

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

COMPANY REGISTRATION NUMBER 08172832

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
(A company limited by guarantee)
GROUP FINANCIAL STATEMENTS
31 DECEMBER 2021

Charity Number 1150418

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

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AQUACULTURE STEWARDSHIP COUNCIL LIMITED**TRUSTEES ANNUAL REPORT****YEAR ENDED 31 DECEMBER 2021**

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the group for the year ended 31 December 2021 which comprises the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes.

REFERENCE AND ADMINISTRATIVE DETAILS

Aquaculture Stewardship Council consolidated financial statements include the results of Aquaculture Stewardship Council Limited (charity registration number 1150418 and company registration number 8172832), ASCI Limited (company registration number 7788176), Stichting Aquaculture Stewardship Council (KvK 34389683) and ASCI Netherlands BV (KvK 74368249)

Registered charity name	Aquaculture Stewardship Council Limited
Charity registration number	1150418
Company registration number	8172832
Principal office	27 Old Gloucester Street, London, WC1N 3AX
Registered office	27 Old Gloucester Street, London, WC1N 3AX

The Trustees

The trustees who served the company during the period were as follows:

A Dingwall	(Resigned 17 September 2021)
Dr S Nichols	Chairman (Resigned 10 March 2022)
J Villalon	Member of Audit and Risk Committee
H D Thuy	(Resigned 10 March 2022)
O Oaland	(Resigned 10 March 2022)
K Nakamura	(Appointed 13 September 2021, Resigned 2 March 2022)
M S Macleod	
M Jeans	(Resigned 11 March 2021)
R Holland	(Appointed 31 August 2021)
B Naz Malik	(Appointed 1 April 2022) / Chairperson of Audit & Risk Committee
S E Ryan	(Appointed 14 March 2022) / Member of Audit and Risk Committee
R P Subasinghe	(Appointed 1 April 2022)
M C Thalwitz	(Appointed 14 March 2022)
K Dax Veriga	(Appointed 1 April 2022)

Chief Executive Officer C Ninnes
Company Secretary R Ryan

Other Key Management Personnel
 Finance Director L Egan

Our Advisors

Auditors	Haysmacintyre LLP	10 Queen Street Place, London, EC4R 1AG
Bankers	Barclays Bank Plc	5 Church Street, Leatherhead, Surrey, KT22 8DE
Solicitors	Russell-Cooke LLP	2 Putney Hill, London, SW15 6AB

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction

Aquaculture Stewardship Council, also known as ASC, ("the charity") is a company limited by guarantee registered in England and Wales. Each of the trustees have provided a guarantee limited to €1 each. It is governed and managed in accordance with its Articles of Association.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Trustees' Management

The charity is managed by a committee of the trustees.

The charity trustees are ultimately responsible for the good governance and supervision of ASC including supervision of its staff and assets in accordance with its charitable objectives. The Trustees have established a Governance Committee to oversee Board governance arrangements.

The trustees have considered the major risks to which the charity is exposed and have reviewed the risks and established systems and procedures to manage these risks.

Recruitment and appointment of Board:

The trustees who are also the directors for the purpose of company law are known as members of the Board. The Board members are guided by the Memorandum and Articles of Association of the charity. The ASC is an international in scope and works with a diverse group of stakeholders with an interest in the work of the charity. The board is also guided by the need to maintain representation of these stakeholder groups. Term limits are in place. When seeking a new candidate the trustees will advertise through the organisations web site, review candidates that have proposed themselves and use their existing, extensive international networks to propose a shortlist of possible candidates. These are passed to the 'recruitment committee', an appointed sub-set of trustees, to seek further advice on potential candidates, conduct interviews and make recommendations to the board concerning their suitability. The board will discuss and appoint the selected candidate.

Structure

The board of trustees, which can have up to 10 members, administers the charity. The board normally meets 3 times yearly and there is three sub-committees covering 1) Finance and Audit, 2) Governance, and 3) Board Nominations, which meet around the Budget and Accounting cycle. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and any related operating activity.

ASC wholly owns a subsidiary company, ASCI Limited, which carries out its trading activities related to logo licensing.

Key Management and Remuneration Policy

The directors consider that the board of directors, who are the trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the ASC on a day to day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes 10 and 21 to the accounts.

The pay of key management and senior staff is reviewed annually and normally increased in accordance with average earnings. The remuneration is of the range paid for similar roles adjusting for any additional responsibilities. If

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recruitment has proven difficult a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

OBJECTIVES AND ACTIVITIES

Charitable Objectives and Public Benefit

The ASC is an independent, international organisation. It works with a wide range of partners to promote the transformation of the global aquaculture industry towards operation on a more environmentally sustainable and socially responsible basis. It does so through using efficient market mechanisms that create value across the seafood supply chain. Its work to conserve marine and freshwater environments and to advance education about the principles and practice of responsible farming and conservation is for the benefit of the public.

ASC's activities promote and quantify responsible farming of fish, shellfish and crustacea and, jointly with the Marine Stewardship Council (MSC), seaweed. They do so by, amongst other things, furthering the understanding and adoption of responsible aquaculture practices, maintaining and monitoring objective standards for responsible aquaculture in order to reduce negative social and environmental impacts.

The ASC offers producers of farmed seafood access to a certification programme. Meeting the ASC standards necessary for certification is a signal that a farm is operating responsibly. The programme creates incentives that reward responsible farming practices. The ASC also promotes and rewards responsible farming practices through the use of a consumer-facing label on products made from ASC certified material. This enables the public when buying seafood to make better-informed choices in favour of responsibly produced seafood. In turn this will have a beneficial impact on both the environment in which aquaculture takes place and amongst the communities affected by fish farming enterprises of a wide range of sizes, in a wide range of locations. The ASC also seeks to increase the demand for responsibly produced seafood through the work of the newly configured Market Development Team and the Marketing Communications Team. Together the staff of these two teams drive a programme of continuous engagement with retailers, brands, the food service sector, supply chain companies and producers through to the promotion of ASC certified and labelled products to consumers. This helps shift perceptions of, and the performance of, the aquaculture industry in a way that is to the public benefit.

The aquaculture industry makes a major contribution to meeting the global demand for seafood protein. It does so while reducing the pressure on wild capture fisheries. More than half of the fish consumed globally now comes from aquaculture. It continues to be the fastest growing food production system in the world. The industry provides improved food security for many people. It contributes less to the damaging effects of climate change than all other major terrestrial animal protein production systems. The actions taken by the ASC contribute to the achievement of many of the global Sustainable Development Goals set by the United Nations. ASC is helping to move the aquaculture industry onto a less harmful, more positive footing to the benefit of the public.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The aims and activities of the ASC are clearly focussed on this objective.

