

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

(A company limited by guarantee)

GROUP FINANCIAL STATEMENTS

31 DECEMBER 2023

COMPANY REGISTRATION NUMBER 08172832

Charity Number 1150418

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

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AQUACULTURE STEWARDSHIP COUNCIL LIMITED**TRUSTEES ANNUAL REPORT****YEAR ENDED 31 DECEMBER 2023**

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 2023 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). The Aquaculture Stewardship Council Limited registered and principal office is 27 Old Gloucester Street, London, WC1N 3AX.

The Trustees

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

Name	Position held	Date appointed	Date resigned
M C Thalwitz	Chair of Board	14 March 2022	
B Naz Malik	Chair of Audit & Risk Committee	1 April 2022	
R D Holland	Chair of Nominations Committee	31 August 2021	
M S Macleod	Vice Chair of Board and member of Nominations Committee	1 January 2020	
J R Villalon	Member of Audit & Risk Committee	17 May 2018	1 June 2024
S E Ryan	Member of Audit & Risk Committee	14 March 2022	
R P Subasinghe	Member of Nominations Committee	1 April 2022	
K Dax Veriga	Chair of Strategy & Policy Committee	1 April 2022	
D Klinger	Member of Strategy and Policy Committee	1 September 2023	10 April 2024
	Please see page 11 for explanation	1 June 2024	
A Brennan	Member of Audit & Risk Committee	1 June 2024	

External Committee Member

J Ho	Member of Audit & Risk Committee	26 April 2023
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Executive Committee

Chief Executive Officer	C Ninnes
Company Secretary and Senior Director Central Services	R Ryan
Senior Director Markets and Communications	W de Bruijn
Senior Director Technical Operations	A Dingwall
Senior Director Finance	H Edwards

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
Internal Auditors	Bishop Fleming LLP	Stratus House, Emperor Way, Exeter, EX1 3QS

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FORWARD BY THE CHAIR

In 2023, ASC continued to work towards its goal of driving transformational change in the aquaculture sector, with constant improvement, innovation, collaborative working and growth.

The positive impact of our work is critical as more than half of the fish consumed globally now comes from aquaculture, which is widely recognised as having the potential to help alleviate the world's most pressing problem of food insecurity. The aquaculture industry must continue its journey towards environmental sustainability and social responsibility to be a long-term benefit to the planet and its people, and this is where the work of ASC and our partners is key.

Aquaculture is the fastest growing food production system in the world and change is constant. The ASC team has also continued to innovate in 2023 with a number of important improvements. The new ASC Feed Standard tackles one of the biggest drivers of environmental and social impacts of aquaculture – the manufacturing of feed and its raw materials. The new standard is the first to take into consideration the impacts created across all key ingredient groups and across the entire ingredient supply chain. The industry is embracing the challenge of meeting the standard, recognising the need for improvement and the benefits of certification.

Innovation is also strengthening our supply chain assurance with pilot projects for Key Data Elements and Trace Element Fingerprinting running in Vietnam.

The new Chain of Custody (CoC) Module also became effective and mandatory in 2023 with new requirements providing additional assurance against unacceptable practices and unethical behaviour to the existing CoC certification to further strengthen the value and assurance of the ASC label. That assurance is recognised externally as ASC received the highest score amongst seafood farming certification schemes in the Human Rights at Sea report.

We recognise that many seafood farmers need help to improve their farming methods to meet the robust requirements of ASC Standards and that is why we set up ASC's Improver Programme which supports farms that are committed to improving their farming practices through an Aquaculture Improvement Project and are not yet ready or eligible for ASC certification. The Improver Programme gives farms a well-supported, staged approach to adopt practices that will make improvements. Those improvements may ultimately bring farms up to a level where they are able to attain ASC certification, but they can also be used by farms that don't link to a market asking for certification. For such farms, certification may not be a desired outcome. However, they can use the programme to make meaningful and measurable improvements, guided by the performance framework as provided through the ASC Standards. These improvement projects rely upon partnership working with NGOs, processors, and of course our funders.

I am delighted that in 2023 the first farm to achieve ASC certification through the ASC Improver Programme was PT. Koyo Segoro Endah (KSE) in Indonesia. Farm Manager Rudyanto said, "Our ASC certification means that we now have a place in the global marketplace and are meeting the demand for responsibly farmed shrimp — a milestone we couldn't have reached without ASC's Improver Programme." ASC must continue to grow the Improver Programme and support farms such as KSE who provide income, employment and food security and work with partners and funders to achieve these goals.

On behalf of the Board and trustees, I would like to thank the team at ASC for their continued professionalism, hard work and dedication to our mission and vision. It is thanks to them that ASC's work continues to ensure we are *Setting The Standard for Seafood*.

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MESSAGE FROM THE CEO

2023 marked the first year in delivering the new 2023 – 2028 strategy and we have built on the spirit of collaboration across scientists, academics, NGOs, and members of the aquaculture industry which led to the establishment of ASC in 2010. Recognising that we can increase our impact by working collectively, exciting new collaborations and partnerships were formed in 2023.

In April, we signed a Memorandum of Understanding (MoU) with our longstanding partners at the Sustainable Fisheries Partnership, formalising our common goal of increasing the sustainability of aquaculture production and practices around the globe. By working together on scaling our efforts in the aquaculture improvement space we aim to leverage our shared work with farmers, feed suppliers and other stakeholders.

