

REGISTERED COMPANY NUMBER: 03527313 (England and Wales)
REGISTERED CHARITY NUMBER: 1105434

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
THE NATIONAL LOBSTER HATCHERY

Lang Bennetts
The Old Carriage Works
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THE NATIONAL LOBSTER HATCHERY

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FOR THE YEAR ENDED 31 MARCH 2022

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THE NATIONAL LOBSTER HATCHERY

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A WORD FROM THE CHAIRMAN

The 2021/22 financial year has been another challenging one as the world continued to deal with the impact of COVID-19 and the unlocking of society over the summer of 2021. However, the Charity has risen to the challenges presented and has continued to deliver its Charitable outputs.

The enforced closure of our visitor centre over the winter of 20/21 due to COVID restrictions gave the perfect opportunity to redevelop the upstairs of our visitor education centre with the minimum of disruption. The existing office was developed into a new room focusing on some of the wider issues of marine conservation and sustainable fisheries management. The room looks out over the Padstow harbour and fishing fleet providing the perfect backdrop to the topics covered. The room has been very well received with 98% of visitors rating the overall experience as good or excellent.

Although visitor numbers did not fully return to pre COVID levels, we are confident that the new additional space has reaped rewards for the both the Charity and the experience our visitors receive and will deliver benefits into the future. Our lobster restocking programme continued successfully releasing 1,000's of juvenile lobsters around the coast of Cornwall. During the early season we were limited on the level of production due to the working practices in place to ensure COVID guidelines were adhered to and keeping our staff and volunteers safe and so we were pleased with level of production achieved given the challenges faced.

Our research outputs continue with involvement in a wide range of collaborative and student projects. In July, we entered into a 21-month project being led by the University of Exeter. EUROSWAC, which is European funded by Interreg, aims to develop a Sea Water Air Cooling system at our Lobster Module in Newlyn which could have far reaching benefits for a cost-efficient and environmentally friendly cooling solution.

Education remains at the heart of what we do and alongside our expanded Visitor Education Centre we have continued to engage with Schools, Colleges, Universities and other interested groups to deliver education outputs at a wide range of levels.

Through a combination of the various Government Support Schemes, our loyal Fundraising supporters and the successful development of our visitor centre, the Charity has been able to continue operating and has emerged from COVID a stronger, more resilient organisation. As we move into 22/23 we are already seeing the impact of higher cost of living which is already having an adverse effect on visitor numbers / spending alongside lower visitor numbers to Cornwall.

After many years serving on the board, Teri Walter has resigned her role as Trustee and we would like to express our sincere thanks for everything that Teri has contributed over the years. We would like to welcome Mr Charles Thompson to the Board of Trustees and we look forward to drawing on his experience and enthusiasm.

On behalf of the Trustee's, I would like to thank all the staff, volunteers and students who have worked tirelessly in an ever changing and challenging year and helped to further develop the important work of the Charity.

On behalf of the board of Trustees;

Rob Clifford-Wing
Chairman
The National Lobster Hatchery
November 2021

THE NATIONAL LOBSTER HATCHERY

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

A SUMMARY OF THE CHARITY'S WORK

More than 75% of the world's fish stocks are either fully exploited, over exploited, depleted or recovering. The world's human population is due to grow to over 10 billion by 2050 and there has never been a greater demand for seafood. Pressure on the world's fish stocks is therefore dramatically increasing. Commonly accepted approaches to fisheries management have often failed to deliver their key target of Maximum Sustainable Yield and significant damage to habitats and ecosystems has occurred in many areas. We need to understand how we can enhance or re-stock populations of high value, nutritious species, and the work of the National Lobster Hatchery (NLH) hinges around this central issue.

The European lobster (*Homarus gammarus*) is incredibly valuable in terms of its economic, ecological and social importance. UK catches are worth around £50 million each year, and provide much-needed income for fishermen who live and work in small, economically fragile coastal communities. The high value of lobster and intense pressure to fish them means that the species is vulnerable to stock collapse. As both predator and scavenger, lobsters perform a critical ecological service by cleaning up dead and dying creatures from the seabed.

The catch for the whole of Europe totals approximately 5,000 tonnes, which derives exclusively from capture fisheries. Stocks in Scandinavia (and many parts of the Mediterranean) collapsed in the 1960s and have failed to recover. The waters surrounding the British Isles present the last remaining area of productive lobster fishery. We are therefore in a unique position to gain a better understanding of how to increase the native population and sustainably re-stock it should natural stocks fail.

Lobster fishing is critically important to the 50 or so ports and harbours scattered around Cornwall's 320 miles of coastline. The majority of boats from these inshore fisheries are small and owner-operated, and the income generated through shellfisheries tends to remain within these communities. Lobster stock enhancement therefore offers the potential to increase the productivity of sustainable fisheries and the prosperity of lobster fishermen.

The principle aim of the NLH is to develop the science of lobster stock enhancement in Cornwall and further afield. This is undertaken through interventions that complement traditional fisheries management tools. Our long-term aim is to apply the concepts and procedures that we have developed for lobster to other species to provide a sustainable future for other valuable sources of food.

Our work is made possible by the dedication and hard work of our team of staff, volunteers, Trustees and members of our Scientific Advisory Group, which includes leading academics, and representatives from the fishing industry as well as the local community. Our programmes are supported by income raised through our visitor centre, corporate partnerships, fundraising initiatives, grant aid and philanthropic individuals. We have three main charitable outputs, which we deliver in collaboration with other partners to maximise available resources:

- Conservation: we operate a stock-enhancement programme for the European lobster within our inshore waters.
- Research: we conduct pioneering research that aims to assess the impact of this stock-enhancement programme as well as further develop stocking and culture techniques.
- Education: we seek to raise awareness about fisheries and aquaculture sustainability issues, as well as how to resolve them.