ACHIEVEMENTS AND PERFORMANCE IN 2021

The ASC programme remains driven by the **Mission** set by its founders: "to transform aquaculture towards environmental sustainability and social responsibility using efficient market mechanisms that create value across the chain." The programme promotes industry best practice to minimise the environmental and social footprint of commercial aquaculture. Through the consumer label it makes available to qualified users ASC promotes certified responsibly farmed products in the marketplace. It acts, therefore, to influence both the supply and the demand for responsibly produced seafood and the value added and positive impact that the ASC programme delivers has been demonstrated clearly.

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In 2021, ASC's certification and labelling programme, despite the global impacts of the ongoing COVID pandemic, continued to grow. Farm certification expanded, at a slightly reduced rate, but the uptake and use of the ASC logo on certified products in key markets showed strong growth. ASC continued to have an influential and beneficial impact on the operation of the global aquaculture industry, at a time when the global seafood sector was faced with serious challenges. The supply chain services that ASC offered to the seafood industry throughout 2021 continue to be taken up and used worldwide.

Throughout 2021, the ASC continued to operate 11 farm standards and a joint ASC-MSC standard for seaweed. All standards are applicable in all regions globally, where the relevant fish and algae are farmed. This year also saw the launch of the ASC Feed Standard v1.0 applicable to all aquafeed manufacturers addressing all major impacts of feed ingredient production and feed chain supply traceability.

The ASC continued to ensure the relevance of the existing core set of standards, which are reviewed and updated when new information becomes available and when experience with their operation suggests that their content can be improved. While no new standards for farming operations were released in 2021, work to add a number of new species to existing standards continued, including the incorporation of crayfish, *Macrobrachium* and a number of other penaeid species into the Shrimp Standard. Development of the Recirculating Aquaculture Systems (RAS) module covers all existing species recognised under ASC farm standards. Interim RAS requirements were launched in May 2021, and these will be replaced with the integration of specific RAS requirements into the Aligned Farm Standard. The ASC also continued with further revisions of the Salmon Standard to incorporate new scientific insights concerning the control of sea lice on salmon farms. This work is scheduled to conclude early in 2022. Collectively this work delivered on ASC's ongoing commitment to continuously improve standards and adapt to changes in knowledge and in the industry. All updates and revisions to ASC standards followed a rigorous multi-stakeholder, science-based, review process, thereby enshrining ASC commitments to ISEAL's Standard Setting Code and adherence to transparency.

In 2021 the number of farm sites certified to one of the ASC standards increased by 20%, for a second year, and by the end of the year the total was 1,601. Salmon farms accounted for 39% and shrimp farms 23%. The encouraging early signs of uptake for the relatively new (2018) Seabass/Seabream/Meagre Standard continued, with 55 (+8) farms certified at the end of the year. A total of 17 seaweed operations were certified at the end of 2021.

Interest in ASC certification continued globally, and in 2021, ASC certified farms were present in 47 different countries and territories. The number of farms seeking assessment under the ASC certification programme continued to be healthy, with 308 at varying stages in the process.

The interest in ASC labelled products continued to show solid growth during the year. This increase was realised despite the continued challenges faced by many producers due to the COVID-19 pandemic. It was assisted in ASC's favour by strong growth in seafood purchases through grocery retail.

Growth of commercial and other partners responsible for the delivery of ASC certified and labelled products into the market continued. All companies handling ASC products as they move through the supply chain must also be certified against the Marine Stewardship Council's Supply Chain Standard.

An important aspect of ASC's work is the delivery of value to certified farms through the promotion of the ASC programme and ASC labelled products in the marketplace. Typically, ASC takes part in a range of events with partners to promote responsible seafood, including attendance at several international and domestic trade show events. While most of these opportunities were curtailed because of the COVID-19 pandemic, ASC has been represented by local teams at events where permitted and safe, with many of the annual events held in key markets for ASC products postponed or held successfully online.

In addition, an increasing number of specially devised campaigns took place, aimed at building awareness and understanding of the ASC logo, particularly amongst consumers, and many were adjusted to maximize digital delivery.

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Partner leveraged marketing campaigns, promoting the ASC to millions of consumers worldwide, were carried out in Australia, France, Japan, Netherlands, Belgium and Germany.

The ASC has always recognised that the challenges facing the global aquaculture industry can be tackled more effectively if close **collaboration** can be achieved with like-minded organisations. Work began in 2018 in this area and continued to make progress throughout 2021 with a range of organisations. Projects continued to be implemented with Fairtrade USA, the Sustainable Seafood Partnership and the Seafood Watch Programme of the Monterey Bay Aquarium. ASC's CEO continued to chair the Certifications and Rating group, convened by major funders and promoters of a more sustainable seafood industry.

In 2021 ASC was able to continue to cover its increasing core costs of staffing and allied expenditure from own-generated resources. Logo licensing income was robust in 2021, growing by 14% to of €12 million. Additional activity was funded by generous philanthropic donations, bringing total income close to €12.3 million for the year. However, expenditure must and will increase, as ASC moves ahead to tackle the on-going challenges before it. Income will need to rise in parallel, both to maintain the current position and to create an adequate financial reserve. ASC will also continue to need external funding for specific one-off projects.

An increasingly important aspect of ASC's work is the delivery of value to certified farms through the promotion of the ASC programme and of ASC labelled products in the marketplace. Typically, ASC takes part in a range of events with partners to promote responsible seafood, including attendance at a number of international and domestic trade show events. While most of these opportunities were curtailed because of the COVID pandemic, we did maintain a very successful presence at the domestic show in Bremen, Germany, just before the pandemic became widespread. Many of the annual events held in key markets where our many commercial partners attend, were successfully held online.

Delivering the Strategic Plan

The direction for the expansion of ASC is set out in the Strategic Plan (January 2017 – December 2021). Due to the impact of the COVID-19 Pandemic the Strategic Plan was extended into 2022, with a review and development of an updated Strategic Plan scheduled for completion by year end 2022. Implementation of the plan and hence the direction of travel and identification of in-year activities, is outlined in a logically consistent and transparent way. A set of outputs needed to help ASC move forward with the achievement of its longer-term Mission is also identified. Delivering them over time remains the key challenge for the organisation, and key highlights are noted below.

The ASC Global Standards and Certification Programme Strengthened and Developed

Development and improvement of standards is integral to the work of the ASC. During 2021, revision of the Shrimp Standard was undertaken to include additional crustacean species. The standard is now also applicable to freshwater shrimp and crayfish, which increases the market availability for ASC. The revised standard also contained lower performance metrics, thereby driving down specific impacts at farm level (e.g. use of fish meal in diets). Development was completed on the **Recirculating Aquaculture Systems (RAS) Module**. This module serves as an add-on to the current standards, where a species is farmed in closed recirculation systems. Through the completion of this work, ASC is able to provide better assurance that all relevant impacts for these facilities are addressed.