In September, we joined forces with eFishery, an Indonesian aquaculture technology company, to enhance understanding of the ASC standards within the Indonesian shrimp industry. Small scale shrimp farmers will be supported to achieve ASC certification by eFishery, offering the opportunity for these farmers to access international markets while committing to responsible farming practices.

In October, I had the pleasure of delivering the keynote speech at the Tokyo Sustainable Seafood Summit, where I introduced the 'Global Sustainable Aquaculture Roadmap', a groundbreaking initiative that offers a clear path forward for the aquaculture industry. The roadmap was developed in collaboration with the World Economic Forum's Blue Food Partnership and members of the Sustainable Aquaculture Working Group.

With the support of our partners, we delivered a successful series of ASC Summit visits in 2023 to Ecuador, Turkey and Vietnam. The Summits offer an educational experience to seafood buyers that no other organisation is providing at this level for responsibly farmed seafood. We connect major retailers directly to the farmers whose seafood reaches the plates of consumers, and that is key to increasing positive impacts around environmental sustainability and social responsibility in aquaculture. Communicating the value behind ASC's label is critical to ensuring responsibly farmed seafood comes with strong assurance, verification, and traceability from farm to store shelf.

We are continually looking at how we can add value to our customers and our value proposition was strengthened with the 2023 launch of ASC's Feed Standard, which covers all ingredients used in the manufacture of feed and aims to improve knowledge about the provenance and traceability of these ingredients from source to mill.

There has been a huge amount of work in 2023 to develop the new Farm Standard which is scheduled for release in 2025. It will combine the content of all our species-based standards, removing duplication when possible but retaining specific content when needed. This will drive efficiencies through improved consistency of content and through the streamlining of processes.

As much as we need our partners to achieve the vision and mission of ASC, this is underpinned by the support of our employees, contractors, and our volunteer trustee board. Our staff are highly motivated for the cause as confirmed by the recent staff survey which reported that 94% responded they feel proud to work for ASC, as indeed as I am proud of the work our partners, employees, contractors and volunteer trustees deliver.

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VISION AND MISSION

Today, 33% of wild fish stocks have reached their biological limit, therefore seafood from wild catch will not be able to feed the world's growing population. That is why more than half of the fish eaten around the world now originates from seafood farming, and the share is predicted to increase.

The rapid growth of aquaculture has led to badly managed fish farms, water pollution, damage to local environments and poor working conditions. A lot is at stake, given that seafood provides livelihoods and an affordable animal protein for billions of people, especially in developing countries.

That's why it is more important than ever that seafood farming is done responsibly, with care for people and the planet.

Our Vision is a world where aquaculture plays a major role in supplying food and social benefits for humanity whilst minimising negative impacts on the environment.

Our Mission is to transform seafood farming towards environmental sustainability and social responsibility using market mechanisms, improvement incentives and value add services from farm to fork.

Our work promotes industry best practice to minimise the environmental and social footprint of commercial aquaculture. Through the consumer label it makes available to certified producers and companies, ASC promotes responsibly farmed products in the marketplace. It acts, therefore, to influence both the supply and the demand for responsibly produced seafood. The positive impact delivered through the ASC programme is demonstrated by the growth in certified farm production and in our market presence resulting in a demonstrable reduction in the social and environmental impacts of seafood farming.

Our aim is to continue *Setting The Standard for Seafood*.

STRATEGIC REPORT

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).

ACHIEVEMENTS AND PERFORMANCE IN 2023

In 2023, ASC's certification and labelling programme continued to grow. Farm certification expanded and the uptake and use of the ASC logo on certified products in key markets showed strong growth. As a result, 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 faces serious challenges due to economic pressures and regional conflicts.

The 2023 – 2028 strategy was approved by the Board in December 2022. During 2023, ASC developed and expanded the detailed strategic objectives, operational KPIs and workplans underpinning the strategy using the logical framework. ASC has four key objectives:

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1. **Drive thought leadership** – drive ASC position as primary thought leader in responsible aquaculture,
2. **Standards and programme assurance** – where ASC certification, improver programmes and value-added services deliver increased customer and consumer value,
3. **Servicing and outreach to farms and commercial sector** – increase value and adoption of ASC amongst other audiences in prioritised markets and production countries, and
4. **Support Services** – right people with the right tools enabling the delivery of organisational objectives and ensure long-term organisational resilience.

1. Drive Thought Leadership

We will drive ASC's position as primary thought leader in responsible aquaculture to increase adoption of the programme and to drive impact. This is about not just having the vision and the knowledge, but sharing that vision and knowledge, connecting with others to further build and make a lasting impact. To achieve this position, we will actively build our knowledge, develop transformational relationships, and communicate through appropriate channels, measuring our input and output indicators.

Attending and having a speaking role at key industry events around the globe is one way we will position ourselves as thought leaders. During 2023, ASC spoke at 34 events, a 13% increase on 2022.

