestricted funds - Designated Funds			1,856		2,006	1,856	2,006
Restricted funds			2,511		2,379	4,956	4,705
Total Funds			42,130		40,716	41,934	40,596

The financial statements on pages 24 to 40 were approved and authorised for issue by the Trustees on 27 July 2023 and signed on their behalf by:



Dr Werner Kiene
Company Registration Number 3322023

Chairman of the Board of Trustees

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE GROUP
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £'000	2022 £'000
Statement of cash flows		
Cash flows from operating activities:		
<i>Net cash provided by (used in) operating activities</i>	<u>1,338</u>	<u>1,720</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	795	744
Proceeds from the sales of property, plant and equipment	0	0
Purchase of property, plant and equipment	(619)	(1,413)
Proceeds from sale of investments	3,518	6,315
Purchase of investments	(5,051)	(5,975)
<i>Net cash provided by (used in) investing activities</i>	<u>(1,357)</u>	<u>(329)</u>
Cash flows from financing activities:		
repayments of borrowings	0	0
<i>Net cash provided by (used in) financing activities</i>	<u>0</u>	<u>0</u>
 <i>Change in cash and cash equivalents in the reporting period</i>	 (19)	 1,391
<i>Cash and cash equivalents at the beginning of the reporting period</i>	<u>10,398</u>	<u>9,007</u>
<i>Cash and cash equivalents at the end of the reporting period</i>	<u>10,379</u>	<u>10,398</u>
 Reconciliation of net income / (expenditure) to net cash flow from operating activities		
	2023 £'000	2022 £'000
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,414	1,918
Adjustments for:		
Amortisation and depreciation charges	884	1,183
FX on Foreign Assets	(538)	(382)
Net unrealised loss (gain) and other movements on investment	2,182	(1,552)
Dividends, interest and rents from investments	(795)	(744)
(Profit) / Loss on the sale of fixed assets	1	5
(increase) / decrease in debtors	(1,112)	115
Increase / (decrease) in creditors	(698)	1,177
Net cash provided by (used in) operating activities	<u>1,338</u>	<u>1,720</u>
 Analysis of cash and cash equivalents		
	2023 £'000	2022 £'000
Cash in hand	6,407	6,854
Notice deposits (less than 3 months)	3,972	3,544
Total cash and cash equivalents	<u>10,379</u>	<u>10,398</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. *Accounting policies*

Marine Stewardship Council is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 17th December 1997 (company number 3322023) and registered as a charity on 10th December 1997 (charity number 1066806).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association (amended July 2014).

In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

The registered office is Marine House, 1-3 Snow Hill, London, EC1A 2DH.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of accounting: The consolidated financial statements have been prepared under the historical cost convention, except that fixed asset investments are stated at market value, and in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the 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 1st January 2019.

These financial statements consolidate the results of the charity and its five wholly owned subsidiaries, Marine Stewardship Council International Limited (which is incorporated in the UK), Marine Stewardship Council Limited (which is incorporated in the United States), Marine Stewardship Council Trust (which is incorporated in Australia), Marine Stewardship Council Asia Ltd (which is incorporated in Singapore), and Ippan Shadan Hojin MSC Japan (which is incorporated in Japan) on a line by line basis.

MSCI also has a Chinese registered subsidiary, An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co (known as MSC China), the activities of which help fulfil MSC's charitable mission in China.

The functional currency of the Charity and its subsidiaries is GBP because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are also presented in GBP.

MSC's overseas subsidiaries are converted into GBP and consolidated into the group accounts using the year end exchange rate, with the foreign exchange gain or loss arising reported as gains or losses arising upon revaluation of foreign assets in the SOFA. Fixed assets held in the overseas subsidiaries are immaterial.

Going Concern: The Trustees approve the annual budgets and periodic forecasts to ensure there is sufficient working capital to meet the charity's obligations over the subsequent 12 months. The charity meets its ordinary working capital requirements through its existing cash balances. The Covid-19 impact has not had a material impact on the charity's financial operations. Having regard to the above, the current cash position and the expected cashflow over the following 12 months the Trustees believe it appropriate to adopt a going concern basis of accounting in preparing the financial statements.

After reviewing the group's forecast and projections, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. This view is supported by the level of free reserves held at the year-end (equivalent to 12 months expenditure). The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty: In the application of the accounting policies directors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historic experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The critical estimate involves accruing for royalty income, with around 2% to 10% of the total royalty accrued each year being based upon historic trends only, rather than information received post Year End from the license holder relating to actual labelled sales for the period of the accrual. This arises because turnover declaration returns of labelled product sales are submitted by license holders in arrears. As a result, labelled product sales data covering reporting periods ending 31st March are received after the financial year end. At the point the accounts are drafted, not all license holders may have reported their labelled sales data (even though the license agreement obligates them to submit their turnover declaration by one month after the end of the reporting period in question). For these license holders, the level of labelled sales (and hence royalty income to be accrued) are estimated based on historic trends.

Judgements are also made for bad debts provisions, based upon reviewing debts older than 90 days at the year end, and for certain contracts of service, whereby the fee to be received by MSC for services delivered continue to be subject to negotiation after the year end.

Fixed Assets:**Intangible fixed assets**

Intangible fixed assets represent software costs capitalised in accordance with FRS102. These are stated at historic cost and amortised on a straight-line basis over the period which revenue is expected to be generated (typically 4 years). Items costing less than £500 are expensed in the year of purchase.

Tangible fixed assets

Tangible fixed assets are recorded at cost or, in cases where tangible fixed assets have been donated to Marine Stewardship Council, at valuation at the time of acquisition. Tangible fixed assets are capitalised in the balance sheet at cost, except for items costing less than £2500 which are expensed in the year of purchase.

Depreciation: Depreciation for UK entities has been provided at the following rates in order to write down cost or valuation, less estimated residual value, of all tangible assets by equal annual instalments over their expected useful lives.