The ASC Feed Standard v1.0 was launched and marks the delivery of a significant body of work. The standard addresses all major impacts of feed ingredient production and feed supply chain traceability. It is applicable to all aquafeed manufacturers, even though the concepts within it can be applied to any livestock feed milling process. With the release of this document, a second pillar of the certification programme (besides farm certification) has been established.

During 2022 work will be conducted to develop the assurance and guidance documents necessary to operationalise the Standard.

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Despite the Pandemic, ASC was able to engage in a number of public consultations. The new Aligned Farm Standard project delivered a major milestone with the consultation on the environmental Principle (P2). Multiple events were organised to explain to stakeholders the content, and to allow for discussion. In normal time, in-person workshops would have been organised, but due to COVID-19, staff-travel was prohibited. Feedback was assessed and used to inform the next draft, which is scheduled for public consultation in March/April 2022. Similarly, the Salmon Standard / sea lice revision consultation operated in March/April 2021. Due to the technical nature of the content, a group of experts formed to conduct thorough statistical and analytical analysis of the appearance of sea lice, local regulations, measuring methods, etc. Feedback indicated that most concepts are in-line with stakeholder expectation, though some have required additional consideration, which will continue in 2022.

ASC launched a project to redefine existing welfare related indicators and bring them up to speed with new scientific insights. Work is ongoing to address various conceptual challenges across the species, and to consider all available knowledge. A second consultation was conducted in the Autumn of 2021, with a third consultation planned for Autumn 2022.

Tools and services

A Greenhouse Gas calculator is in development as part of the wider effort to help companies calculate and offset CO2 impacts and improve sustainability. ASC is embarking on the development of the GHG calculator, and offsetting mechanisms are key deliverables of our *Beyond Certification* objective. The GHG calculator will be based on best-science insights and will be available for stakeholders to use. It will also feature in the standard as the tool to use to calculate GHG compliance.

Management and use of data remains a key focus for ASC across the jurisdictions in which we operate. Through the certification programme, ASC collects significant performance data, and in 2021 ASC undertook work to: 1) make sure that data is collected and stored in a responsible manner in line with EU (GDPR) regulation, 2) data is collected from farms in a less time-consuming manner using templates, data-portals, etc and 3) the display of data is enabled in a more continuous manner using near-live dashboards. In anticipation of the expanding volume of data related to the aligned Farm Standard, work will be undertaken in 2022 to establish the necessary infrastructure.

Geospatial Information Systems (GIS) development work has been undertaken to provide updates as a means to transparently display where farms are located, but it also delivers a powerful assurance and impact tool. After releasing an initial version in 2019, a review of the current model and underlying assumptions was started in 2021 and will continue in 2022.

Monitoring impacts is a key component of the ASC programme, as well as being a requirement of ISEAL-compliance. With the merging of the current 11 Standards into the single ASC Farm Standard, the ME framework can be optimized to collect data more consistently and rigorous across all species in the programme. As part of the current review, linkages between the various strategic elements of the organisation will be identified and supported through impacts-data.

Coastal Habitats Stewardship Fund

ASC has partnered with Conservation International and the Ecuadorian Ministry of Environment and Water (MAAE) to establish the governance structure for 'Socio Manglar'; an entity that provides direct economic incentives to coastal communities for the conservation of mangroves. The project has since generated an additional USD100k in investment, and ASC continues to support the work through research (including GIS mapping and exploration of carbon sequestration potential) and assisting with further investment from funders and supply chain partners. Long term aims include strengthening governance systems, legal protections, knowledge, and management capacity for mangrove conservation and restoration and coastal areas. This will aid both climate resilience and improve the livelihoods of some of the country's most vulnerable people.

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ASC Marketing and Communications development

Delivering on planned re-structuring, 2021 saw the establishment of a Brand team with the appointment of a Brand and Reputation Manager. Work was undertaken to expand internal and external communication and engagement, thereby strengthening ASC's culture of collaboration and knowledge sharing. Digital engagement through ASC's website and social media channels increased significantly and continues to be a vital tool for engagement with audiences.

The post of Senior Director of Markets and Communication was established to develop marketing capabilities in the central and regional teams, whilst facilitating closer cooperation and coordination between teams. ASC sought to achieve efficiency in marketing and engagement during 2021 through use of new market research techniques, which generated insights that will be key to work in 2022 in leveraging activities towards customers, consumers, and supporters.

ASC Organisational development strengthened

Due to the growth in demand for ASC services, the organisation expanded its staff capacity over time. Additional strengthening took place in 2021 using both full time staff and part-time employees, including consultants, to work across the main teams. ASC continued to operate with one physical office in Utrecht and with a proportion of staff working remotely.

In 2021 ASC continued to experience robust growth in income from logo licensing. This, together with tight control of expenditure, meant that ASC was once again able to cover its baseline operating costs from its own generated income, while meeting some discrete project costs from donated funding and continuing the creation of a financial reserve. The success of the business model so far has been encouraging. However, as expenditure rises to service existing needs and meet new ones, so too does the financial vulnerability of the organisation. To overcome this, ASC will continue to seek help from philanthropic sources for time-bound projects that are additional to core tasking.

COVID-19

Due to nature of ASC's global operation, remote working has been a main feature of the charity since inception and ensured resilience of operation as governments changed guidance throughout 2021. Throughout the year all travel was stopped, and meetings were held virtually. For a global, outward-looking organisation, much of whose work involves face to face contact with stakeholders throughout the seafood supply chain, this was a serious response to the emergency. Many ASC staff members work remotely as a matter of routine, but as an additional precaution, all offices were closed and all staff moved to remote home working. To facilitate this change, the existing systems in place for remote working were strengthened, including additional security (e.g. a migration from Citrix to MS365) and backup systems for electronic data. Advice was given to staff on the working regime and the importance of following national rules and regulations in their own country. The senior management team continued to hold regular meetings to monitor the impact of COVID-19 on all aspects of the operation of ASC. The new operational regime will continue until COVID-19 restrictions are officially removed by each country.

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FINANCIAL REVIEW

The results for the period ended 31 December 2021 are shown in the attached Statement of Financial Activities.

Net income of the group for the year was a surplus of €3,835k (2020: €1,950k), of which there was a surplus of €3,835k (2020: €1,950k) on unrestricted funds. This is before the entries required under accounting standards to recognise the opening balances of Stichting Aquaculture Council Foundation and ASCI Netherlands BV on their introduction to the group at 1 January 2021.