Event highlights in 2023 included CEO Chris Ninnes delivering the keynote address at the Tokyo Sustainable Seafood Summit and ASC Director of Market Research & Insights, Bertrand Charron, speaking at the United Nations 8th Annual Multi-Stakeholder Forum on Science, Technology and Innovation (STI) which was held in the UN Headquarters in New York, USA. Speaking as a stakeholder on behalf of ASC and Certification and Ratings Collaboration (CRC), we highlighted the importance of responsible aquaculture in achieving the UN Sustainable Development Goals (SDGs), particularly in finding integrated solutions to make progress across SDG 6 (Clean water and sanitation), 7 (Affordable and clean energy) and 9 (Industry, Innovation, and Infrastructure).

We shared that ASC is committed to collaborating with academia by exploiting our first-of-its-kind methodology for a quantitative SDG performance study at the 169-target level. Our report looks at how responsible aquaculture can contribute to the UN's 17 Sustainable Development Goals (SDGs) and the 169 targets within. Our findings show that globally, ASC addresses targets within all 17 SDGs, and more than 80% of these are considered to be 'well' or 'very well' addressed. [A copy of the report can be accessed here.](#)

In 2023, for the third year in a row, ASC was proud to co-sponsor the Sustainability Seminar at the North Atlantic Seafood Forum (NASF), together with the Marine Stewardship Council (MSC) and Global Seafood Alliance (GSA). The theme was Seafood Sustainability in Uncertain Times.

We have continued to build and develop transformational relationships over 2023, cementing our partnership with SFP and continuing to engage with and promote the [Certification and Ratings Collaboration](#). We are also a global member and sponsor of the [Conservation Alliance for Seafood Solutions](#).

We can also measure our thought leadership by our performance in the media and on social media. A total of 25 press releases were issued in 2023 covering key topics such as the launch of the ASC Feed Standard, consultation of the ASC Farm Standard, developments in the ASC Improver Programme, and pioneering projects in increasing integrity and traceability throughout the supply chain through the Key Date Elements and Trace Element Fingerprinting. In 2023, ASC had a total of 5,670 media mentions, which was 27% higher compared to 2022 (4,470 mentions), showing the growth of volume and presence of the brand within the media space.

Media presence in terms of mention was strongest in the United States (74.3%), followed by South Korea (5.4%), then United Kingdom (4.7%) and Japan (3.3%). In terms of sentiment, total positive mentions were higher in 2023 compared to 2022 by 5.5%. ASC made investments in social media activity throughout 2023 which resulted in significant uptick on all measures of our impact.

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It is important that we listen, and in 2024 we will conduct a survey of our stakeholders to act as the base line for measuring how our stakeholders rate ASC as a thought leader in responsible aquaculture.

Linked to the thought leadership is the need to demonstrate our impacts in and beyond certification. During 2023 ASC released its second Annual Impact report, '*Setting The Standard for Seafood*' which celebrates not only the growing recognition of the need for responsible aquaculture around the world, but also clearly demonstrates our impact and reaffirms our commitment towards continued progress. [A copy of the report can be accessed here.](#)

2. Standards and programme assurance

The ASC certification and improver programmes and value-added services deliver increased customer and consumer value. We do this through:

- increasing the relevance and accessibility of our robust standards
- strengthening end-to-end supply chain assurance, and
- decreasing programme costs, complexity and timings.

Increasing the relevance and accessibility of our robust standards

ASC is the only aquaculture certification scheme to be [ISEAL code compliant](#). ISEAL is a global membership association for credible sustainability standards whose members meet internationally accepted best practices.

From January 2023, feed mills have been able to apply for certification to ASC's Feed Standard which covers legal, social, and environmental requirements for both the feed mill's own operations and for suppliers of ingredients used in their feed mill. More than 70% of aquaculture production (excluding algae) is dependent on feed, and it drives major environmental and social impacts of aquaculture. Uptake of the Standard has been good and certified mills can be found on our website on our [Find a Feed Mill webpage](#).

The ASC Farm Standard, which is scheduled for release in 2025 will cover all impact areas in one rigorous standard. This alignment of 11 standards creates consistency across species, responds more quickly to developments in production, science, or market demand. The core pillars of environmental, social, and legal compliance remain the basis of the ASC programme. Public consultation on the Standard has recently completed and feedback will be taken into account before the final Standard is released. We will also survey newly-certified farm and feed producers in relation to the relevance and accessibility of the standards.

It is recognised that aquaculture can be a solution to climate change as most seafood has a lower carbon footprint than beef or pork. Like any activity, aquaculture is a contributor to climate change through the emissions from production and change of land use. Measuring, reporting, and managing greenhouse gas (GHG) emissions is included as a criterion in both the ASC Feed Standard and the ASC Farm Standard. ASC has developed online calculators to assist in the calculation of GHG emissions. This is a space that is constantly evolving and during this past year there have been developments in International Standard Organisation, Global Reporting Initiative, Science Based Targets Initiatives, Global Salmon Initiative, and many others. The development of the draft product category rules for Product Environmental Footprint (PEF) in Europe may require alignment in some form with our current methods.

Strengthening end-to-end supply chain assurance

We are strengthening end-to-end supply chain assurance through development of a number of mechanisms, including Key Data Elements (KDE) and Trace Element Finger printing (TEF).