A better informed approach to lobster stock enhancement will result in better managed stocks, better informed policy and more prosperous coastal communities.

Conservation

Our lobster stock enhancement programme, which involves raising juveniles through their vulnerable stages and releasing them into the wild, is the focus of this activity. Whilst a large female lobster can carry in the region of 20,000 eggs, only a few are thought to survive to maturity. Building on the work of researchers in the UK, Norway and Germany who have established clear proof of principle relating to the positive impacts of stocking, our innovative techniques can improve this survival rate by several orders of magnitude.

THE NATIONAL LOBSTER HATCHERY

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The hatchery process in a nutshell:

- Brood acquisition: egg bearing, or berried hens are acquired from fishermen (under special licence) and retained at the hatchery until the eggs hatch. The hens are then returned to the wild.
- Larval culture: the delicate larvae are reared in communal cones for around two weeks and go through several metamorphic stages.
- Post-larval culture: when the cannibalistic larvae have reached their third and fourth stage of development, they are reared in individual compartments. They are ready for release at 1.5 to 3 months old.
- Juvenile deployment: juveniles are released with the assistance of fishermen and divers into appropriate habitat on the seabed.

Research

Research is essential to the continued success of our work if we are to resolve issues of sustainability. To maximise resources, we have established effective partnerships with leading academics and institutions, and much of our research is collaborative. The science behind stocking is poorly developed and there are a bewildering array of questions that we either have no, or inadequate answers to. This makes the practical application of this science both difficult and risky. For this reason, we have developed a Research, Development and Innovation strategy that sets out the key developmental areas for the charity to further examine. This strategy acts as a working document that underpins the NLH Research, Development and Innovation (RD&I) Committee and guides NLH scientific collaborators. With this strategy we aim to improve the NLH stock enhancement work through both on the ground innovation and development and collaborative scientific research focusing on conservation, culture and sustainable fisheries, with the overarching goal of enhanced and predictable production and quantified stock enhancement.

As such our focus is on improving the protocols and developing the technology required to produce lobsters that will thrive, at an appropriate cost for stocking purposes. We are simultaneously working on monitoring and understanding the impact of releasing large numbers of juveniles into the sea on native lobster populations and fishermen's catches. We also need to further understand and evaluate our stock enhancement work through collaborative scientific research that will develop our protocols to complement species and environmental needs and secure a sustainable future.

We regularly publish our work in relevant scientific journals and present at appropriate scientific and trade meetings globally. The charity's work is supported by a RD&I committee, who closely monitor, guide and advise our direction. We also have NLH Collaborative Scientific Network who lead our collaborative scientific research. We are co-founders of the European Lobster Centre of Excellence (ELCE) who are a multi-disciplinary European consortium of conservationists, aquaculturists, scientists, technologists and ranchers who are working together to fast track the many technological and scientific barriers involved in lobster stocking and aquaculture.

Education

Our Visitor Centre promotes the importance of sustainability and responsible marine resource management, using the European lobster as an example species, and routinely welcomes approximately 45,000 people a year. We attract students and volunteers from around the world who wish to train with us and work with schools, colleges and universities in the region in a formalised way.

Our educational objectives are to:

- Promote the conservation of the lobster populations around the Cornish coast for the public benefit.
- Foster an understanding of the importance of the European lobster from an ecological, economic and social perspective.
- Highlight sustainable fishing and fisheries management practices.

How do we raise funds?

As we receive no recurrent government funding, we generate the majority of our revenue from the income generated through our Visitor Education Centre, alongside support from Charitable Trusts & Foundations and our innovative Buy One, Set One Free (BOSOF) scheme, through which customers are encouraged to make a modest donation every time they order lobster from a restaurant menu or shellfish supplier or when they purchase a lobster related item from a supporting business. We also receive donations from Friends of the Hatchery, a select group of Patrons and generous benefactors.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

REPORT ON PROGRESS 2021/22 **COVID-19**

COVID-19 continued to have a significant impact on the Charity during 21/22. We utilized the winter 20/21 lockdown to reconfigure the upper floor of our Padstow Hatchery, freeing up floor area to enhance our Visitor Education experience. The visitor centre reopened in Mid-May (in line with Government guidelines) and the new exhibits and activities have been well received. Visitor numbers did not recover to pre-COVID levels although income generated in the visitor centre increased as a result of higher admission prices. Hatchery operations started the 21/22 season albeit at a lower level than normal to ensure that we could operate in a COVID-19 safe manner for our staff and impacted on our production levels in the year. All staff who had been on the Government Furlough Scheme were back in work by mid-May. Through a combination of the various Government Support Schemes, improved visitor centre income, our loyal Fundraising supporters and a number of Trust Fund Grants the Charity has been able to continue operating and has emerged a stronger, more resilient organisation.

CONSERVATION

The 21/22 season started with running our hatchery operations at a lower than normal level to ensure social distancing could be maintained for our staff, students & volunteers and limiting the number of staff in the hatchery at any one time.

In the spring of 2021, the lower levels gave rise to an opportunity to run a natural v artificial seawater trial which was completed in the early summer. This could only be run when the hatchery was on low levels of production and was felt to be making the best use of a difficult period. This trial proved successful and the early indications are that larvae survive better in Natural Seawater although we saw better growth rates in the Artificial Seawater.

Production over the summer was steady given the lower brood numbers and close to 11,000 juvenile lobsters were released into seas around Cornwall by the end of the season.

During the late autumn of 2021 and spring of 2022 we have begun the process of recommissioning our Lobster Module (hatchery in 2 shipping containers) facility in Newlyn and this will be operational for the coming season ahead.

RESEARCH

The research strategy focuses on 3 key areas that are core to our charitable aims and objectives:-
Culture. An enhanced understanding of the intricacies of lobster culture is key to providing improved processes and techniques that allow for predictable culture success and thus optimised stock enhancement outputs.