Furniture, Fittings & IT equipment	25%
Refurbishment costs of Snow Hill	over 7 years
London Virtual Freehold Property	Building cost over 99 years

Incoming resources: Grants and donations are recognised as income when it is clear MSC has entitlement to the income, that the donation is reasonably certain to occur and that the value of the donation can be measured. Logo license royalty income is accounted for in the period in which the labelled products were sold by our trading partners. Similarly, fixed fee income, such as the North American Subscription Program, is recognised as income for the contracted period, requiring a deferral of income if the fixed fee for a financial year is raised in advance. Service fees, such as Peer Review College fees or ASCI fees, is accounted for in the period the services were delivered. Donated services and facilities are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for the services donated by volunteers.

Expenditure: Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of VAT which cannot be recovered. Since 1st February 2009, the Charity has been registered within a VAT group consisting of itself and its UK based trading subsidiary, Marine Stewardship Council International. From 1st February 2009, therefore, input tax can be partially recovered based upon a business: non-business model.

Expenditure on raising funds comprise expenditure incurred in encouraging others to make contributions to the charity and include staff costs directly attributable to that activity. Expenditure on charitable activities comprise direct expenses incurred on the defined charitable purpose of the charity, and include staff costs directly attributable to the charitable activities. Where costs could not be directly attributed to any particular function or activity (i.e., costs classified in MSC's ledger as relating to senior staff and office, IT, HR, finance, premises support type costs), they have been allocated by applying bases consistent with the use of the resource. Senior staff costs are apportioned to charitable activities in relation to an estimate of time that that senior member will focus on a specific charitable activity. Head Quarter support costs are allocated to charitable activities in proportion to the staff costs sitting in that charitable activity. Local office support costs are allocated based on an estimation of charitable activity focus of that local office (that is, across servicing and outreach and education and awareness only).

In Kind income and expenditure: Where in kind supplies are received MSC will value the income and corresponding expenditure based on the value of the gift as identified either by the donor or, if appropriate, by the assumptions set out in any contract underpinning the commercial relationship between the donor and MSC.

Cash and bank and current asset investments: Cash balances held in interest bearing deposit accounts (business reserve accounts or time deposits) are classified as current asset investments in the balance sheet. All other cash balances held at bank or in hand are classified as cash at bank or in hand in the balance sheet.

Investment income: Investment income is recognised in the accounts when it is receivable and is allocated to the appropriate fund.

Investments: The charity has four wholly owned subsidiary undertakings.

- Marine Stewardship Council International Limited is a trading subsidiary and receives royalties from logo licensing fees as well as income from the sale of merchandise.
- Marine Stewardship Council Limited is a subsidiary incorporated in the United States and promotes the aims of the parent there.
- Marine Stewardship Council Asia Pacific Pty Ltd is a subsidiary incorporated in Australia and promotes the aims of the parent there and in South East Asia generally.
- Marine Stewardship Council Asia is a subsidiary incorporated in Singapore and promotes the aims of the parent there and in Asia generally.

Marine Stewardship Council International has a wholly owned subsidiary, An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co (known as MSC China), which received its business license 2 February 2016. In 2020, MSC established a non-profit General incorporated association (GIA), Ippan Shadan Hojin MSC Japan, to support its charitable mission in Japan.

Investments in the subsidiaries are stated at cost.

Fixed asset investments are held in a portfolio covering equities, fixed income securities, real estate, and commodities, which is managed by Northern Trust, and a second fund, managed by UBS, focused upon fixed income securities. The equity element of

the Northern Trust fund is invested in Socially Responsible Investment (SRI) funds. The SRI funds mirror Morgan Stanley Capital International Ethical, Social and Governance indexes (namely the MSCI World ESG index and the MSCI US IMI index) to guide investment opportunities in equities screened for ESG criteria. The UBS fund focuses on lower risk investments consisting of gilts and corporate paper. Fixed asset investments are reported in the financial statements at their market value on the balance sheet date, including the effect of any unrealised gains and losses as of that date.

Foreign exchange: Assets and liabilities denominated in foreign currencies are translated at year end exchange rates. Exchange differences are included in the statement of financial activities. Transactions during the year are recorded at the prevailing rates.

Financial assets and liabilities: Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are initially measured at transaction price (including transaction cost) and are subsequently re-measured where applicable at amortised cost except for forward rate currency contracts which are subsequently measured at fair value with gains and losses recognised in the Statement of Financial Activities. Assets and liabilities held in a foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The Group enters into forward rate currency contracts to manage its exposure to fluctuations in exchange rates throughout the year. These contracts are recognised at fair value with gains or losses recognised in the Profit and Loss account.

Pension costs: In the UK, the charity operates a defined contribution group personal pension scheme for the benefit of any employees wishing to join. Defined contribution schemes also operate for overseas based employees in other, non-UK, jurisdictions in line with local legislation. The contributions payable under the schemes are charged in the income & expenditure account, and the assets are managed by an independent organisation.

Taxation: Marine Stewardship Council is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities since it falls within the various exemptions available to registered charities.

Operating lease assets: Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Fund accounting: The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the directors. The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

2 Donations & legacies	2023	2022
	£'000	£'000
Grants from other charitable bodies	2,041	2,170
Grants from government organisations	103	0
Donations from companies	127	232
Other donations	2	4
	2,273	2,406

3 Investment income	2023	2022
	£'000	£'000
Bank and investment funds interest and dividends receivable	795	744

4 Expenditure on raising funds	2023	2022
	£'000	£'000
General fundraising activities:		
salaries	409	343
other running costs	62	18
investment managers fees	95	96
support	175	164
	741	621