Stichting Aquaculture Council Foundation made a surplus of €25k (2020: €203k), with total reserves of €378k (2020: €352k). ASCI Netherlands BV made a surplus of €nil (2020: €100k), the reserves are €58k (2020: €58k).

ASC has a wholly owned trading subsidiary, ASCI Ltd (Company number 07788176), established with a view to generate income through ASC's trade logo licensing and feeding through the profit of the company into the charity. The trading subsidiary, whose accounts are consolidated into these group accounts, has generated trading revenue of €12,051k against trading expenditure of €3,038k giving a net income of €11,390 before taxation and after interest received. The surplus trading profits of €9,012k will be gift aided to the UK charity. The donation is equal to the taxable profit therefore ASCI Ltd will have no payable Corporation tax due.

Principal Funding Sources

ASC receives contributions in the form of donations and grants from commercial organisations and like-minded international charities and revenue generated by the trading subsidiary, ASCI Ltd. Total income of €12,051k (2020: €10,583k) is an encouraging sign of ASC's continuing growth and achievements. The growth in 2021 can be attributed to an increase in market demand for certified seafood. This demand has resulted in farms entering the ASC programme both voluntarily, and through the improved ability to communicate the ASC programme to stakeholders and the public via ASC's redesigned website and multi-media platforms, including print, blogs, video and social media.

Fundraising

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Risk Management

The Trustees address the risks that face the charity and adopt responses to managing the risks identified through a Risk Register. A risk to achievement of the ASC's Mission might arise if the ASC Value Proposition fails in the market reducing uptake of the certification programme and reducing income. Other major risks identified include risks to:

- The certification programme - such as unaddressed challenges to the integrity of the programme, the scope and cost of services offered does not meet market demand and reduces programme uptake; on-going stakeholder problems with the content and application of standards; insufficient supply of competent local auditors increasing the cost and uptake of certification.
- Market development - such as in key, more mature markets, the supply chain's commitment to promoting labelled products from ASC certified and improving farms diminishes; in developing markets, the supply chain's commitment to promoting labelled products from ASC certified and improving farms does not materialise; the ASC Improver Programme does not deliver its farm engagement objectives as expected; Government policy in major producing countries does not embrace ASC.
- Audience Advocacy - marketing and communications promoting the value of the ASC programme does not reach or resonate with target audiences.
- Collaboration - competition with similar certification, benchmarking and ratings organisations increases; MSC CoC assurances are not adequate nor cost efficient.
- Organisational Development - reluctance to use the logo and the impact on funding would constrain ASC's operational capacity.

For all of these risks the impact and likelihood of a risk occurring are reviewed and rated, existing control measures are assessed and any further mitigation measures and initiatives identified and put in place.

Investment Policy

The Charity has no investments apart from the trading subsidiary and therefore there is no immediate need for an investment policy.

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Reserves Policy

The Board has examined the Charity's requirements for reserves in light of the main risks to the organisation and are satisfied that the current reserves are sufficient to meet the next nine months of the organisations' immediate funding requirements. The Board regularly reviews the level of reserves as part of its oversight. The Board's review in 2020 recognised with the growth of ASC the level of reserves should maintain to 9 months, expenditure building to twelve months within the next 3-4 years, 2024.

ASC ended the year with unrestricted reserves of €12,803k (see note 17). Removing tangible fixed assets (see note 11) of €291k, the remaining liquid unrestricted reserves amount to €12,516k.

It has been possible for the ASC to build up its contingency reserves in recent years as expenditure has been kept at levels less than income. The Board's aim has been to not only cover in-year core recurrent costs from revenue, but to generate an element of surplus to allow for both future year expenditure growth and the build-up of a reserve fund. The 2021 budget met these objectives. There was both an increase in resources allocated to staffing, marketing and allied expenses, and to reserves such that the latter were able to potentially cover nine months of current levels of expenditure. Looking ahead to 2022, the continued uncertainties generated by the impact of the COVID-19 pandemic on the level of income that ASC might receive will remain to influence the adoption of a prudent approach. Expenditure growth has been restricted to levels thought likely to be covered by possible income. If, however income continues to grow as in 2021, the result could be further increases in reserves, and further investment in staffing & marketing expenditure. The future level of reserves in 2022 and beyond is unpredictable, but desirably will increase.

Planned future budget surpluses also reflect the need to build reserves to counter the expected decline in the level of philanthropic grants the ASC will receive in future, which are anticipated to be less than those received over the first 10 years of operation. In future, as the level of such income decreases, there will be increased dependence on logo licence fees from the supply chain.

COVID-19

The continuing uncertainty created within the marketplace by the COVID-19 pandemic led ASC to continue a prudent approach to growth plans and to control cash flow. ASC is confident that the measures it implemented in response to the COVID-19 pandemic, are reasonable and robust enough to protect staff, ensure continued business activity and meet operational challenges.

PLANS FOR FUTURE PERIODS

The ASC's planned activities are structured around the primary objectives set out in its strategic plan, scheduled for review and update in 2022. The top-level priorities continue to focus on:

- Achieving a strong global certification programme covering the main species of farmed seafood that are traded internationally.
- Improving farm production by engaging with and certifying as environmentally and socially responsible an increasing number of farms.
- Further developing the ASC certification with major retailers and foodservice companies by achieving a critical mass presence in the key receptive target markets in Europe (Germany, Austria, Switzerland, Netherlands, Denmark and Sweden), establishing a market position in other less receptive markets (USA, Canada, UK, France, Australia, Belgium and South Africa) and developing the potential elsewhere.
- Raising awareness of the ASC among seafood buyers and consumers.
- Working collaboratively with like-minded organisations that are also seeking to transform seafood production
- Strengthening the institutional development of the ASC and achieving financial self-sufficiency.

Building on these initiatives and by the end of this decade the ASC will have:

- Secured significant market penetration in most major developed markets. That will lead, ultimately, to securing a meaningful presence in all major seafood producing and consuming countries, but this will be beyond 2021.
- Established its appeal to export oriented farmers around the world and so provide a supply of ASC certified seafood that will meet the demands from the marketplace.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**TRUSTEES' ANNUAL REPORT****YEAR ENDED 31 DECEMBER 2021****TRUSTEES' RESPONSIBILITIES STATEMENT**

The trustees (who are also the directors of Aquaculture Stewardship Council Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements 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 company and the group and the income and expenditure of the group for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- in so far as each trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small Company Provisions

The trustees have prepared this report in accordance with the special provisions of Statutory Instrument 2008/409 under the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on September 27, 2022 and signed on its behalf by:

.....