KDE is a project that uses software to offer enhanced digital traceability by collecting key data elements across the supply chain. As product is moved, the data is transferred across the supply chain, from one company to the next, using a unique code. This is currently being piloted in Vietnam and India with a focus on shrimp. Roll out to more shrimp producing countries is being planned and will commence in 2025.

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Research has shown that TEF offers significant potential to identify and verify the geographic origin of shrimp products. The technique involves analysing reference samples from ASC farms to develop a model based upon differences between the inter-association patterns of trace elements. The trace element profile of a test sample from an export market or retail product can be examined against the reference model to determine geographic origin. [In October 2023, ASC published promising results from the pilot project in Vietnam.](#)

Decreasing programme costs, complexity and timings

We are constantly seeking ways of decreasing the costs, complexity and the timings for producers and retailers. Whilst initiatives such as KDE and TEF will help, further initiatives are being developed using our Risk and Impact Framework.. This framework was scoped during 2023 and will be developed during 2024.

3. Servicing and outreach to farms and commercial sector

We will increase perceived value and adoption of ASC amongst key audiences in prioritised markets and production countries. To achieve this objective, we will:

- increase ASC value through strengthened brand,
- enhance programme and market access, and
- increase ASC value through audience tailored services.

Increase ASC value through strengthened brand

As ASC continues to grow and transitions from a small to medium-sized organisation, we must ensure that ongoing growth and therefore impact remain consistent with our charitable objectives and our mission, which demands delivery through market-led initiatives. This requires a strong focus on consumer marketing to pull demand through the supply chain from producers, through customers, then via retailers to consumers.

Supported by consumer and market research in numerous countries globally, we are in the process of repositioning ASC and creating more value by building a clear and consistent brand. From the 'reasons to believe', through to our brand benefits, we have identified our brand personality, our identity (visual and voice) and arrived at our brand promise: Caring for the future of people and planet, we are **Setting The Standard for Seafood**.

Enhance programme and market access

In most markets, retailers and brands are the main vehicles for delivering ASC labelled seafood. The ASC Producer Support Team visited shrimp, salmon and other farms around the world to support producers to understand the value proposition of ASC certification (market demand for ASC products) and how to apply the ASC farm and processing requirements.

To better explain the demand of ASC to producers in critical seafood markets, ASC Summits have been held over the last four years. The first European Summit was held in 2023 linking key retailers to Turkish seabass and seabream producers. This gave ASC certified seabass and seabream producers the opportunity to showcase their responsible farming practises to retail companies from US, Spain, Portugal, and the UK key markets with a demand for these Mediterranean species.

For the second year, the ASC and Sustainable Shrimp Partnership (SSP) joined forces to host a successful ASC Shrimp Summit in Ecuador. Retailers had the opportunity to witness responsible aquaculture in practice and speak with people directly involved in these operations.

In November, seafood buyers from around the globe embarked on a five-day commercial visit to Vietnam, one of the leading aquaculture producing countries in the world. The interactive ASC summit activities included tours of certified seafood farmed, processing facilities and feed mills which all contribute to the responsible care and supply of ASC certified and labelled seafood to markets across the globe.

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Increase ASC value through audience tailored services

ASC recognises that many seafood farmers need to improve their farming methods to meet the requirements of the ASC Standards. Following successful pilots in different countries, ASC launched its [Improver Programme](#) framework at the Global Shrimp Forum. To help bridge any gaps, work has continued in the development of the procedures and tools to ensure that improvements are consistently and effectively implemented by producers in the form of an Aquaculture Improvement Projects (AIPs).

The Aquaculture Improver Programme provides:

- A precompetitive framework for AIPs through measuring performance and progress of aquaculture producers in a transparent and credible way.
- Timebound objectives and independent verification of AIP progress to create a level playing field for the industry to engage with their supply chain and improve the environmental sustainability and social responsibility performance of aquaculture producers.

Work continues to develop technical tools and support networks to help producers make improvements to their aquaculture production at scale. This also includes fostering engagement and enabling local governments and initiatives to deliver efficient approaches for improvement. ASC will secure charitable donations to expand this work in line with the 2023 – 2028 strategic plan objectives.

An Indonesian shrimp farm became the first farm to achieve ASC certification through the ASC Improver programme in November 2023. The aim is to have 10 AIP in progress by end of 2024, and at the end of 2023, we had eight projects in progress.

4. Support Services

Our People

Our people are crucial to the ongoing success of ASC. We continue to invest in staff development based around a shared culture as we expand as an organisation. The outcomes from the 2021 staff survey were used in conjunction with staff focus groups to establish a shared set of organisational values and behaviours aimed at supporting the delivery of ASC as an 'Empowered Collaborative' workplace. We achieve this by being caring, open, informed, and creative. During 2023, we benchmarked our salaries to ensure that we pay fairly across different countries. Early in 2024, we conducted our next staff survey and are delighted to report that 90 % of our staff feel engaged with ASC.

The average UK staff turnover (Office National Statistics) is c.14% and c18% for non-profits. At ASC, the turnover in 2023 was 11%.

Professionalising our systems

We launched Monday.com across ASC as a means of workflow and project management and bringing transparency of activities across the organisation. We also developed our project management framework and governance structure. The CRM functionality in Monday.com was applied to the public consultation as a proof of concept.