Conservation. A broader identification of the interaction between stock enhancement and ecosystems is essential. Quantifying successes and impacts of stocking efforts is key to ensuing sustainable stock enhancement practices.

Fisheries. Stock enhancement is a form of proactive fisheries management. Having a wider understanding of lobster fisheries including stock assessments and management measures is key to maintaining sustainable lobster fisheries.

Our strategy is met through a series of in house and collaborative projects which allow us to answer key questions associated within the focus areas.

Lobster Aging Research - University of East Anglia

The NLH continued their collaborative work with the University of East Anglia (UEA) on lobster aging techniques using DNA, funded through the Seafood Innovation Funded (SIF). The project continued investigations into DNA methylation levels in different lobster age groups, with the larger aim of providing a novel, non-lethal technique for aging lobsters that could help understand lobster stocks and thus better inform fisheries management.

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The NLH were able to provide a unique resource of known age European lobsters from lobsters reared in SBCC systems during this project and the Lobster Grower 2 project. During the project two rearing sites (St Austell Bay & Bangor) were populated with Stage 5 lobsters and these were on-grown at sea to provide known age samples up to the one year class. These lobsters were hauled in 2022 and analysed to further investigate the environmental effects of methylation accumulation in these lobsters. Multiple sets of non-lethal genetic samples of varying tissue types were taken from the varying age lobsters and were sent to the researchers at UEA throughout the project. The project extended the range of known age samples used to build the ageing model which allowed the ageing of lobsters to ~ 2 months accuracy and also proved the model's robustness across the environmental lobster range tested. The project officially ended on the 31st March 2022 though the NLH will continue to hold its unique resource of known age lobsters to assist further validation of the aging technique developed as part of the project. Work is also being carried out at the NLH to further develop a holding facility for known age lobsters.

EUROSWAC (Sea water air cooling system at Newlyn Module)

EUROSWAC aims at designing and validating an innovative, cost-efficient and environmentally friendly solution for cooling production, using English Channel's seawater (widely available renewable energy source) as refrigerant, exploiting temperature difference between cold ocean water and external air temperature.

This project is being led by University of Exeter and is European funded by Interreg. The NLH joined the project in July 21 with the aim of recommissioning the Newlyn Module facility to facilitate the design and installation of a Sea Water Cooling System (SWAC). The project will finish from an operational point of view in March 2023 with final reports complete by end of June 2023.

AQUALEAP

Aqualeap is an ARCH UK BBSRC/NERC funded project (started 1st January 2019) led by the University of Edinburgh. The project has been extended to 31st December 2022 and aims to build on the previous growth studies from LG2 using genetic tools to assess the variability in growth and survival and to ascertain the contribution of genetic and/or environmental influences on growth as well as detailing the lobster Genome.

Tom Jenkins (University of Exeter) has continued to collect and analyse samples from hatchery-reared NLH juveniles to compare with samples collected from LG2 sea-reared lobsters. The sequencing work for the entire genome of the European lobster was completed and the sequence data was put together to build the genome. In November 2020, Tom undertook analysis (RAD sequencing) of the LG2 lobster samples (sampled in spring 2019) and aligned this with his draft reference lobster genome.

The project has been extended to December 2022 and Josephine Paris has taken over from Tom Jenkins in leading the work on Lobsters and a high-quality genome sequence for the European lobster has now been created. No clear link between genetics and growth has been found and investigating the link between environment and growth traits continues.

Optimising data recording for production transparency and analysis

In house work run by the NLH and kindly funded by Charles Thompson, is being led by Sophie Bennett, following on from her Master's findings around production data (as detailed below). This work started in early 2021 and aimed to optimise and digitalise production data recording in a way that allows downstream assessments of data to visualise and scrutinise production trends in a manner that provides understood and controlled rearing and thus more predictable production.

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Collaborative student research

Pamela Prentice (Exeter University – PhD industry placement, Behavioural improvements through SBCC)

- Pamela has now completed her PhD and project report for this work.
- No anti-predatory behaviour was detected from lobsters (hatchery- or SBCC-reared) exposed to water contained predator cues (brown crab). Result may have been caused by insufficient chemical cues in the water, or association of brown crabs as predators by lobsters.

Victoria Scott (University of Hull – PhD - Micro-plastics effect on lobsters)

- Research is still on-going, trials looking at the effects of plastic leachates on lobster development being run at the University of Hull.
- Victoria carried out initial trials early summer 2022. However, experimental setup needed amending, trial re-runs are being conducted.

Ioanna Demosthenous (University of Exeter – Data Science MSc)

- Ioanna thesis has now been submitted. Ioanna examined trends of hatchery production and larval survival at both Newlyn and Padstow sites carrying on from Sophie Bennetts work. Stocking density showed the largest negative effect on larval survival at both sites with ORP and pH also showing negative effects.
- Ioanna suggested possible changes to hatchery operating procedures to try and improve survival.

Lottie Perkins (University of Bristol – Micro-plastic effect on lobsters)

- Lottie undertook small scale experiments exposing lobster larvae to varying levels of micro-plastics in university laboratories
- Results showed that microplastics were accumulated by lobster larvae whenever they were available.
- Microplastic exposure did not have a significant effect on larval survival. However, this is not conclusive due to high larval die-off in all treatments.

Jessica White (Cornwall College, Newquay – Colour variation and detectability of lobsters)

- Analysis of video footage is continuing to determine how long it takes for juveniles to take refuge on first release. Report to be submitted June 2022.

Adam Ayles – (University of Plymouth – Physical properties influencing shelter choice in juvenile lobsters)

- Lobsters were exposed to different sized shelters and results showed they preferred burrows which were close to their body size.
- Lobsters showed no preference between a shelter with one or two entrances.
- Adam submitted his final write-up in March 2022.