5 Expenditure on charitable activities	Activities undertaken directly	Support costs	Governance costs	2023	Activities undertaken directly	Support costs	Governance costs	2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Policy & maintenance of standards	4,725	1,450	229	6,404	4,041	1,418	211	5,670
Education & awareness	7,969	1,520	229	9,718	8,362	1,704	211	10,277
Servicing & outreach to fisheries and commercial sector	8,110	2,313	228	10,651	7,049	2,449	211	9,709
Logo licensing costs	1,534	393	76	2,003	1,157	414	70	1,641
Ocean Stewardship Fund	1,052	0	0	1,052	751	0	0	751
	23,390	5,676	762	29,828	21,360	5,985	703	28,048

6 Support cost breakdown by activity

	Raising Funds	Policy & standards	Education & awareness	Servicing & outreach	Logo licensing	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Office services	43	361	378	576	98	1,456	1,445
IT services	91	752	788	1,199	204	3,034	3,342
Finance services	6	51	54	82	14	207	89
Human Resources	22	180	189	287	48	726	885
Premises	13	106	111	169	29	428	388
	175	1,450	1,520	2,313	393	5,851	6,149

Support costs have been allocated to activities in line with total expenditure within each office function, this is a reasonable approximation of the resource usage within each activity).

7 Net income / expenditure

	2023 £'000	2022 £'000
The group's net income / expenditure is stated after or charging:		
Fees payable to the parent charity's auditors for the audit of the charity's and UK subsidiary accounts	31	25
Fees payable to the component auditors for the audit of the charity's overseas subsidiaries	19	21
Total fees payable to auditors for auditing services	50	46
Fees payable to the parent charity's auditors for tax and other services	3	4
Operating lease charges - land and building	576	484
Operating lease charges - office equipment	7	6
(Profit) / Loss on fixed asset disposal	0	0
Depreciation	885	1,183

8 Trustee / directors and employees

Staff costs, including directors' remuneration, were as follows:	2023 £'000	2022 £'000
Wages and salaries	12,817	12,210
Social security costs	1,624	1,669
Pension	1,207	1,154
	<u>15,648</u>	<u>15,033</u>

The number of staff employed by the charity during the year was as follows:	2023 number	2022 number
Number of staff during the year	247	251

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2023	2022
£60,000 - £69,999	21	20
£70,000 - £79,999	20	16
£80,000 - £89,999	11	3
£90,000 - £99,999	5	5
£100,000 - £109,999	2	5
£110,000 - £119,999	1	1
£120,000 - £129,999	4	1
£130,000 - £139,999	2	1
£150,000 - £159,999	2	0
£210,000 - £219,999	0	0
£230,000 - £239,999	0	1
£240,000 - £249,999	1	0

Key management personnel are defined as those who are designated as members of the MSC Executive Committee. Salary, pension contributions and other benefits received during 2022/23 by the five Executive Committee members amounted to £1,004,699 (2021/22 £921,338).

The banding for the highest paid employee shown above includes employers pension contribution paid as salary. This treatment was adopted as mitigation to the tapering of the annual pension contribution allowance. The emoluments reported in all other bands exclude employers pension contribution

MSC paid pension contributions and other benefits on behalf of staff totalling £1,207,246 (2021/22: £1,154,244). For the 71 members of staff whose emoluments were greater than £60,000 the MSC paid pension contributions and other benefits totalling £651,045 (2021/22: £459,548).

9 Trustees' remuneration and expenses

The chair of the charitable company, Dr Werner Kiene, who is also a Trustee under Charity law, received or was entitled to receive emoluments of USD 50,000 during the year for professional services rendered (2021/22: USD 48,000). These payments were made in line with criteria laid down in the Memorandum and Articles of Association of the company and were approved by the full Board. The Charity has met travel and subsistence expenses incurred by the fourteen Trustees in the Charity's business totalling £77,509 (2021/22: £6,666).

The Charity has also paid for the indemnity insurance cost for the trustees (who are also directors) and its key employees with regard to their actions on behalf of the charity.

10 Intangible assets

	Group Trademark £'000	Group Software and database £'000	Group Total £'000	Charity £'000
Cost				
At 1st April 2022	0	5,331	5,331	4,946
Additions	0	619	619	619
Disposals / write offs	0	0	0	0
At 31 March 2023	0	5,950	5,950	5,565
Depreciation				
At 1st April 2022	0	3,767	3,767	3,383
Charge for the year	0	789	789	788
Disposals / write offs	0	0	0	0
At 31 March 2023	0	4,556	4,556	4,171
Net book value				
At 31 March 2023	0	1,394	1,394	1,394
At 31 March 2022	0	1,564	1,564	1,563

Trademark intangible asset represents the £1 purchase cost to buy the MSC logo trademark from Marine Stewardship Council International.

The amortisation charge of intangible assets has been allocated equally across Policy and maintenance of standards, Education and awareness, Servicing and outreach to fisheries and commercial sector, and Logo licensing costs.

£121,186 of the £1,394,000 group software and database net book value relates to the capitalised development cost of the Enhanced Traceability Project presently under construction.

11 Tangible fixed assets

	Group Long Leasehold Property £'000	Group Furniture, fittings and IT equipment £'000	Group Total £'000	Charity £'000
Cost				
At 1st April 2022	3,700	1,131	4,831	4,703
Additions	0	0	0	0
Disposals / write offs	0	0	0	0
At 31 March 2023	3,700	1,131	4,831	4,703
Depreciation				
At 1st April 2022	410	905	1,315	1,209
Charge for the year	37	58	95	90
Disposals / write offs	0	0	0	0
At 31 March 2023	447	963	1,410	1,299
Net book value				
At 31 March 2023	3,253	168	3,421	3,404
At 31 March 2022	3,290	226	3,516	3,494

12a Investment in Group Companies

	Group Shares in Subsidiary £'000	Charity Shares in Subsidiary £'000
Cost		
At 1 April 2022	0	145
Additions	0	0
At 31 March 2023	0	145
Net book value		
At 31 March 2023	0	145
At 31 March 2022	0	145

The company's subsidiaries during the year were as follows:

Company Name	Ownership	Country of incorporation	Activity
Marine Stewardship Council International (CN 3486485)	MSC UK is the sole shareholder	UK	Commercial activities of Marine Stewardship Council (UK trading subsidiary)
Marine Stewardship Council Ltd (EIN 91-2018427)	MSC UK is the sole member	USA	Achieve the objectives of MSC (US charitable subsidiary)
Marine Stewardship Council Trust (ABN 69 517 984 605)	MSC UK is the sole member	Australia	Achieve the objectives of MSC (Australian charitable subsidiary)
Marine Stewardship Council Asia Ltd (CN 201215612M)	MSC UK is the sole member	Singapore	Achieve the objectives of MSC (Singaporean charitable subsidiary)
MSC Japan - GIA	MSC UK is the sole member	Japan	Achieve the objectives of MSC (Japan GIA subsidiary)
An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co (CN 9111015MA003GWGIC)	MSCI is the sole shareholder	China	Achieve the objectives of MSC (Chinese trading subsidiary of MSCI)

Income:

	MSCI Ltd	MSC Ltd	MSC Asia Pacific Pty Ltd	MSC Asia Ltd	An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co	MSC Japan
Donations and legacies	0	76	15	0	0	0
Income from charitable activities	29,621	0	0	0	0	0
Income from investments	0	0	0	0	0	0
Other trading activities	0	0	0	0	0	0
Grants from UK Charity	0	4,353	985	117	717	588
Total income	29,621	4,429	1,000	117	717	588

Expenditure:

	MSCI Ltd	MSC Ltd	MSC Asia Pacific Pty Ltd	MSC Asia Ltd	An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co	MSC Japan
Expenditure on charitable activities	13,562	4,244	1,149	115	687	605
Foreign exchange (gain) / loss	154	(48)	2	2	5	15
Total Expenditure	13,716	4,196	1,151	117	692	620
Net Income / (Expenditure)	15,905	233	(151)	0	25	(32)
Gift Aid to UK Charity	15,905	0	0	0	0	0
Funds at 1st April 2022	131	131	79	15	(142)	52
Funds at 1st April 2023	131	364	(72)	15	(117)	20

	MSCI Ltd	MSC Ltd	MSC Asia Pacific Pty Ltd	MSC Asia Ltd	An Hai Xu Fishery Certification Consulting (Beijing) Ltd Co	MSC Japan
Fixed Assets & Intangible Fixed Assets	0	11	5	1	0	0
Investments in subsidiary	179	0	0	0	0	0
Debtors	10,824	13	24	4	14	5
Cash at bank and in hand	2,813	552	112	16	69	24
Total current assets	13,637	565	136	20	83	29
Creditors: Amounts falling due with one year	(13,685)	(212)	(179)	(6)	(21)	(9)
Net current assets (liabilities)	(48)	353	(43)	14	62	20
Long term liabilities	0	0	(34)	0	0	0
Total assets less total liabilities	131	364	(72)	15	62	20
Represented by:						
Share Capital	145	0	0	0	179	0
Unrestricted funds	(14)	364	(72)	15	(117)	20
Restricted funds	0	0	0	0	0	0
	131	364	(72)	15	62	20

12b Fixed Asset Investments

	2023		2022
	£'000		£'000
Balance at beginning of year	19,222		17,628
Addition of principal cash	0		0
Sale of investments	(3,518)	(6,315)	
Purchase of investments	5,051	5,975	
Cash generated by sale / (purchase) of investments	(1,533)	340	
Gain / (loss) on investment	(1,310)	564	
Dividend and interest income	756	744	
Investment managers fees	(95)	(96)	
Foreign exchange revaluation	538	382	1,594
	<u>19,111</u>		<u>19,222</u>

The historic cost of the investment made is £12,258,971.

Asset Classes of Fixed Asset investments are:

	2023		2022
	£'000		£'000
Equity Funds	14,007		14,345
Fixed Income Securities	4,022		2,962
Real Estate funds	188		156
Commodities	410		469
Money Market funds	484		1,290
	<u>19,111</u>		<u>19,222</u>

13 Current Asset Investments

These are comprised of cash deposits held for investment purposes

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Balance at beginning of year	3,544	2,975	3,421	2,859
Additions/(reductions)	428	569	551	562
Closing value at end of year	<u>3,972</u>	<u>3,544</u>	<u>3,972</u>	<u>3,421</u>

14 Debtors

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade Debtors	1,358	2,140	120	143
Other Debtors	244	270	196	189
Prepayments and accrued income	10,376	8,456	773	643
Amounts due from Subsidiary undertakings	0	0	12,697	11,552
	<u>11,978</u>	<u>10,866</u>	<u>13,786</u>	<u>12,527</u>

15 Creditors: amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade Creditors	1,324	1,671	892	1,030
Tax and social security creditor	540	376	176	163
Other creditors	596	1,186	336	297
Accruals and deferred income	1,356	1,417	992	897
	<u>3,816</u>	<u>4,650</u>	<u>2,396</u>	<u>2,387</u>

Movement on deferred income:	Group 2023 £'000	Charity 2023 £'000
Deferred income at 1 April 2022	386	0
Released to income in year	(386)	0
Income deferred in year	<u>0</u>	<u>0</u>
Deferred income at 31 March 2023	<u>0</u>	<u>0</u>

16 Creditors: amounts falling due after more than one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Recertification fund liability	0	11	0	0
Ocean Stewardship Fund	302	189	302	188
Other Creditors	34	0	0	0
Total falling due after more than one year	<u>336</u>	<u>200</u>	<u>302</u>	<u>188</u>

The Recertification Fund is now closed and balances accrued into it are being drawn down as claims are made. The Recertification Fund mechanism has been replaced by the Recertification Assistance Fund, one of the strands of the Ocean Stewardship Fund (OSF). The OSF consists of the Recertification Assistance Fund, which supports the costs of recertification for fisheries that are at their second or subsequent recertification; the Transition Assistance Fund, which supports fisheries to make the necessary improvements to become certified; the Science and Research Fund, which supports research projects with an emphasis upon condition closure; the Innovation Fund, which supports strategically important research. The OSF is reported as designated funds on the face of the SOFA