A GDPR review was conducted by ASC Data Protection advisor, NormCyber. This was followed up with all staff training. Microsoft carried out an IT security review through our IT partner Morcan. All staff must complete online IT security training.

During 2023, a gap analysis of key policies was undertaken and there is a roadmap to update and maintain key policies along with a plan to engage and educate our employees.

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FURTHER DEVELOPMENT - PROGRAMME GROWTH

Looking forward to 2024, we intend to measure our KPIs against the key objectives as follows:

Objective	Measure of success
Drive thought leadership – drive ASC position as primary thought leader in responsible aquaculture.	5% growth in positive media mentions and an increase in the number of events we attend and speak at
Standards and programme assurance – where ASC certification, improve programmes and value-added services deliver increased customer and consumer value.	10% growth in certified farms
Servicing and outreach to farms and commercial sector – increase value and adoption of ASC amongst other audiences in prioritised markets and production countries.	Consumer trust in ASC higher than competitors 10 AIP in progress
Support Services – right people with the right tools enabling the delivery of organisational objectives and ensure long-term organisational resilience	Overall employee satisfaction with their job >75%

This work has cemented the foundations we will continue to build upon, working with existing and new partners and charity funders so we can continue *Setting The Standard for Seafood*.

FINANCIAL REVIEW

Financial summary

ASC achieved solid growth in income despite the challenging external economic circumstances and the cost-of-living crisis. ASC generated consolidated income of €15.6m, up 3% on 2022 (€15.2m). The growth in income can be attributed to the continuing market demand for certified seafood.

The strength in our growth coupled with the resilience in our reserves meant that we made strategic investments in key areas such as brand and marketing communications, farm and feed certification frameworks and digital innovations.

Expenditure in 2023 ended the year at €15.8m, up €1.8m from €14.0m. The increase in expenditure is in line with the 2023 budget and the majority relates to the increase in staff costs as we grow our capacity and capability.

The overall result generates a small, planned deficit of €0.2m (2022: €1.2m).

Reserves

Reserves are for spending in the future and therefore need to be forward looking and draw from future plans and financial forecasts. When planning and budgeting for activities, ASC considers the level of reserves held that strike the balance between investing in strategic initiatives and the need for prudent management of our working assets

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and commitments, as well as providing for contingencies. The reserves policy is reviewed and agreed annually by trustees as part of the budget process.

This review considers the following:

- Working capital cash to run the ASC under normal trading conditions.
- Financial risk premium which identifies the amount ASC needs to set aside to respond to an unexpected event or a downturn. This is determined through a series of stress tests.
- One off strategic investment.

Having considered the risks and opportunities pertinent to the ASC, the lower and upper target levels are calculated. The equivalent months revenue expenditure cover acts as a proxy measure. These target levels provide the operating band for the ASC. The total reserves for 2023 are €13.8m, which is a decrease of €0.2m on the 2022 reserve levels of €14.0m which are within the target range.

Free reserves, as defined by the Charity Commission, are unrestricted reserves that are freely available to spend on charitable purposes. At €13.6m (2022: €13.8m), our free reserves represent almost 10 months' worth of budgeted expenditure. Free reserves at €13.6m are made up from total reserves at €13.8m less fixed assets €0.2m.

ASC's business model is dependent on revenue from trading income which enables ASC to develop new areas of research leading to improvements in Standards and 'to transform aquaculture towards environmental sustainability and social responsibility using market mechanisms, improvement incentives and value add services from farm to fork.' To achieve this, ASC is seeking to expand its fundraising to facilitate the expansion of this work.

Investment policy

The charity's funds are held in cash and term deposits.

GOVERNANCE

Structure

ASC is a charity registered with the Charity Commission in England and Wales, no 1150418. It is a company limited by guarantee, no 08172832. The ASC's governing document is its Memorandum and Articles of Association, and this can be accessed via our website: [Governance - ASC International \(asc-aqua.org\)](https://asc-aqua.org/governance)

ASC has one wholly owned subsidiary company, ASCI Limited, company no 07788176, which carries out its trading activities related to logo licensing. All profits are donated to ASC.

The trustees have taken account of the Charity Commission's general guidance on public benefit when setting our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities contribute to the vision and mission they have set.

Health and safety

The Board holds the health, safety and wellbeing of staff and contractors as a key priority. Our organisational management objectives strive to maintain the best possible standards of health and safety.

Our Board is ultimately responsible for compliance with health and safety legislation. This is delegated to the chief executive. The appointed person for safety at ASC (as defined by the Management of HSAW [Health and Safety at Work] Regulations 1999) is the Director of Central Services.

During 2023, a Health and Safety audit was conducted by the insurers, AJG, and reported to the Board via the Audit and Risk Committee. The recommendations from the audit have been implemented. It is intended to repeat these audits on a regular basis.

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Structure of the Board

The trustees of the charity serve as the company's directors and members, and form ASC's Board. The Board currently has nine members. Trustees are required to retire after three years but may offer themselves up for reappointment for one further term.

Trustees are recruited to provide the skills and experience required to govern ASC. To ensure we attract suitably skilled candidates, vacancies are advertised as appropriate and short-listed applicants undergo a selection process. Recommendations for appointment are made by the interview panel to the Nominations Committee.