 5CD1ED64E1424BA...
 Margret Charlotte Thalwitz
 Trustee/Director, Chairperson

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AQUACULTURE STEWARDSHIP COUNCIL LIMITED

Opinion

We have audited the financial statements of Aquaculture Stewardship Council for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Group and the Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of 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 group's and the charitable company's affairs as at 31 December 2021 and of the group'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 entity'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. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AQUACULTURE STEWARDSHIP COUNCIL LIMITED

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 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 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 the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in 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:

- the parent company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report.

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 group's or 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AQUACULTURE STEWARDSHIP COUNCIL LIMITED

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to revenue recognition, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as include the Companies Act 2006 and the Charities Act 2011, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to revenue recognition. Audit procedures performed by the engagement team included:

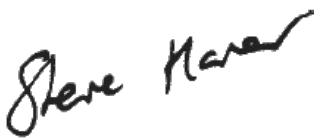
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- We undertook a number of audit procedures to verify the appropriateness of revenue recognition in the financial statements;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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.



Steven Harper (Senior Statutory Auditor)
For and on behalf of
Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London EC4R 1AG

Date: 27 September 2022

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN
INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2021

		Unrestricted	Restricted	Total Funds	Total Funds
		Funds	Funds	Year to	Year to
	Note	€000	€000	31-Dec-21	31-Dec-20
INCOME FROM:				€000	€000
Grants and donations	2	-	255	255	165
Other trading activities	3	12,104		12,104	10,580
Investments		-		-	7
TOTAL		12,104	255	12,359	10,752
EXPENDITURE ON:					
Raising funds:					
Trading activities	4	(882)		(882)	(1,355)
Charitable activities	5/6	(7,387)	(255)	(7,642)	(7,447)
TOTAL		(8,269)	(255)	(8,524)	(8,802)
NET INCOME BEFORE AMOUNTS RECEIVED ON ACQUISITION		3,835		3,835	1,950
Amounts received on acquisition	19	352	-	352	-
Net income and net movement in funds		4,187	-	4,187	1,950
RECONCILIATION OF FUNDS					
Total funds brought forward		8,616	7	8,623	6,673
TOTAL FUNDS CARRIED FORWARD	17/18	12,803	7	12,810	8,623

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 17 to 31 form part of these financial statements.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
GROUP AND CHARITY BALANCE SHEETS
YEAR ENDED 31 DECEMBER 2021

		2021		2020	
	Note	Group €000	Charity €000	Group €000	Charity €000
FIXED ASSETS					
Intangible Assets	11	266	8	203	11
Tangible Assets	11	25	19	31	24
Investments	12	-	-	-	-
		<u>291</u>	<u>27</u>	<u>234</u>	<u>35</u>
CURRENT ASSETS					
Debtors	14	5,585	9,194	4,770	5,333
Cash at bank		8,945	4,609	6,248	4,106
		<u>14,530</u>	<u>13,803</u>	<u>11,018</u>	<u>9,439</u>
CREDITORS: Amounts due within one year	15	<u>(2,011)</u>	<u>(1,074)</u>	<u>(2,629)</u>	<u>(851)</u>
NET CURRENT ASSETS		<u>12,519</u>	<u>12,729</u>	<u>8,389</u>	<u>8,588</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,810</u>	<u>12,756</u>	<u>8,623</u>	<u>8,623</u>
NET ASSETS		<u>12,810</u>	<u>12,756</u>	<u>8,623</u>	<u>8,623</u>
FUNDS					
Restricted funds	16	7	7	7	7
Unrestricted funds	17	12,803	12,749	8,616	8,616
TOTAL FUNDS		<u>12,810</u>	<u>12,756</u>	<u>8,623</u>	<u>8,623</u>

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Aquaculture Stewardship Council Limited, the charity surplus for the year was €4,133k (2020: surplus of €1,952)

These financial statements were approved by the members of the committee and authorised for issue on September 27, 2022 and are signed on their behalf by: 2022

DocuSigned by:

Margret Thalwitz

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Margret Charlotte Thalwitz

Trustee/Director, Chairperson

Company Registration Number: 08172832

The notes on pages 17 to 31 form part of these financial statements.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2021

	2021	2020
	€000	€000
Cash flows from operating activities		
Net income for the reporting period per the SOFA	4,187	1,950
Depreciation charges	109	57
Dividends and interest from investments	-	(7)
(Increase) in debtors	(815)	(408)
Increase/(Decrease) in creditors	(618)	733
Loss on disposal of fixed assets	4	6
	<u>2,867</u>	<u>2,331</u>
Net cash provided by operating activities		
Cash flows from investing activities:		
Dividends and interest from investments	-	7
Purchase of property, plant and equipment	(170)	(174)
Net cash used in investing activities	<u>(170)</u>	<u>(167)</u>
Change in cash and cash equivalents in the reporting period	2,697	2,163
Cash and cash equivalents at the beginning of the reporting period	6,248	4,084
Cash and cash equivalents at the end of the reporting period	<u>8,945</u>	<u>6,248</u>
Analysis of cash and cash equivalents:		
Cash at bank	8,945	6,248
Total cash and cash equivalents	<u>8,945</u>	<u>6,248</u>

The notes on pages 17 to 31 form part of these financial statements.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Company information

The Charity is a Company Limited by Guarantee (Company no: 08172832) and a Registered Charity, incorporated and registered in England and Wales (Charity Registration no: 1150418). The registered office of the charity is 27 Old Gloucester Street, London, England, WC1N 3AX.

Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice for Charities (SORP) (Second Edition, effective 1 January 2019).

Aquaculture Stewardship Council Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The accounts have been prepared in Euro on the grounds that this is the functional currency of the Group. The accounts are rounded to the nearest thousand Euro.

Consolidation

The accounts consolidate the results, assets and liabilities of Aquaculture Stewardship Council Limited and its subsidiary, ASCI Ltd (company number 07788176) on a line-by-line basis. Intergroup transactions and balances are eliminated on consolidation.

On 1 January 2021, Aquaculture Stewardship Council Limited took control over Stichting Aquaculture Council Foundation and its subsidiary ASCI Netherlands BV as at 1 January 2021. Control exists by virtue of the ability of Aquaculture Stewardship Council Limited to appoint and remove directors of Stichting Aquaculture Council Foundation. In turn, Stichting Aquaculture Council Foundation owns 100% of the share capital of ASCI NL BV. The opening funds on acquisition are reflected in the Statement of Financial Activities and the activities are consolidated from 1 January 2021 onwards.

Income Recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of all, or part of the specified performance conditions is deferred until the criteria for income recognition are met (see note 16).

Donations are included in income when received. Income eligible for gift aid is recognised in full on receipt. There are no donated services.