Molly Harrison-Edge (University of Plymouth – Lobster behaviour)

- Molly investigated behavioural traits in European lobster juveniles.
- Results showed that bolder individuals had significantly higher growth rates supporting evidence that traits can co-evolve.

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RESEARCH PUBLICATIONS

Hinchcliffe J, Agnalt A, **Daniels CL**, Drengstig A, Lund I, McMinn J, Powell A (2022). European lobster *Homarus gammarus* aquaculture: Technical developments, opportunities and requirements. *Reviews in Aquaculture*. 14:919–937.

Fairfield EA, Richardson DS, **Daniels CL**, Butler CL, Bell E, Taylor MI (2021). Ageing European lobsters (*Homarus gammarus*) using DNA methylation of evolutionarily conserved ribosomal DNA. *Evolutionary Applications*. 14 (9), 2305-2318.

EDUCATION

Our Visitor Centre reopened in Mid-May following the COVID-19 winter lockdown with additional space following a reconfiguration of the upper floor of our site in Padstow. Existing office space has been used for extra visitor education space. A new smaller office replaced the existing one with an increase in home working meaning less staff are on site. The new room over looks Padstow harbour with the local fishing fleet in full view, the perfect place to educate about sustainable fisheries management and some of the wider issues of marine conservation.

Throughout the year, we managed the site in a manner to ensure COVID measures remained in line with or exceeding Government guidance to protect our staff, volunteers and visitors.

Despite Visitor numbers not returning to pre COVID levels, we still welcomed over 30,000 people over the period we were open. Alongside being closed in April & May, we felt there was still a level of COVID “nervousness” with people preferring outdoor activities than indoor activities and later in the year the cost of living increases were also starting to impact visitor numbers.

Feedback remained very positive with 98% of visitors rating us as Good or Excellent. The new room has been well received and enjoyed by everyone that has visited. The room includes a 3D reef, science table, audio stations, interactive games and a pledge pole. The new visitor experience has been designed to be a ‘journey of discovery’, seen through the life of a lobster, the lives of those who are trying to protect it and the love we should foster in ourselves to protect the marine environment.

The centre has also welcomed a number of schools, colleges, universities and other interested groups to learn about the work of the NLH alongside offsite and online talks and lectures.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

PROMOTING OUR WORK

From local, national and international TV and radio broadcasts to expansive coverage in an array of trade and general interest publications, we have continued to raise our profile during this financial year with some examples listed:

- We have featured in a number of publications including Coast Magazine, National Geographic and in popular books including: 'For the Love of the Sea' and 'Salt of The Earth'
- BBC Radio
- Cornwall, Breakfast Show (Live) – Interview with James Dundon, about Prince Philip's visit to the NLH.
- Western Morning News, Newspaper - Article about the death of Prince Philip featuring his visit to the NLH.
- Maple from Canada's Global Blog - 'Food for Thought' - Interview discussing sustainable seafood and the NLH's work with James Golding (Chief Chef Executive of The pig Hotels). Shared Nationally and Internationally.
- Supplier Shoutout Blog/website - Article featuring the work of the NLH and the links with The Pig Hotel
- Online documentary series Youtube - 2nd Episode of Cornwall Climate Stories 'Plenty more fish'.
- Aquaculture Catalogue – SAFER: Smart Atlantic Food Clusters project. Description of LG2 in aquaculture catalogue.
- 'Researchers solve the mystery of aging lobsters' - Evening Standard Online article focusing on the work by UEA mentioning the NLH.
- 'Ageing European lobsters (*Homarus gammarus*) using DNA methylation of evolutionarily conserved ribosomal DNA' - Evolutionary Applications (journal) Co-authored by Dr Carly Daniels.
- 'Lobsters have been hiding their ages from us. No more' – Gizmodo.com: Online article about UEA aging determination work.
- Reviews in Aquaculture- 2021, Hinchcliffe - European lobster *Homarus gammarus* Aquaculture Technical developments
- How Do You Age A Lobster, The Answer May Be In Its DNA - Fishing News
- The AquaLeap 2020 Newsletter - The University of Edinburgh
- Developing genomic tools to support lobster aquaculture - The University of Edinburgh
- FW Aqualeap newsletter draft on lobster genome
- NLH featured on BBC1's Saturday Kitchen twice
- Philip Colbert Collaboration, World famous artist and 'celebrity': our collaboration has generated unmeasurable coverage and awareness across all media and communication platforms, Nationally, Globally and even into the 'Metaverse'. This includes National and local press, TV, media, glossies, art fashion science and general interest, Bonhams Auction House, Celebrity endorsement (Tiny Tempah), NFT platforms, science and research (St Abbs Marine Station) and even a very eye catching 'Giant Lobster' stunt.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

FUNDRAISING

Patrons

We have welcomed further new NLH Patrons on board despite this being a year of recovery following the pandemic alongside the added increases in the cost of living.

A number of dedicated Patrons have upped their annual / monthly donations this year to give the NLH a boost following the loss of regular income during COVID and lockdown. Some gave extra donations on top which is very encouraging as it shows not only commitment but also strong engagement by our NLH Patrons, who have shown an evident response to need.

Corporate sponsors

Our bronze corporate sponsor Harbour Holidays have continued to support our work during the year.

Buy One, Set One Free (BOSOF)

We have been extremely encouraged by the loyalty and support from our existing BOSOF supporters who have been put through immense challenges of their own with the hospitality industry being hit notably by COVID. We have also noticed since returning to 'normal' there has been a surge of interest and appreciation of our work and mission by businesses and that those approached have been increasingly receptive to the BOSOF scheme. We have lost a small number of BOSOF members with some smaller businesses not surviving the pandemic, but this has been surpassed by the number of new members we have on boarded this year and also the size of donations raised by current loyal members. Our highest level BOSOF supporters are continuing to grow their collaborative activity and donations raised to an even greater level, namely Prawn On The Lawn and The Pig Hotel, Harlyn and our personal investment in these relationships has proved invaluable as a result.