Due to an administrative error on behalf of Barclays Bank UK, one of our trustees, D Klinger, had to resign from the Board and be reappointed to keep the bank administration in order.

Trustees are regularly provided with internal and external information relevant to ASC's governance. During 2023, they visited North America's largest seafood exposition with an opportunity to meet seafood buyers and processes and later in the year the Board meeting was held in France, providing an opportunity to experience French retail and talk with staff.

The biographies of each trustee may be found here [Governance - ASC International \(asc-aqua.org\)](https://asc-aqua.org/governance)

Governance Effectiveness Review

A Board Evaluation review was conducted in 2021 and out of 32 identified actions, 27 are complete. We expect these to be completed during 2024 and the next review is planned to take place in 2025.

Committees, attendance, and remuneration

Audit and Risk Committee

The Audit and Risk Committee supports the Board of Trustees to discharge their stewardship and scrutiny responsibilities in relation to financial oversight, risk management, authority delegations and governance (excluding nominations), acting as finance committee to support the Board in the discharge of their financial responsibilities.

The internal auditors, Bishop Fleming, carried out a high-level review of the approach to developing a control framework for drafting and implementing an increasing volume of policies across the organisation and concluded this is working well. The remaining Governance Review actions are in progress. Bishop Fleming also reviewed the new approach to risk management and concluded this was a good platform on which to build and evolve.

Nominations Committee

The Nominations Committee supports the Board of Trustees in the management of its membership nominations process, managing succession planning, nominations policy and process, reappointment of members, and other general matters related to the appointment and recruitment of Trustees.

In addition, the committee will develop a performance review system for the CEO and policies to plan for their succession.

The Nominations Committee will continue to steer and oversee the Board evaluation processes.

Strategy and Policy Committee

The Strategy and Policy Committee supports the Board of Trustees in matters related to the implementation of ASC's strategy. This includes the development and review of institutional policies, essential to the achievement of the strategy. The committee will address issues that arise from unexpected events that directly or indirectly affect the operations of ASC in a fundamental manner.

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Annual meeting attendance

There were five Board meetings during the year with an average attendance rate of 93%.

Trustees' emoluments

The trustees of the charity, who comprise its Board, did not receive any remuneration during the period. Trustees' expenses and related party transactions are disclosed in notes 9 and 20 to the accounts.

ASC purchases indemnity insurance to protect it and its trustees and officers from losses arising from any wrongful act by its trustees or officers; and to indemnify them against their legal liability arising from any claim against them.

How we manage risk

The Board of trustees has reviewed the key risks for ASC and is satisfied that the major risks have been identified and processes for addressing them have been implemented. The trustees have discussions at Board meetings and continue to monitor risk with great care. A formal review of risk takes place annually. It is recognised that any control system can only provide reasonable, but not absolute assurance that major risks have been adequately managed. ASC views the management of risk as an integral element of its strategic planning, evaluation and decision-making processes.

The major risks and their mitigations are detailed below:

Risk	Mitigation
Lack of adoption of the standards by producers and feed mills.	Effective development and time appropriate implementation of Risk and Impacts Framework for standards criteria and certification processes. Piloting process in place, with stakeholder outreach and consultation mechanisms. Potential issues are highlighted facilitating a review and revision process.
The value of ASC programme does not resonate with or reach the target audience leading to loss of adoption of the programme.	Stakeholder surveys are carried out and feedback actioned. Drive new brand positioning, increasing staffing levels in market development and customer markets teams.
Increasing market demand is not being met by existing and new production farms and volumes.	Actions taken towards decomplexifying certification and increasing producer outreach and producer summits.
Organisation fails to keep up with growth, through failure to attract and retain staff or through inefficiency of systems.	Staff survey outcomes implemented through working groups. Complete review of policies. Targeted and prioritised projects to address key systems.

Policies

Supplier payment policy

For all trade creditors, it is ASC's policy to agree the terms of payment at the start of business with that supplier and ensure that suppliers are aware of the terms of payment and pay in accordance with their contractual and other legal obligations. ASC has an excellent record for paying suppliers on time.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2023

Employment and remuneration policy

ASC has great ambitions for the delivery of its strategy and requires the recruitment of high-calibre people to represent our interests. We reward staff fairly for the jobs they do and for fostering a positive working environment, and we believe our salaries and employment terms and conditions reflect this. People are employed by ASC based on the specific skills that they bring to their role. For ASC to run successfully, a large range of skills and disciplines is required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain skilled and expert staff in specific functions, in a competitive market where skills are readily transferable to other organisations. ASC firmly believes in trying to retain staff for the long-term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our salaries are set with this in mind.

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.

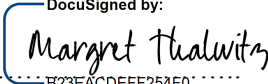
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and group, and enable them to ensure that the financial statements comply with 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.

Approved by the Board of Trustees on 27 June 2024 and signed on its behalf by:

DocuSigned by:

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M C Thalwitz
Trustee/Director, Chair

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 2023 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 2023 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.