Grants are recognised as income when it is clear ASC has entitlement to the income. Where income through contract or grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

Logo license royalties are accounted for in the period in which the labelled products were sold by our trading partners.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are only available to spend on specific programmes or purpose for which a grant is received.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred.

Costs generating funds comprise expenditure incurred in encouraging others to make contributions to the charity and include staff costs attributable to that activity.

Where costs could not be directly attributed to any particular function or activity, they have been allocated by applying bases consistent with the use of the resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and any costs linked to the strategic management of the charity.

Gift aid

Donations to the parent charity are recognised as an expense either when paid or at the date when the subsidiary company has a legal liability to make the donation payment if earlier.

Taxation

Aquaculture 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. No provision for corporation tax has been made on the subsidiary's profit for the year due to its policy of donating all its tax adjusted profits available for distribution under gift aid to its ultimate charitable parent undertaking within nine months of each year-end date.

Investments assets and income

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

Investments: The charity has one wholly owned subsidiary undertaking, ASCI Ltd, incorporated in England & Wales. It is a trading subsidiary and receives royalties from logo licensing fees.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed Assets

Fixed assets are recorded at cost or, in cases where fixed assets have been donated to Aquaculture Stewardship Council Limited, at valuation at the time of acquisition. Fixed assets are capitalised in the balance sheet at cost, except for items costing less than £500 which are expensed in the year of purchase.

Depreciation 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	33%
Software and Database	20%

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****1. ACCOUNTING POLICIES (continued)****Going concern**

We have set out in the Trustees' report a review of financial performance and the charity and the group's reserve position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. Based on budgets and forecasts prepared, we believe that there are no material uncertainties that call into doubt the charity and the group's ability to continue. The accounts have therefore been prepared on the basis that the charity and the group is a going concern.

Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Pension costs

The charity operates a defined contribution group personal pension scheme for the benefit of any employees wishing to join. The contributions payable under the scheme are charged in the income & expenditure account, and the assets are managed by an independent organisation.

Financial Instruments

ASC Ltd has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors. Investments in subsidiary undertakings are held at cost less impairment.

2. VOLUNTARY INCOME

	Unrestricted Funds €000	Restricted Funds €000	Total Funds 2021 €000	Total Funds 2020 €000
Grants receivable				
Tapas		-	-	35
Silicon Valley		26	26	40
Multiplier		94	94	14
ISEAL		118	118	21
Walton Foundation		17	17	53
Corporate donations		-	-	2
		255	255	165

All the voluntary income in the current and prior year was restricted income.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

3. OTHER TRADING ACTIVITIES

	Unrestricted Funds €000	Total Funds 2021 €000
Trading Income	12,052	12,052
ASC Standards Auditor training	52	52
	<u>12,104</u>	<u>12,104</u>
UK	724	724
Outside Europe	2,400	2,400
Europe	8,928	8,928
	<u>12,052</u>	<u>12,052</u>

PRIOR YEAR

	Unrestricted Funds €000	Total Funds 2020 €000
Trading Income	10,580	10,580
ASC Standards Auditor training	-	-
	<u>10,580</u>	<u>10,580</u>
UK	372	372
Outside Europe	1,964	1,964
Europe	8,244	8,244
	<u>10,580</u>	<u>10,580</u>

4. RAISING FUNDS: TRADING ACTIVITIES

	Unrestricted Funds €000	Total Funds 2021 €000
Direct Costs – Cost of Goods Sold	290	290
Other Direct Costs - Administration	643	643
Other Direct Costs – FX loss / (gain)	(51)	(51)
	<u>882</u>	<u>882</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****4. RAISING FUNDS: TRADING ACTIVITIES (CONTINUED)****PRIOR YEAR**

	Unrestricted Funds €000	Total Funds 2020 €000
Direct Costs – Cost of Goods Sold	977	977
Other Direct Costs - Administration	268	268
Other Direct Costs – FX loss / (gain)	110	110
	<u>1,355</u>	<u>1,355</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds €000	Restricted Funds €000	Total Funds 2021 €000
Policy and maintenance of standards	3,499	121	3,620
Education and awareness	555	19	574
Servicing and outreach to farms and commercial sector	3,333	115	3,448
	<u>7,387</u>	<u>255</u>	<u>7,642</u>

PRIOR YEAR

	Unrestricted Funds €000	Restricted Funds €000	Total Funds 2020 €000
Policy and maintenance of standards	3,222	75	3,297
Education and awareness	519	12	531
Servicing and outreach to farms and commercial sector	3,540	79	3,619
	<u>7,281</u>	<u>166</u>	<u>7,447</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Direct Costs	Grants Paid	Support Costs (Note 7)	Total Funds 2021
	€000	€000	€000	€000
Policy and maintenance of standards	1,046	-	32	1,078
Education and awareness	1,053	-	17	1,070
Servicing and outreach to fisheries and commercial sector	5,212	-	282	5,494
	7,311	-	331	7,642

PRIOR YEAR

	Direct Costs	Grants Paid	Support Costs (Note 7)	Total Funds 2020
	€000	€000	€000	€000
Policy and maintenance of standards	976	2,620	54	3,650
Education and awareness	450	-	29	479
Servicing and outreach to fisheries and commercial sector	2,706	-	612	3,318
	4,132	2,620	695	7,447

Included in Grants Paid is an amount of €nil paid to Stichting Aquaculture Council Foundation (2020: €2,620k).

7. ANALYSIS OF SUPPORT COSTS

	Total 2021 €000	Total 2020 €000
Communication and IT	103	96
Finance costs	57	16
Foreign exchange (gains)/loss	(167)	130
Other office costs	52	42
Professional fees	286	412
	331	695

Support costs have been allocated to activities based on the estimated usage of services. Included in the above are governance costs amounting to €15.6k (2020: €60.6k).

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****8. NET INCOME / (EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	2021	2020
	€000	€000
Staff Pension Contributions	217	97
Auditor's remuneration – other auditors	21	-
Non audit services	26	4
Auditor's remuneration – Haysmacintyre LLP	25	20
Depreciation & Amortisation	109	57
	398	178

9. EXPENSES OF THE MEMBERS OF THE COMMITTEE OF TRUSTEES

The charity has met travel and subsistence expenses incurred by 9 members for international Board meetings as Committee of Trustees on Charity's business totalling €nil (2020: 6 Trustees, €22k)

No members of the Committee of Trustees received any remuneration during the period, nor had any interest in any transaction or contract entered into by the charity during the period.

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Year to 31 Dec 21	Year to 31 Dec 20
	€000	€000
Wages and salaries	3,670	1,894
Social security costs	522	234
UK pension costs	217	97
Other costs and healthcare	235	64
	4,644	2,289

Termination of employee:

During the year termination payments of €nil (2020: €nil) were made in respect of payments made in lieu of notice.