The success of this year's BOSOF contribution is even more impressive due to the fact it has been running alongside two other 'competing' restaurant donation schemes that utilise the same mechanic, i.e. £1 donation per bill, which businesses have also rightly supported during the year (Hospitality Action and Ukraine Appeal).

You can view the full list at <https://www.nationallobsterhatchery.co.uk/support-us/buyonesetonefree/>

Adopt a Lobster

Our 'Adopt a lobster' (AAL) initiative remains strong and alongside generating funds, is an excellent tool to engage the public with our work and learn about the lifecycle of a lobster.

Friends of the Hatchery

We are very grateful to our "Friends of the Hatchery" who have supported over the very difficult last 2 years.

COVID-19

As with all organisations, COVID-19 has had a significant impact on the Charity. Hatchery operations were maintained during later lockdowns but with measures in place to ensure Government Guidance was being followed at all times. The Visitor Centre reopened in Mid-May although Visitor numbers did not fully recover to pre COVID levels and it was felt that this was due to a slow build up in consumer confidence for indoor activities and maintaining a level of social distancing also limited numbers. Despite all the challenges presented by COVID, the Charity has demonstrated its strength and resilience and emerged a stronger organisation.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The NLH was originally incorporated as a not for profit company, limited by guarantee, on 13th March 1998 under its Memorandum and Articles of Association. The hatchery building was erected on the quayside at Padstow and completed in August 2000. We now operate as a charitable company, having registered as a charity on 11th August 2004. We registered as a social enterprise in 2009 and set up a trading company, NLH Enterprises Ltd, in 2015.

Risk review

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate insurance and controls are in place. The Trustees maintain a comprehensive risk register and review the major risks to which the charity is exposed as a standing agenda item at each Board meeting.

Reserves policy

The Trustees have established a policy whereby unrestricted funds that are not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be £300,000 at the current rate of expenditure. At this level, which is reviewed periodically, the Trustees believe that the charity would be able to continue its current level of activities for 18 months in the event of a significant drop in funding, from, for example, the temporary closure of the hatchery and Visitor Centre, or failure to attract grant funding. The charity's free reserves at 31st March 2022 were £35,045.

Trustees' responsibilities

The Trustees (who are also Directors of the NLH for the purposes of company law) are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which provide a true and fair view of the charitable company's state of affairs including incoming resources and the application of those resources (including income and expenditure) for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the charity's Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Trustees are responsible for maintaining adequate accounting records that disclose, with reasonable accuracy at any time, the charitable company's financial position and ensuring that financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

On appointment, new Trustees are fully briefed about the charity's aims and aspirations by the Chairman and Chief Operating Officer. The Secretary ensures that individual Trustees and the Board receive advice on their legal duties and obligations. All Trustees are directed to the Charity Commissions' website and presented with the Commissions' documentation as and when it is received. Meetings of the Board of Trustees are held in accordance with an annual pattern. Other meetings of the full Board are held if and when unusual circumstances dictate. All Board meetings have the minutes recorded for acceptance at the following meeting.

Under Article 29, one third of the Directors (who are referred to as Trustees for the purposes of this report) must retire at each Annual General Meeting. Those retiring are those who have been longest in office since their last election or appointment, and may offer themselves for re-election.

Trustees are appointed on the basis that they are able to offer some unique skill, experience and/or knowledge to further the charity's aims and objectives. The Board of Trustees agrees its strategic direction, upholds its values, approves policies and future plans, and establishes budgets. The Trustees' scientific and business skills are further supported by the Scientific Committee that guides the charity's research work. Trustees and committee members volunteer their skills and time freely.

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Performance of staff and the charity overall is monitored by the Board, which also stipulates the procedures to be observed by staff when dealing with any of the charity's resources (including funds); backed up by a full disciplinary code in the event that these are not followed. If an unexpected issue arises which requires the Trustees' immediate intervention, this is done via a formal meeting, 'phone or email.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The Trustees have adopted the provisions of the SORP that is applicable to charities, and prepared their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Status The National Lobster Hatchery is a charitable company limited by guarantee, incorporated on 13th March 1998 and registered as a charity on 11th August 2004.

Registered Company number 03527313 (England and Wales)

Registered Charity number 1105434

Registered office South Quay
Padstow, Cornwall, PL28 8BL

Bankers Barclays Bank plc
28 Molesworth Street
Wadebridge, Cornwall, PL27 7DN

Trustees

Mr Rob Clifford-Wing

Mrs T Walter

Mr PJD Hodgson CBE, FCA, D.L.

Mr EJ Derriman MBE

Edward Coode MBE BSC (Hon) DIP.LAW

Lord St Levan

Joanna Henley

Aimee Fulton

Charles Thompson

Chair

Vice Chair Retired 8th December 2021

Treasurer

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee Appointed 8th December 2021

Company Secretary

Mr David Lockyer

Independent Examiner

Mr J S Mashen FCA

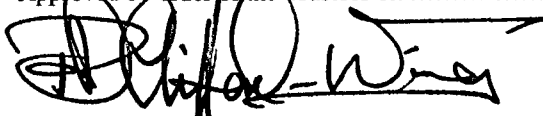
Lang Bennetts Chartered Accountants

The Old Carriage Works, Moresk Road

Truro, Cornwall, TR1 1DG

Chief Operating Officer - The Chief Operating Officer has the authority for the day-to-day management and administration of the hatchery and its resources. Mr D Lockyer was Chief Operating Officer for the 21/22 financial year.