Signed by:

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Adam Halsey (Senior Statutory Auditor)

For and on behalf of

Haysmacintyre LLP

Statutory Auditor

10 Queen Street Place

London EC4R 1AG

Date: 29 July 2024

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2023

		Unrestricted	Restricted	Total Funds	Total Funds
		Funds	Funds	Year to	Year to
		€000	€000	31-Dec-23	31-Dec-22
	Note			€000	€000
INCOME FROM:					
Grants and donations	2	-	556	556	693
Other trading activities	3	15,057	-	15,057	14,490
Investments		13	-	13	1
TOTAL		15,070	556	15,626	15,184
EXPENDITURE ON:					
Raising funds:					
Trading activities	4	(2,099)	-	(2,099)	(1,657)
Charitable activities	5/6	(13,213)	(556)	(13,769)	(12,324)
TOTAL		(15,312)	(556)	(15,868)	(13,981)
Net income and net movement in funds		(242)	-	(242)	1,203
RECONCILIATION OF FUNDS					
Total funds brought forward		14,013	-	14,013	12,810
TOTAL FUNDS CARRIED FORWARD	17/18	13,771	-	13,771	14,013

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 20 to 34 form part of these financial statements.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**GROUP AND CHARITY BALANCE SHEETS****YEAR ENDED 31 DECEMBER 2023**

		2023		2022	
		Group €000	Charity €000	Group €000	Charity €000
	Note				
FIXED ASSETS					
Intangible Assets	11	224	1	185	4
Tangible Assets	11	48	55	34	33
Investments	12	-	-	-	-
		<u>272</u>	<u>56</u>	<u>219</u>	<u>37</u>
CURRENT ASSETS					
Debtors	14	6,433	9,626	6,352	10,100
Cash at bank		<u>8,364</u>	<u>5,027</u>	<u>8,817</u>	<u>4,875</u>
		<u>14,797</u>	<u>14,653</u>	<u>15,169</u>	<u>14,975</u>
CREDITORS: Amounts due within one year	15	<u>(1,298)</u>	<u>(1,132)</u>	<u>(1,375)</u>	<u>(999)</u>
NET CURRENT ASSETS		<u>13,499</u>	<u>13,521</u>	<u>13,794</u>	<u>13,976</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,771</u>	<u>13,577</u>	<u>14,013</u>	<u>14,013</u>
NET ASSETS		<u>13,771</u>	<u>13,577</u>	<u>14,013</u>	<u>14,013</u>
FUNDS					
Restricted funds	16	-	-	-	-
Unrestricted funds	17	<u>13,771</u>	<u>13,577</u>	<u>14,013</u>	<u>14,013</u>
TOTAL FUNDS		<u>13,771</u>	<u>13,577</u>	<u>14,013</u>	<u>14,013</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 deficit for the year was €436k (2022: surplus of €1,210k)

These financial statements were approved by the members of the committee and authorised for issue on 27 June 2024 and are signed on their behalf by:

DocuSigned by:

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 M C Thalwitz
Trustee/Director, Chairman

Company Registration Number: 08172832

The notes on pages 20 to 34 form part of these financial statements.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2023

	2023	2022
	€000	€000
Cash flows from operating activities		
Net income for the reporting period per the SOFA	(242)	1,203
Depreciation charges	106	110
Dividends and interest from investments	(13)	(1)
Increase in debtors	(81)	(767)
Decrease in creditors	(77)	(638)
	<hr/>	<hr/>
Net cash provided by operating activities	(307)	(93)
	<hr/>	<hr/>
Cash flows from investing activities:		
Dividends and interest from investments	13	1
Purchase of property, plant and equipment	(159)	(36)
Net cash used in investing activities	(146)	(35)
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	(453)	(128)
Cash and cash equivalents at the beginning of the reporting period	8,817	8,945
Cash and cash equivalents at the end of the reporting period	<hr/> 8,364	<hr/> 8,817
	<hr/>	<hr/>
Analysis of cash and cash equivalents:		
Cash in hand	8,364	8,817
Total cash and cash equivalents	<hr/> 8,364	<hr/> 8,817
	<hr/>	<hr/>

Analysis of changes in net debt

	At 1 January 2023	Cash flows	Other non- cash changes	At 31 December 2023
	€000	€000	€000	€000
Cash and bank	8,817	(453)	-	8,364
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 20 to 34 form part of these financial statements.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

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) together with Stichting Aquaculture Council Foundation and its subsidiary ASCI Netherlands BV on a line-by-line basis. Inter-group transactions and balances are eliminated on consolidation.

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 2023

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 2023****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 2023 €000	Total Funds 2022 €000
Grants receivable				
IDH	-	10	10	-
Shrimp Welfare Project	-	112	112	-
Silicon Valley'23 Fish Welfare Collaboration	-	122	122	97
Packard Foundation and Walton Family Foundation	-	42	42	41
ISEAL	-	-	-	148
Walton Family Foundation	-	30	30	136
Packard Foundation	-	240	240	271
	-	556	556	693

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 2023****3. OTHER TRADING ACTIVITIES**

	Unrestricted Funds €000	Total Funds 2023 €000
Trading Income	14,904	14,904
ASC Standards Auditor training	153	153
	15,057	15,057
UK	1,573	1,573
Outside Europe	2,890	2,890
Europe	10,441	10,441
	14,904	14,904

PRIOR YEAR

	Unrestricted Funds €000	Total Funds 2022 €000
Trading Income	14,417	14,417
ASC Standards Auditor training	73	73
	14,490	14,490
UK	1,138	1,138
Outside Europe	2,940	2,940
Europe	10,339	10,339
	14,417	14,417