Movement on recertification fund:	Group 2023 £'000	Charity 2023 £'000
Recertification fund 1 April 22	66	0
Disbursements in year	(16)	0
Write off of overprovision	<u>(40)</u>	<u>0</u>
Recertification fund 31 March 23	<u>10</u>	<u>0</u>

The £10,000 balance on the recertification fund is included in note 15 - Creditors: amounts falling due within one year "Other Creditors"

17a Funds - Group

	Note	Balance 1st April 2022 £'000	Income £'000	Expenditure £'000	Gains and losses £'000	Transfers £'000	Balance 31st March 2023 £'000
D&L Packard Foundation	1	52	0	(4)	0	0	48
Canadian Pathway	2	0	23	0	0	0	23
Evidence Requirement Framework, OSF	3	0	0	0	0	39	39
FAO Climate change	4	0	77	(77)	0	0	0
OSF Climate Change	5	0	0	(27)	0	200	173
OSF Core Strategic	6	0	855	0	0	0	855
Portugal PPA, OSF	7	0	0	0	0	44	44
Science Week	8	0	11	(27)	0	16	0
FAO, Cabo Verde	9	0	17	(17)	0	0	0
Benguela Pathway	10	0	20	(12)	0	0	8
MAVA, Lead 2	11	40	14	(58)	0	4	0
Loan Gaurantee, Walton	12	751	19	(1)	0	0	769
MAVA OSF Medit	13	279	17	(292)	0	0	4
MAVA OSF West Africa	14	277	51	(328)	0	0	0
East Asia Sea - Vena	15	0	23	0	0	0	23
Nephrop Research UK	16	62	6	(64)	0	0	4
Levantis Hellasfish	17	76	0	(18)	0	0	58
Project UK 1 - 3	18	225	107	(110)	0	0	222
Cephs & Chefs	19	0	(2)	0	0	2	0
Multiplier - Certifications & Ratings	20	0	70	(34)	0	0	36
Packard Foundation - East Asia Sea	21	134	0	(134)	0	0	0
Multiplier - Surimi	22	5	0	(5)	0	0	0
MAVA Medpath	23	41	304	(284)	0	0	61
MAVA, West Africa	24	2	83	(83)	0	(2)	0
Walton Mexico	25	0	166	(22)	0	0	144
Walton Foundation	26	435	0	(435)	0	0	0
Total Restricted		2,379	1,861	(2,032)	0	303	2,511
Unrestricted:							
General purpose fund		36,331	30,873	(27,482)	(751)	(1,208)	37,763
Designated - OSF	27	2,006	0	(1,055)	0	905	1,856
Total Group Funds		40,716	32,734	(30,569)	(751)	0	42,130

Exchange gains and losses arising from the revaluation of foreign currency assets held overseas have been set against expenditure.

Transfers between funds represent transfers of unrestricted funds into restricted funded activities as match funding contributions contributions. Transfers of unrestricted funds into designated funds relate to the Ocean Stewardship Fund (see below).

Notes:

1) Capacity building; 2) Canadian Pathway Project; 3) Evidence Requirement Framework, OSF;

4) FAO Climate Change; 5) OSF Climate Change; 6) OSF Strategic;

7) Portugal PPA, OSF; 8) National Science Week, Australian Government; 9) FAO, Cabo Verde;

10) Benguela Pathway; 11) MAVA, LEAD 2 ; 12) Walton, Loan Guarantee;

13) MAVA, OSF, Mediterranean; 14) MAVA, OSF, West Africa; 15) Vena Energy, East Asia Sea; 16) Nephrop Research UK; 17) Levantis Hellasfish

18) Project UK, Corporate Funders; 19) EU, Cephs & Chefs; 20) Multiplier, Certifications & Ratings; 21) Packard, East Asia Sea

22) Multiplier, Surimi; 23) MAVA Medpath; 24) MAVA, Medpath; 25) Walton Mexico; 26) Walton Foundation 19-20 to 21-22

27) Ocean Stewardship Fund (OSF). A designated fund with a 3 fold objective of supporting fisheries transitioning towards MSC, funding science and research projects that will benefit MSC's sustainability agenda and a recertification strand, helping to contribute to the audit cost of fisheries being certified for the third time (2nd recertification).

The timeline for fully spending the £1 million initial designation is likely to be between 3 and 4 years.

For prior year comparatives, see note 23

17b Movement on Designated Ocean Stewardship Fund

	Group 2023	Group 2023	Group 2023	Group 2023	Group 2023	Group 2023	Group 2023	Group 2023
	Transition Assistance Fund	Recertification Assistance Fund	Science Research Fund	Student Research Grants	Innovatio n Fund	Seed Fund	Administration Fund	Total
	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000
Ocean Stewardship Fund 31 March 22	549	868	0	0	0	371	219	2,007
Designations made in the year	238	475	119	0	0	0	357	1,189
Incoming resources	0	0	0	0	0	(3)	0	(3)
Transfers between funds	(209)	0	208	23	65	(84)	(3)	0
Grant admin expenditure	0	0	0	0	0	0	(232)	(232)
Grants awarded during the year	(151)	(256)	(327)	(23)	(65)	(284)	0	(1,105)
Ocean Stewardship Fund 31 March 23	427	1,087	0	0	0	(0)	341	1,856

	Group 2022	Group 2022	Group 2022	Group 2022	Group 2022	Group 2022	Group 2022	Group 2022
	Transition Assistance Fund	Recertification Assistance Fund	Science Research Fund	Student Research Grants	Innovatio n Fund	Seed Fund	Administration Fund	Total
	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000
Ocean Stewardship Fund 31 March 21	368	503	0	0	0	601	153	1,625
Designations made in the year	464	464	116	0	0	0	116	1,160
Incoming resources	0	0	0	0	0	6	0	6
Transfers between funds	0	0	167	0	36	(203)	0	0
Grant admin expenditure	0	0	0	0	0	0	(50)	(50)
Grants awarded during the year	(283)	(99)	(283)	0	(36)	(33)	0	(734)
Ocean Stewardship Fund 31 March 22	549	868	0	0	0	371	219	2,007