Approved by order of the Trustees on 13th December 2022 and signed on its behalf by:



Rob Clifford-Wing
Chair of the Trustees

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE NATIONAL LOBSTER HATCHERY

Independent examiner's report to the trustees of The National Lobster Hatchery ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jonathan Mashen FCA
Lang Bennetts
The Old Carriage Works
Moresk Road
TRURO
Cornwall
TR1 1DG

Date: 19 December 2022

THE NATIONAL LOBSTER HATCHERY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	119,829	7,500	127,329	65,492
Charitable activities					
Research		2,000	53,505	55,505	10,000
Education		182,156	13,360	195,516	154,529
Other		29,696	-	29,696	128,992
Other trading activities	3	15,977	-	15,977	3,595
Investment income	4	1	-	1	1,505
Other income		<u>50</u>	<u>-</u>	<u>50</u>	<u>-</u>
Total		<u>349,709</u>	<u>74,365</u>	<u>424,074</u>	<u>364,113</u>
 EXPENDITURE ON					
Raising funds	6	100,560	6,133	106,693	82,456
Charitable activities	7				
Research		56,108	49,592	105,700	101,633
Education		74,947	7,480	82,427	61,634
Conservation		<u>111,354</u>	<u>17,283</u>	<u>128,637</u>	<u>81,023</u>
Total		<u>342,969</u>	<u>80,488</u>	<u>423,457</u>	<u>326,746</u>
 NET INCOME/(EXPENDITURE)		6,740	(6,123)	617	37,367
Transfers between funds	17	<u>(8,637)</u>	<u>8,637</u>	<u>-</u>	<u>-</u>
Net movement in funds		(1,897)	2,514	617	37,367
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>61,128</u>	<u>92,412</u>	<u>153,540</u>	<u>116,173</u>
 TOTAL FUNDS CARRIED FORWARD		<u>59,231</u>	<u>94,926</u>	<u>154,157</u>	<u>153,540</u>

The notes form part of these financial statements

THE NATIONAL LOBSTER HATCHERY

BALANCE SHEET
31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	24,185	73,447	97,632	96,518
Investments	14	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		24,186	73,447	97,633	96,519
CURRENT ASSETS					
Debtors	15	38,121	41,194	79,315	30,015
Cash at bank and in hand		<u>47,921</u>	<u>(17,955)</u>	<u>29,966</u>	<u>57,369</u>
		86,042	23,239	109,281	87,384
CREDITORS					
Amounts falling due within one year	16	<u>(50,997)</u>	<u>(1,760)</u>	<u>(52,757)</u>	<u>(30,363)</u>
NET CURRENT ASSETS		<u>35,045</u>	<u>21,479</u>	<u>56,524</u>	<u>57,021</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>59,231</u>	<u>94,926</u>	<u>154,157</u>	<u>153,540</u>
NET ASSETS		<u>59,231</u>	<u>94,926</u>	<u>154,157</u>	<u>153,540</u>
FUNDS	17				
Unrestricted funds				59,231	61,128
Restricted funds				<u>94,926</u>	<u>92,412</u>
TOTAL FUNDS				<u>154,157</u>	<u>153,540</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

THE NATIONAL LOBSTER HATCHERY

BALANCE SHEET - continued
31 MARCH 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 13th December 2022 and were signed on its behalf by:

P J D Hodgson
P J D Hodgson CBE, FCA, DL - Trustee

The notes form part of these financial statements

THE NATIONAL LOBSTER HATCHERY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Costs of generating voluntary income are those costs incurred in obtaining grants and marketing costs involved in increasing awareness and visitor numbers.

Charitable activities

Charitable activities include all expenditure associated with the running of the shop, hatchery, and visitor centre and includes both direct and support costs.

Allocation and apportionment of costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by time spent and other costs by their usage.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Amortised over the lease term
Plant and machinery	- at varying rates on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Investment income and gains are allocated to the appropriate fund.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	68,747	45,326
Gift aid donations	38,463	10,029
Adopt a lobster	19,119	8,637
Harbour Holidays	1,000	1,000
FLT Caravans	-	500
	<u>127,329</u>	<u>65,492</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Donation from NLH Enterprises	5,783	2,605
Merchandise income	-	40
Functions and Events	6,950	-
Miscellaneous income	364	-
Room hire	(640)	-
Juvenile sales	<u>3,520</u>	<u>950</u>
	<u>15,977</u>	<u>3,595</u>

From 1 April 2015 the trading activity of the charity was transferred to NLH Enterprises Ltd, a subsidiary wholly owned by The National Lobster Hatchery, see note 14.

4. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	-	1,500
Deposit account interest	<u>1</u>	<u>5</u>
	<u>1</u>	<u>1,505</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Revenue grants	Research	55,505	10,000
Admissions	Education	182,156	51,029
Revenue grants	Education	13,360	103,500
Revenue grants	Other	<u>29,696</u>	<u>128,992</u>
		<u>280,717</u>	<u>293,521</u>

Grants received under 'Other' charitable activity relate to Covid-19 small business grants from the local authority and receipts from the HMRC Job Retention Scheme. These amounts supported the charity across all charitable activities.