Particulars of employees:

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

	Year to 31 Dec 21	Year to 31 Dec 20
	No	No
Direct Charitable	3	1
Communication & publicity	30	16
Administration	12	6
Integrity	23	10
	68	33

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****10. STAFF COSTS AND EMOLUMENTS (CONTINUED)+**

The number of employees whose gross salary for the year exceeded € 70k (approximately equivalent to £60,000 as required by the Charities SORP) are as follows:

	Year to 31 Dec 2021	Year to 31 Dec 2020
	No	No
€280,001 - €290,000	1	-
€260,001 - €270,000	-	1
€170,001 - €180,000	1	-
€130,001 - €140,000	1	-
€100,001 - €110,000	1	-
€90,001 - €100,000	3	1
€80,001 - €90,000	9	3
€70,001 - €80,000	3	6
	19	11

Key management remuneration was €840k (2020: € 280k). ASC paid pension contributions and other benefits of €280k (2020: €21k).

11. FIXED ASSETS – TANGIBLE AND INTANGIBLE ASSETS

GROUP	Office Equipment €000	Computer Software €000	Group 2021 €000
Cost			
At 1 January 2021	62	293	355
Additions	21	149	170
Disposals	(4)	-	(4)
At December 2021	79	442	521
Depreciation			
At 1 January 2021	31	90	121
Charge for the year	23	86	109
Disposals	-	-	-
At December 2021	54	176	230
Net book value	25	266	291
At December 2021			
At December 2020	31	203	234

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021**

CHARITY	Office Equipment €000	Computer Software €000	Charity 2021 €000
Cost			
At 1 January 2021	48	19	67
Additions	11	-	11
Disposals	(3)	-	(3)
At December 2021	<u>56</u>	<u>19</u>	<u>75</u>
Depreciation			
At 1 January 2021	24	8	32
Charge for the year	13	3	16
Disposal	-	-	-
At December 2021	<u>37</u>	<u>11</u>	<u>48</u>
Net book value			
At December 2021	<u>19</u>	<u>8</u>	<u>27</u>
At December 2020	<u>24</u>	<u>11</u>	<u>35</u>

12. INVESTMENTS

The investment of the charity consists of all of the share capital of ASCI Ltd, a company registered in England and Wales (07788176), 127 Old Gloucester Street, London WC1N 3AX.

For the year ended 31 December 2021, ASCI Ltd had turnover of € 12,051k (2020: €10,583k) and made an operating profit of €9,012kk (2020: €9,227k).

	2021 € 000	2020 € 000
Income	<u>(12,051)</u>	<u>(10,583)</u>
Expenditure	<u>3,039</u>	<u>1,355</u>
Net incoming (outgoing) resources	<u>(9,012)</u>	<u>(9,227)</u>
Gift Aid to UK Charity	9,012	9,227
Funds at 1 January 2021	<u>-</u>	<u>-</u>
Funds at 31 December 2021	<u>9,012</u>	<u>-</u>
Intangible fixed assets	249	192
Tangible fixed assets	4	6
Current assets	9,524	7,153
Current liabilities	<u>(9,777)</u>	<u>(7,351)</u>
Net current liabilities	<u>(253)</u>	<u>(198)</u>
Total Assets less total liabilities	<u>-</u>	<u>-</u>
Represented by:		
Share Capital	-	-
Retained Earnings	<u>-</u>	<u>-</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****13. FINANCIAL INSTRUMENTS**

At the balance sheet date, the group held financial assets at amortised cost of €14,530k (2020: €11,018k) and Financial liabilities at amortised cost of €2,011k (2020: €2,629k).

14. DEBTORS

	2021		2020	
	Group	Charity	Group	Charity
	€000	€000	€000	€000
Trade debtors	210	-	220	5
Other debtors	442	142	96	113
Prepayments & accrued income	4,933	223	4,454	72
Amount due from subsidiary	-	8,829	-	5,143
	5,585	9,194	4,770	5,333

15. CREDITORS: Amounts falling due within one year

	2021		2020	
	Group	Charity	Group	Charity
	€000	€000	€000	€000
Trade creditors	1,013	302	1,338	134
Other creditors	206	133	6	6
Taxation and social security	-	13	-	-
Amount due to subsidiary	-	21	-	375
Accruals & deferred income	792	605	1,285	336
	2,011	1,074	2,629	851

	2021	
	Group	Charity
	€	€
	000	000
Movement on deferred income		
Deferred income at 1 January	137	137
Released to income in year	(137)	(137)
Income deferred in year	(456)	(456)
Deferred income at 31 December	(456)	(456)

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

16. RESTRICTED INCOME FUNDS

	Balance at 1 January 2021 €000	Income €000	Expenditure €000	Balance at 31 December 2021 €000
Silicon Valley – Fish Welfare Collaboration	-	26	(26)	-
Sainsbury – Trustee support	7	-	-	7
Multiplier – Project Mgr, Collaboration	-	94	(94)	-
ISEAL – Project Preparation Grant	-	118	(118)	-
Walton Foundation	-	17	(17)	-
	<u>7</u>	<u>255</u>	<u>(255)</u>	<u>7</u>

PRIOR YEAR	At 1 January 2020 €000	Income €000	Expenditure €000	At 31 December 2020 €000
Tapas – Tools for Assessment & Planning	-	35	(35)	-
Silicon Valley – Fish Welfare Collaboration	-	40	(40)	-
Sainsbury – Trustee support	10	-	(3)	7
Multiplier – Project Mgr, Collaboration	-	14	(14)	-
ISEAL – Project Preparation Grant	-	21	(21)	-
Walton Foundation	-	53	(53)	-
	<u>10</u>	<u>163</u>	<u>(166)</u>	<u>7</u>

New Venture - Certification & Ratings Collaboration (Multiplier): The objective is to implement a seafood certification & ratings program in an effort to increase efficiency, address various challenges, and help more fisheries & farms take steps toward environmental sustainability & economic viability. Presently there is confusion with multiple programs using different standards, systems & processes. This project sets out to ensure certification & ratings work together to provide a more complimentary, coordinated tools incentives, and strategies for measuring and improving fishery and aquaculture performance around the world.