	Charity 2023	Charity 2023	Charity 2023	Charity 2023	Charity 2023	Charity 2023	Charity 2023	Charity 2023
	Transition Assistance Fund	Recertification Assistance Fund	Science Research Fund	Student Research Grants	Innovatio n Fund	Seed Fund	Administration Fund	Total
	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000
Ocean Stewardship Fund 31 March 22	549	868	0	0	0	371	219	2,007
Designations made in the year	238	475	119	0	0	0	357	1,189
Incoming resources	0	0	0	0	0	(3)	0	(3)
Transfers between funds	(209)	0	208	23	65	(84)	(3)	0
Grant admin expenditure	0	0	0	0	0	0	(232)	(232)
Grants awarded during the year	(151)	(256)	(327)	(23)	(65)	(284)	0	(1,105)
Ocean Stewardship Fund 31 March 23	427	1,087	0	0	0	(0)	341	1,856

	Charity 2022	Charity 2022	Charity 2022	Charity 2022	Charity 2022	Charity 2022	Group 2022	Charity 2022
	Transition Assistance Fund	Recertification Assistance Fund	Science Research Fund	Student Research Grants	Innovatio n Fund	Seed Fund	Administration Fund	Total
	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000
Ocean Stewardship Fund 31 March 21	368	503	0	0	0	601	153	1,625
Designations made in the year	464	464	116	0	0	0	116	1,160
Incoming resources	0	0	0	0	0	6	0	6
Transfers between funds	0	0	167	0	36	(203)	0	0
Grant admin expenditure	0	0	0	0	0	0	(50)	(50)
Grants awarded during the year	(283)	(99)	(283)	0	(36)	(33)	0	(734)
Ocean Stewardship Fund 31 March 22	549	868	0	0	0	371	219	2,007

18 Funds - Charity

		Balance					Balance
		1st April 2022	Income	Expenditure	Gains and losses	Transfers	31st March 2023
	Note	£'000	£'000	£'000	£'000	£'000	£'000
D&L Packard Foundation	1	52	0	(4)	0	0	48
Dutch Postcode Lottery	2	150	0	0	0	0	150
MAVA, PPAMP	3	2	83	(83)	0	0	2
Nephrop Research Proj UK	4	61	6	(64)	0	0	3
D&L Packard Foundation	6	535	0	0	0	0	535
Multiplier - Surimi	7	6	0	(6)	0	0	0
Levantis Hellasfish	8	75	0	(17)	0	0	58
UK Project Stage 1	9	50	41	(49)	0	0	42
UK Project Stage 2	9	172	64	(61)	0	0	175
UK Project Stage 3	9	4	2	0	0	0	6
Cephs & Chefs	10	0	(2)	0	0	2	0
Multiplier - Certifications &	11	0	33	(34)	0	0	(1)
Packard Foundation - East Asia	12	183	0	(45)	0	0	138
Benguela - Pathways Project	13	(8)	0	(12)	0	0	(20)
MAVA Medpath	14	42	304	(284)	0	0	62
WAFIC	15	6	0	0	0	0	6
MAVA, LEAD 2	16	40	14	(57)	0	4	1
Walton - Loan Guarantee	17	751	19	(1)	0	0	769
Walton Foundation	18	1,138	0	(350)	0	0	788
D&L Packard Foundation - Japan	19	651	0	0	0	0	651
Entwicklungsgesellschaft (DEG)	20	61	0	0	0	0	61
Kingfisher	21	6	0	0	0	0	6
MIDATLANTIC	22	9	0	0	0	0	9
Walton Foundation - Mexico	23	163	0	0	0	0	163
MAVA OSF Medit	24	280	17	(292)	0	0	5
MAVA OSF West Africa	25	276	51	(328)	0	0	(1)
Mexico Walton 2022	26	0	166	0	0	0	166
OSF Climate Change	27	0	78	(78)	0	0	0
FAO Climate Change	28	0	0	(27)	0	200	173
East Asia Sea - Vena	29	0	23	0	0	0	23
OSF Evidence Requirement Framew	30	0	0	0	0	40	40
OSF Core Strategic	31	0	855	0	0	0	855
OSF Portugal	32	0	0	0	0	43	43
FAO Cabo Verde	33	0	17	(17)	0	0	0
Total Restricted		4,705	1,771	(1,809)	0	289	4,956
Unrestricted:							
General purpose fund		33,885	25,130	(21,926)	(773)	(1,194)	35,122
Designated - OSF	34	2,006	0	(1,055)	0	905	1,856
Total Group Funds		40,596	26,901	(24,790)	(773)	0	41,934

Exchange gains and losses arising from the revaluation of foreign currency assets held overseas have been set against expenditure.

Transfers between funds represent transfers of unrestricted funds into restricted funded activities as match funding contributions. Transfers of unrestricted funds into designated funds relate to the Ocean Stewardship Fund (see below).