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2022	2021
	£	£
The Steel Charitable Trust	-	15,000
University of Exeter	37,475	10,000
The Headley Trust	-	20,000
Garfield Weston Foundation	-	50,000
Heritage Lottery Fund	13,360	18,500
JRS Furlough Scheme	13,696	89,849
COVID 19 Small Business Grant	16,000	39,143
University of East Anglia	18,030	-
	<u>98,561</u>	<u>242,492</u>

6. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Staff costs	37,369	40,138
Function and events costs	282	27
	<u>37,651</u>	<u>40,165</u>

Other trading activities

	2022	2021
	£	£
Purchases	1,037	680
Staff costs	49,019	31,897
Support costs	18,986	9,714
	<u>69,042</u>	<u>42,291</u>
Aggregate amounts	<u>106,693</u>	<u>82,456</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Research	51,216	54,484	105,700
Education	27,214	55,213	82,427
Conservation	74,085	54,552	128,637
	<u>152,515</u>	<u>164,249</u>	<u>316,764</u>

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

8. SUPPORT COSTS

	Management £
Other trading activities	18,986
Research	54,484
Education	55,213
Conservation	<u>54,552</u>
	<u>183,235</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	26,142	20,081
Surplus on disposal of fixed assets	<u>(50)</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	243,826	214,865
Social security costs	13,465	11,034
Other pension costs	<u>5,972</u>	<u>5,657</u>
	<u>263,263</u>	<u>231,556</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Wages and salaries	<u>18</u>	<u>16</u>

No employees received emoluments in excess of £60,000.

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	64,492	1,000	65,492
Charitable activities			
Research	-	10,000	10,000
Education	119,529	35,000	154,529
Other	128,992	-	128,992
Other trading activities	3,595	-	3,595
Investment income	<u>1,505</u>	<u>-</u>	<u>1,505</u>
Total	<u>318,113</u>	<u>46,000</u>	<u>364,113</u>
 EXPENDITURE ON			
Raising funds	80,230	2,226	82,456
Charitable activities			
Research	61,067	40,566	101,633
Education	57,433	4,201	61,634
Conservation	<u>76,822</u>	<u>4,201</u>	<u>81,023</u>
Total	<u>275,552</u>	<u>51,194</u>	<u>326,746</u>
 NET INCOME/(EXPENDITURE)	42,561	(5,194)	37,367
 Transfers between funds	<u>(12)</u>	<u>12</u>	<u>-</u>
 Net movement in funds	42,549	(5,182)	37,367
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>18,579</u>	<u>97,594</u>	<u>116,173</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>61,128</u></u>	<u><u>92,412</u></u>	<u><u>153,540</u></u>

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

13. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2021	22,166	301,705	70,500
Additions	-	-	5,520
At 31 March 2022	<u>22,166</u>	<u>301,705</u>	<u>76,020</u>
DEPRECIATION			
At 1 April 2021	18,087	222,513	57,253
Charge for year	<u>992</u>	<u>13,489</u>	<u>4,416</u>
At 31 March 2022	<u>19,079</u>	<u>236,002</u>	<u>61,669</u>
NET BOOK VALUE			
At 31 March 2022	<u>3,087</u>	<u>65,703</u>	<u>14,351</u>
At 31 March 2021	<u>4,079</u>	<u>79,192</u>	<u>13,247</u>
	Library £	Computer equipment £	Totals £
COST			
At 1 April 2021	356	5,721	400,448
Additions	-	21,736	27,256
At 31 March 2022	<u>356</u>	<u>27,457</u>	<u>427,704</u>
DEPRECIATION			
At 1 April 2021	356	5,721	303,930
Charge for year	-	7,245	26,142
At 31 March 2022	<u>356</u>	<u>12,966</u>	<u>330,072</u>
NET BOOK VALUE			
At 31 March 2022	-	<u>14,491</u>	<u>97,632</u>
At 31 March 2021	-	-	<u>96,518</u>

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2021 and 31 March 2022	<u>1</u>
NET BOOK VALUE	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

There were no investment assets outside the UK.

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following:

NLH Enterprises Limited

Registered office:

Nature of business: trading activities, sales of merchandise

Class of share: % holding

Ordinary 100

	2022	2021
	£	£
Aggregate capital and reserves	1	1

NLH Enterprises Limited is a wholly owned subsidiary, which operates a shop at the National Lobster Hatchery. Accounts are filed with the Registrar of Companies. A summary of its results are given below:

	2022	2021
	£	£
Turnover	32,417	11,724
Cost of Sales	<u>(17,308)</u>	<u>(5,889)</u>
	15,109	5,835
Administrative expenses	<u>(9,236)</u>	<u>(3,230)</u>
Net Profit	5,783	2,605
Donation to The National Lobster Hatchery	<u>(5,783)</u>	<u>(2,605)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	43,864	1,991
Other debtors	16,073	7,270
VAT	9,158	5,440
Accrued income	-	8,366
Prepayments	<u>10,220</u>	<u>6,948</u>
	<u><u>79,315</u></u>	<u><u>30,015</u></u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	11,024	6,418
Other creditors	19,469	14,560
Deferred income	14,500	3,000
Accrued expenses	<u>7,764</u>	<u>6,385</u>
	<u><u>52,757</u></u>	<u><u>30,363</u></u>

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	61,128	6,740	(8,637)	59,231
Restricted funds				
Lobster Grower 2	5,259	-	-	5,259
Lobster Module	67,434	(11,239)	-	56,195
New Chapter 2020	19,719	2,680	-	22,399
Lobster Aging UEA	-	6,336	(700)	5,636
Euro SWAC	-	(3,900)	9,337	5,437
	<u>92,412</u>	<u>(6,123)</u>	<u>8,637</u>	<u>94,926</u>
TOTAL FUNDS	<u>153,540</u>	<u>617</u>	<u>-</u>	<u>154,157</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	349,709	(342,969)	6,740
Restricted funds			
Lobster Module	-	(11,239)	(11,239)
New Chapter 2020	13,360	(10,680)	2,680
Lobster Aging UEA	16,030	(9,694)	6,336
Euro SWAC	<u>44,975</u>	<u>(48,875)</u>	<u>(3,900)</u>
	<u>74,365</u>	<u>(80,488)</u>	<u>(6,123)</u>
TOTAL FUNDS	<u>424,074</u>	<u>(423,457)</u>	<u>617</u>