TAPAS - Tools for Assessment & Planning of Aquaculture Sustainability: Project funded by TAPAS (EU) to establish a coherent & efficient regulatory framework aimed at sustainable growth in aquaculture. TAPAS along with other partners form the industry will propose new flexible approaches to open methods of coordination working to unified common standards. TAPAS will evaluate existing tools for economic assessment and will improve for better monitoring & forecasting. The project is for 48 months, with a planned Aquaculture Sustainability Toolbox at its completion.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

16. RESTRICTED INCOME FUNDS (CONTINUED)

Silicon Valley -Fish Welfare Collaboration: The aim of this work will be to see if the ASC can make available to producers' guidance on fish welfare issues that is consistent with the ASC's more general environmental and social based approach to promotion of responsible aquaculture. It is hoped that this work will lead to the production of a module encapsulating recommended quantifiable best practice to promote fish welfare across different aquaculture production systems. Work has also continued on other possible new services that might be offered such as a food safety module.

Sainsbury –Trustee support: An ASC Board member who attends international meetings is supported with funds from Sainsbury to cover the costs of travel.

ISEAL –Project preparation grant: ASC and partners will discuss both internally and together how they will translate ideas into a potentially deliverable project aimed at improving the integration of certification and ratings scheme approaches at different scales to improve interoperability and the scaling of their collective impacts. Based on these consultations the team will develop the detail required for a full proposal.

Walton Foundation– Aquaculture Improvement Project (AIP) : ASC and partners will collaborate in a project to provide guidelines for Indonesian shrimp farms. The purpose is implement pilot projects and trainings on the guidelines, and promote certification of sustainable shrimp farms. ASC has appointed a manger resident in Indonesia late in 2021 to help with this project. This appointment is expected provide improved contacts with stakeholders and will be able to promote the project locally and undertake work to help deliver project outputs.

17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jan 21 € 000	Income € 000	Expenditure € 000	Transferred on merger € 000	Balance at 31 Dec 21 € 000
Group - General Funds	8,616	12,104	(8,269)	352	12,803
Charity - General Funds	8,616	11,168	(7,387)	352	12,749

PRIOR YEAR

	Balance at 1 Jan 20 €000	Income €000	Expenditure €000	Transfer and merger €000	Balance at 31 Dec 20 €000
Group - General Funds	6,663	10,589	(8,636)	-	8,616
Charity - General Funds	6,663	9,234	(7,281)	-	8,616

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 31 Dec 21 €000	Restricted Funds 31 Dec 21 €000	Total 31 Dec 21 €000
Tangible fixed assets	291	-	291
Cash at bank and in hand	8,690	255	8,945
Other net current assets/(liabilities)	3,822	(248)	3,574
Total	12,803	7	12,810

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

PRIOR YEAR	Unrestricted Funds 31 Dec 20 €000	Restricted Funds 31 Dec 20 €000	Total 31 Dec 20 €000
Tangible fixed assets	234	-	234
Cash at bank and in hand	5,796	452	6,248
Other net current assets/(liabilities)	2,586	(445)	2,141
Total	<u>8,616</u>	<u>7</u>	<u>8,623</u>

19. ACQUISITION OF STICHTING AQUACULTURE COUNCIL FOUNDATION AND ASCI NV BV

On 1 January 2021, Aquaculture Stewardship Council gained control over Stichting Aquaculture Council Foundation and ASCI Netherlands BV. On this basis, these entities are consolidated into the group accounts from this date. The Statement of Financial Activities reflects the net assets consolidated into the group accounts at the point of acquisition and are summarised as follows:

	€000
Current assets	1,268
Creditors	<u>(916)</u>
Total net assets transferred	<u>352</u>

20. INDIVIDUAL FINANCIAL STATEMENTS

The financial statements of Stichting Aquaculture Council Foundation and ASCI NL BV summarised below have been included in the group consolidated financial statements at 31 December 2021:

	ASCI NL BV €000	Stichting Aquaculture Council Foundation €000
Profit and loss/Statement of income and expenditure		
Income	(2,414)	(2,856)
Expenses	<u>2,414</u>	<u>2,831</u>
Net profit before tax	-	(25)
Taxation	<u>-</u>	<u>-</u>
Net profit after tax	-	(25)

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****20. INDIVIDUAL FINANCIAL STATEMENTS (CONTINUED)**

	ASCI NL BV	Stichting Aquaculture Council Foundation
Balance Sheet	€000	€000
Tangible fixed assets	20	58
Receivables	183	-
Cash and cash equivalent	57	846
Total assets	260	904
Current liabilities	(202)	(526)
Net assets	58	378
Reserves	58	378

21. RELATED PARTY TRANSACTIONS

During the period ASC UK charity charged service fee of €408k (2020: €nil) to Stichting Aquaculture Stewardship Council Foundation (ASC – Netherlands). The balance outstanding at the financial period end is nil (2020: €nil).

Stichting Aquaculture Stewardship Council Foundation (ASC – Netherlands) during the period charged for the use of the logo ASC UK fee of €779k (2020: €nil). The balance outstanding at the financial period end is nil (2020: €nil).

The amount outstanding and due to ASC UK charity at the balance sheet by Stichting Aquaculture Stewardship Council Foundation (ASC – Netherlands) was €19k (2020: €nil). The balance is in relation to expenditure for grants related cost.

The Chief Executive, Christopher Ninnis, and his wife jointly control a company, Tyakmor Limited. During the year, fees for consultancy services & business expenses, this includes senior management and trustee meetings amounting to €nil (2020: €89k) charged to ASC and €nil (2020: €104k) to ASCI Ltd. During 2021 the transactions with Tyakmor Limited have stopped.

None of the trustees receive remuneration from their work with the charity. Any business connections between a trustee or senior manager of the charity, or contractor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, ASCI Ltd was established to operate the commercial trading of the ASC logo. ASCI Ltd has an agreement from the charity to operate those activities and gift aids the majority of its profits to the charity (see note 12 to the accounts).

There were no other related party transactions in the current or previous year.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****22. OPERATING LEASE COMMITMENTS**

The entity had outstanding commitments for future minimum lease payments under non-cancelling operating leases as at year end €3k (2020; €3k)

23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds €000	Restricted Funds €000	Total Funds Year to 31-Dec-20 €000
	Note			
INCOME FROM:				
Grants and donations	2	2	163	165
Other trading activities	3	10,580	-	10,580
Investments		7	-	7
TOTAL		<u>10,589</u>	<u>163</u>	<u>10,752</u>
EXPENDITURE ON:				
Raising funds:				
Trading activities	4	(1,355)	-	(1,355)
Charitable activities	5/6	(7,281)	(166)	(7,447)
TOTAL		<u>(8,636)</u>	<u>(166)</u>	<u>(8,802)</u>
NET INCOME		1,953	(3)	1,950
RECONCILIATION OF FUNDS				
Total funds brought forward		6,663	10	6,673
TOTAL FUNDS CARRIED FORWARD	16/17	<u>8,616</u>	<u>7</u>	<u>8,623</u>