1) Capacity building; 2) Dutch Post Code Lottery Fish For Good; 3) MAVA PPAMP;

4) European Maritime & Fisheries Fund (EMFF); 5) Sustainable Octopus project;

6) Japan Programme, Packard; 7) Multiplier, Surimi; 8) Levantis, Greece; 9) UK Project Inshore 1; 10) UK Project Inshore 2, Greece; 11) UK Project Inshore 3;

9) UK Project Inshore 1 - 3; 10) EU, Cephs & Chefs; 11) Multiplier, Certifications & Ratings; 12) Packard, East Asia Sea; 13) Benguela, Pathways Projects

14) MAVA Medpath; 15) Western Australian Fishing Industry Council ; 16) MAVA, LEAD 2; 17) Walton, Loan Guarantee; 18) Walton Foundation, 2019 - 2021

19) Packard Foundation, Japan; 20) Entwicklungsgesellschaft (DEG); 21) KDE project, kingfisher; 22) Midatlantic

23) Walton support for the MSC programme 2019-22; 24) MAVA, OSF Mediterranean; 25) MAVA, OSF, West Africa; 26) Walton, Mexico; 27) OSF, Climate Change;

28) FAO, Climate Change; 29) Vena Energy, East Asia Sea; 30) OSF, Evidence Requirement Framework; 31) OSF, Core Strategic; 32) OSF, Portugal Pathway Project; 33) FAO, Cabo Verde

34) Ocean Stewardship Fund (OSF). A designated fund with a 3 fold objective of supporting fisheries transitioning towards MSC, funding science and research projects that will benefit MSC's sustainability agenda and a recertification strand, helping to contribute to the audit cost of fisheries being certified for the third time (2nd recertification).

The timeline for fully spending the £1 million initial designation is likely to be between 3 and 4 years.

For prior year comparatives, see note 24.

19 Financial Commitments

	Group	Group	Group	Group
	Land & Buildings	Other	Land & buildings	Other
	2023	2023	2022	2022
Expiry Date	£'000	£'000	£'000	£'000
less than 1 year	351	0	345	0
Two to five years	565	5	655	7
Total	916	5	1,000	7

	Charity	Charity	Charity	Charity
	Land & Buildings	Other	Land & Buildings	Other
	2023	2023	2022	2022
Expiry Date	£'000	£'000	£'000	£'000
less than 1 year	159	0	0	0
Two to five years	27	0	0	0
Total	186	0	0	0

20 Analysis of net assets between funds

	2023	2023	2023	2023	2022	2022	2022	2022
	Unrestricted	Designated	Restricted	Total	Unrestricted	Designated	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 March as represented by:								
Tangible fixed assets & investments	22,532	0	0	22,532	22,738	0	0	22,738
Intangible fixed assets	1,393	0	0	1,393	1,564	0	0	1,564
Net current assets	14,174	1,856	2,511	18,541	11,848	2,387	2,379	16,614
Long term liabilities	(336)	0	0	(336)	(200)	0	0	(200)
Total net assts	37,763	1,856	2,511	42,130	35,950	2,387	2,379	40,716

21 Related party transactions

The Marine Stewardship Council's related parties as defined by the Financial Reporting Standard 102, and the nature of the relationship, are summarised below:

Marine Stewardship Council International Limited (MSCI)

During the financial year MSC charged MSCI 15% of its office, premises and HR costs, 50% of its IT costs, and an allocation of salary of the MSC's Finance Director and Governance Secretary totalling £1,616,190 (2022: £1,864,761). Allocations of key management salaries totalled £263,379 (2022: £163,569). Gift aid payable for the year amounted to £15,904,446 (2022: £13,379,005) and the royalty payable by MSCI to MSC for the right to exploit MSC's ecolabel amounted to £7,972,734 (2022: £7,137,544). At 31st March 2023, MSCI owed £12,697,495 in total to the parent charity company. This amount includes the amount payable by MSCI to MSC as royalty for the right to exploit the Charities intellectual property (i.e. the MSC ecolabel) and the gift aid due to the Charity of MSCI's accounting surplus for the year.

The ultimate controlling party of the Charity is its members who are also the Directors and Trustees.

Kevin Stokes, a board member of Marine Stewardship Council (MSC), provided consultancy services amounting to £10,636 during the year.

22 In-kind income and expenditure

Income from charitable activities includes £13k (21/22 £293k) of in-kind income related to marketing support, the cost of which is reported under education and awareness.

23 Funds - Group

		Balance					Balance
	Note	1st April 2021 £'000	Income £'000	Expenditure £'000	Gains and losses £'000	Transfers £'000	31st March 2022 £'000
D&L Packard Foundation	1	52	0	0	0	0	52
Dutch Postcode Lottery	2	0	0	(39)	0	39	0
MAVA, Fondation pour la Nature	3	40	0		0	0	40
Loan Guarantee, Walton, Resitcted	4	0	788	(37)	0	0	751
MAVA OSF Medit	5	0	300	(21)	0		279
MAVA OSF West Africa	6	0	306	(29)	0	0	277
D&L Packard Foundation	7	165	0	(165)	0	0	0
D&L Packard Foundation	8	108	1	(133)	0	24	0
Nephrop Research UK	9	0	30	(1)	0	33	62
Adessium Foundation, Carasso Foundation, Resource legacies Fund (Sustainable Fisheries Fund)	10	0	23	(65)	0	42	0
MAVA HellasFish	11	0	89	(89)	0	0	0
Levantis Hellasfish	12	52	25	(1)	0	0	76
Various funders	13	162	196	(133)	0	0	225
Cephs & Chefs	14	0	-2	(2)	0	4	0
Multiplier - Certifications & Ratings	15	8	28	(36)	0	0	0
Packard Foundation - East Asia Sea	16	215		(81)	0	0	134
Multiplier - Surimi	17	0	5	0	0	0	5
MAVA Medpath	18	91	55	(105)	0	0	41
WAFIC	19	0		0	0	0	0
MAVA, Fondation pour la Nature	20	0	88	(86)	0	0	2
WWF Sweden (SWIOCEPH)	21	0			0		0
Remmer Foundation	22	8	0	(8)	0	0	0
Walton Foundation	23	1,678		(1,243)	0	0	435
Total Restricted		2,579	1,932	(2,274)	0	142	2,379
Unrestricted:							
General purpose fund		34,594	27,851	(25,644)	798	(1,268)	36,331
Designated - OSF	24	1,625	6	(751)	0	1,126	2,006
Total Group Funds		38,798	29,789	(28,669)	798	0	40,716

Exchange gains and losses arising from the revaluation of foreign currency assets held overseas have been set against expenditure.