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	18,579	42,561	(12)	61,128
Restricted funds				
Lobster Grower 2	5,259	-	-	5,259
Lobster Module	78,672	(11,238)	-	67,434
Releasing Larry	11,336	(11,348)	12	-
New Chapter 2020	<u>2,327</u>	<u>17,392</u>	<u>-</u>	<u>19,719</u>
	<u>97,594</u>	<u>(5,194)</u>	<u>12</u>	<u>92,412</u>
TOTAL FUNDS	<u>116,173</u>	<u>37,367</u>	<u>-</u>	<u>153,540</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	318,113	(275,552)	42,561
Restricted funds			
Lobster Module	-	(11,238)	(11,238)
Releasing Larry	10,000	(21,348)	(11,348)
New Chapter 2020	35,000	(17,608)	17,392
Other Unrestricted	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>
	<u>46,000</u>	<u>(51,194)</u>	<u>(5,194)</u>
TOTAL FUNDS	<u>364,113</u>	<u>(326,746)</u>	<u>37,367</u>

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	18,579	49,301	(8,649)	59,231
Restricted funds				
Lobster Grower 2	5,259	-	-	5,259
Lobster Module	78,672	(22,477)	-	56,195
Releasing Larry	11,336	(11,348)	12	-
New Chapter 2020	2,327	20,072	-	22,399
Lobster Aging UEA	-	6,336	(700)	5,636
Euro SWAC	-	(3,900)	9,337	5,437
	<u>97,594</u>	<u>(11,317)</u>	<u>8,649</u>	<u>94,926</u>
TOTAL FUNDS	<u>116,173</u>	<u>37,984</u>	<u>-</u>	<u>154,157</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	667,822	(618,521)	49,301
Restricted funds			
Lobster Module	-	(22,477)	(22,477)
Releasing Larry	10,000	(21,348)	(11,348)
New Chapter 2020	48,360	(28,288)	20,072
Other Unrestricted	1,000	(1,000)	-
Lobster Aging UEA	16,030	(9,694)	6,336
Euro SWAC	<u>44,975</u>	<u>(48,875)</u>	<u>(3,900)</u>
	<u>120,365</u>	<u>(131,682)</u>	<u>(11,317)</u>
TOTAL FUNDS	<u>788,187</u>	<u>(750,203)</u>	<u>37,984</u>

Transfers between funds

The unrestricted fund, less fixed assets, represent the free funds of the charity, which are not designated for particular purposes.

Transfers from restricted funds to unrestricted funds relate to the release of restrictions on tangible fixed assets funded from restricted funds. Where no restriction remains the related assets and funds have been transferred to unrestricted funds.

Transfers to restricted funds from unrestricted funds relate to contributions made by the Charity for the specific projects. Where grants are received for the purposes of overhead costs this is also shown as a transfer from restricted to unrestricted rather than an allocation of overheads within the SOFA.

THE NATIONAL LOBSTER HATCHERY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

19. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year a business which is owned by one of the trustees of The National Lobster Hatchery invoiced the Charity an amount of £5,520 (2021: £16,560) for services provided on an arms length basis. The balance due at both year ends was £nil.

20. ULTIMATE CONTROLLING PARTY

The charity is controlled by the board of Trustees who are also the directors of the company.

THE NATIONAL LOBSTER HATCHERY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	68,747	45,326
Gift aid donations	38,463	10,029
Adopt a lobster	19,119	8,637
Harbour Holidays	1,000	1,000
FLT Caravans	<u>-</u>	<u>500</u>
	127,329	65,492
Other trading activities		
Donation from NLH Enterprises	5,783	2,605
Merchandise income	-	40
Functions and Events	6,950	-
Miscellaneous income	364	-
Room hire	(640)	-
Juvenile sales	<u>3,520</u>	<u>950</u>
	15,977	3,595
Investment income		
Rents received	-	1,500
Deposit account interest	<u>1</u>	<u>5</u>
	1	1,505
Charitable activities		
Admissions	182,156	51,029
Revenue grants	<u>98,561</u>	<u>242,492</u>
	280,717	293,521
Other income		
Gain on sale of tangible fixed assets	<u>50</u>	<u>-</u>
Total incoming resources	424,074	364,113
EXPENDITURE		
Raising donations and legacies		
Wages and staff costs	33,563	36,234
Social security	2,799	2,871
Pensions	1,007	1,033
Function and events costs	<u>282</u>	<u>27</u>
	37,651	40,165
Other trading activities		
Merchandise costs	1,037	680
Carried forward	1,037	680

This page does not form part of the statutory financial statements

THE NATIONAL LOBSTER HATCHERY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Other trading activities		
Brought forward	1,037	680
Wages and staff costs	47,941	30,901
Social security	653	398
Pensions	<u>425</u>	<u>598</u>
	50,056	32,577
 Charitable activities		
Wages and staff costs	112,848	57,668
Social security	9,274	7,408
Pensions	3,011	2,599
Hatchery expenses	15,342	2,253
Research expenses	10,061	13,264
Education expenses	<u>1,979</u>	<u>-</u>
	152,515	83,192
 Support costs		
Management		
Wages and staff costs	49,474	90,062
Social security	739	357
Pensions	1,529	1,427
Establishment costs	40,949	15,286
Insurance	7,466	6,266
Office costs	19,465	15,649
Marketing	12,383	6,917
Professional fees	15,782	10,922
Vehicle expenses	2,920	1,002
Finance costs	6,386	2,842
Short leasehold	992	992
Depreciation	13,488	14,655
Fixtures and fittings	4,416	4,435
Computer equipment	<u>7,246</u>	<u>-</u>
	<u>183,235</u>	<u>170,812</u>
 Total resources expended	<u>423,457</u>	<u>326,746</u>
 Net income	<u>617</u>	<u>37,367</u>

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