Transfers between funds represent transfers of unrestricted funds into restricted funded activities as match funding contributions contributions. Transfers of unrestricted funds into designated funds relate to the Ocean Stewardship Fund (see below).

Notes:

1) Capacity building; 2) Dutch Post Code Lottery Fish For Good; 3) MAVA LEAD 2;

4) Benguela pathway project; 5) MAVA OSF Medit; 6) MAVA OSF West Africa

7) Data Limited Phase 2; 8) Japan Expansion 2019 - 2021; 9) Nephrop Research UK

10) Project Mediterranean; 11) MAVA, Fondation pour la Nature, Greece; 12) Levantis, Greece;

13) UK Project Inshore; 14) European Union, Chephs & Chefs; 15) Multiplier - Ratings Collaboration; 16) Packard East Asia Sea Project; 17) Multiplier - Surimi

18) MAVA MedPath; 19) Western Australian Fishing Industry Council; 20) MAVA West Africa; 21) WWF Sweden - SWIOCEPH

22) Remmer Foundation; 23) Walton support for the MSC programme 2019-22

24) Ocean Stewardship Fund (OSF). A designated fund with a 3 fold objective of supporting fisheries transitioning towards MSC, funding science and research projects that will benefit MSC's sustainability agenda and a recertification strand, helping to contribute to the audit cost of fisheries being certified for the third time (2nd recertification).

The timeline for fully spending the £1 million initial designation is likely to be between 3 and 4 years.

24 Funds - Charity

		Balance				Balance	
		1st April 2021	Income	Expenditure	Gains and losses	Transfers	31st March 2022
	Note	£'000	£'000	£'000	£'000	£'000	£'000
D&L Packard Foundation	1	52	0	0	0	0	52
Dutch Postcode Lottery	2	148	0	(37)	0	39	150
MAVA, PPAMP	3	1	88	(87)	0	0	2
Nephrop Research Proj UK	4	0	30	(1)	0	32	61
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	5	0	0	0	0	0	0
D&L Packard Foundation	6	165	0	(165)	0	0	0
D&L Packard Foundation	7	536	0	(1)	0	0	535
Multiplier - Surimi	8	0	6	0	0	0	6
Adessium Foundation, Carasso Foundation, Resource legacies Fund (Sustainable Fisheries Fund)	9	0	23	(65)	0	42	0
MAVA, Greece	10	0	89	(89)	0	0	0
Levantis Hellasfish	11	52	25	(2)	0	0	75
UK Project Stage 1	12	15	86	(51)	0	0	50
UK Project Stage 2	12	147	72	(47)	0	0	172
UK Project Stage 3	12	0	38	(34)	0	0	4
Cephs & Chefs	13	0	-2	(2)	0	4	0
Multiplier - Certifications & Ratings	14	8	28	(36)	0	0	0
Packard Foundation - East Asia Sea	15	215	0	(32)	0	0	183
Benguela - Pathways Project	16	0	0	(8)	0	0	(8)
MAVA Medpath	17	91	55	(104)	0	0	42
WAFIC	18	6	0	0	0	0	6
MAVA, LEAD 2	19	40	0	0	0	0	40
Walton - Loan Guarantee	20	0	788	(37)	0	0	751
Walton Foundation	21	2,096		(958)	0	0	1,138
D&L Packard Foundation	22	651	0	0	0	0	651
Entwicklungsgesellschaft (DEG)	23	61	0	0	0	0	61
Kingfisher	24	6	0	0	0	0	6
MIDATLANTIC	25	9	0	0	0	0	9
Walton Foundation	26	144	0	0	0	0	144
Walton Foundation	27	19	0	0	0	0	19
MAVA OSF Medit	28	0	301	(21)	0	0	280
MAVA OSF West Africa	29	0	305	(29)	0	0	276
Total Restricted		4,462	1,932	(1,806)	0	117	4,705

Unrestricted:							
General purpose fund		32,484	21,775	(20,078)	947	(1,243)	33,885
Designated - OSF	30	1,624	6	(750)		1,126	2,006
Total Group Funds		38,570	23,713	(22,634)	947	0	40,596

Exchange gains and losses arising from the revaluation of foreign currency assets held overseas have been set against expenditure.

Transfers between funds represent transfers of unrestricted funds into restricted funded activities as match funding contributions. Transfers of unrestricted funds into designated funds relate to the Ocean Stewardship Fund (see below).

1) Capacity building; 2) Dutch Post Code Lottery Fish For Good; 3) MAVA PPAMP;
4) European Maritime & Fisheries Fund (EMFF); 5) Sustainable Octopus project;
6) Data Limited Phase 2; 7) Japan Expansion 2019 - 2021; 8) Support for MSC's programme in Sweden NESUFISH
9) Project Mediterranean; 10) MAVA, Fondation pour la Nature, Greece; 11) Levantis, Greece;
12) UK Project Inshore; 13) European Union, Chephs & Chefs; 14) Multiplier - Ratings Collaboration; 15) Packard East Asia Sea Project; 16) Benguela Pathways Project
17) MAVA MedPath; 18) Western Australian Fishing Industry Council; 19) MAVA Lead 2; 20) WWF Sweden - SWIOCEPH
21) Walton support for the MSC programme 2019-22; 22) Packard Japan Expansion Phase 1; 23) DEG DongShan; 24) KDE Kingfisher; 25) MidAtlantic
26) Walton support for the MSC programme 2016-19; 27) Walton Mexico; 28) Mava Medit OSF; 29) MAVA OSF West Africa
30) Ocean Stewardship Fund (OSF). A designated fund with a 3 fold objective of supporting fisheries transitioning towards MSC, funding science and research projects that will benefit MSC's sustainability agenda and a recertification strand, helping to contribute to the audit cost of fisheries being certified for the third time (2nd recertification).
The timeline for fully spending the £1 million initial designation is likely to be between 3 and 4 years.