4. RAISING FUNDS: TRADING ACTIVITIES

	Unrestricted Funds €000	Total Funds 2023 €000
Direct Costs – Cost of Goods Sold	784	784
Other Direct Costs - Administration	1,314	1,314
Other Direct Costs – FX loss/(gain)	1	1
	2,099	2,099

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

4. RAISING FUNDS: TRADING ACTIVITIES (CONTINUED)

PRIOR YEAR

	Unrestricted Funds €000	Total Funds 2022 €000
Direct Costs – Cost of Goods Sold	717	717
Other Direct Costs - Administration	1,004	1,004
Other Direct Costs – FX loss/(gain)	(64)	(64)
	<u>1,657</u>	<u>1,657</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds €000	Restricted Funds €000	Total Funds 2023 €000
Standards and programme assurance	5,617	263	5,880
Drive thought leadership	1,295	42	1,337
Servicing and outreach to farms and commercial sector	6,301	251	6,552
	<u>13,213</u>	<u>556</u>	<u>13,769</u>

PRIOR YEAR

	Unrestricted Funds €000	Restricted Funds €000	Total Funds 2022 €000
Standards and programme assurance	5,506	331	5,837
Drive thought leadership	873	53	926
Servicing and outreach to farms and commercial sector	5,245	316	5,561
	<u>11,624</u>	<u>700</u>	<u>12,324</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Direct Costs	Support Costs (Note 7)	Total Funds 2023
	€000	€000	€000
Standards and programme assurance	5,544	336	5,880
Drive thought leadership	1,267	70	1,337
Servicing and outreach to farms and commercial sector	6,177	375	6,552
	12,988	781	13,769

PRIOR YEAR

	Direct Costs	Support Costs (Note 7)	Total Funds 2022
	€000	€000	€000
Standards and programme assurance	5,655	239	5,894
Drive thought leadership	514	22	536
Servicing and outreach to farms and commercial sector	5,655	239	5894
	11,824	500	12,324

7. ANALYSIS OF SUPPORT COSTS

	Total 2023 €000	Total 2022 €000
Communication and IT	166	140
Finance costs	109	45
Foreign exchange (gains)	(43)	(163)
Other office costs	62	65
Professional fees	487	413
	781	500

Support costs have been allocated to activities based on the estimated usage of services. Included in the above are governance costs amounting to €20k (2022: €18k).

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023****8. NET INCOME / (EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	2023	2022
	€000	€000
Staff Pension Contributions	456	351
Auditor's remuneration – other auditors	24	19
Non audit services	28	28
Auditor's remuneration – Haysmacintyre LLP	30	27
Depreciation & Amortisation	106	107
	644	532

9. EXPENSES OF THE MEMBERS OF THE BOARD OF TRUSTEES

The charity has met travel and subsistence expenses incurred by 9 members for international Board meetings as trustees on the charity's business totalling €70k (2022: 13 Trustees, €47k)

No 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 23 €000	Year to 31 Dec 22 €000
Wages and salaries	6,655	5,798
Social security costs	1,082	829
UK pension costs	456	351
Other costs and healthcare	400	346
	8,593	7,324

Termination of employee:

During the year termination payments of €nil (2022: €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 23 No	Year to 31 Dec 22 No
Standards and programme assurance	35	33
Drive thought leadership	8	3
Servicing and outreach to farms and commercial sector	39	33
Support services	19	19

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023****101****88****10. STAFF COSTS AND EMOLUMENTS (CONTINUED)**

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

	Year to 31 Dec 2023	Year to 31 Dec 2022
	No	No
€300,00 - €310,000	1	1
€200,00 - €210,000	1	1
€180,000 - €190,000	1	1
€160,000 - €170,000	1	-
€140,001 - €150,000	1	2
€130,000 - €140,000	1	5
€110,001 - €120,000	3	-
€100,001 - €110,000	6	-
€90,001 - €100,000	5	8
€80,001 - €90,000	2	6
€70,000- €80,000	10	4
	32	28

Key management remuneration was €983k (2022: €1,822k). The reduction is due to the restructuring of the key management team. ASC paid pension contributions and other benefits of €106k (2022: €161k).

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023****11. FIXED ASSETS – TANGIBLE AND INTANGIBLE ASSETS**

GROUP	Office Equipment €000	Computer Software €000	Group 2023 €000
Cost			
At 1 January 2023	114	442	556
Additions	42	117	159
Disposals	(42)	-	(42)
At December 2023	114	559	673
Depreciation			
At 1 January 2023	(80)	(257)	(337)
Charge for the year	(28)	(78)	(106)
Disposals	42	-	42
At December 2023	(66)	(335)	(401)
Net book value			
At December 2023	48	224	272
At December 2022	34	185	219

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

CHARITY	Office Equipment €000	Computer Software €000	Charity 2023 €000
Cost			
At 1 January 2023	85	19	104
Additions	41	-	41
Disposals	(23)	-	(23)
At December 2023	<u>103</u>	<u>19</u>	<u>122</u>
Depreciation			
At 1 January 2023	(52)	(15)	(67)
Charge for the year	(19)	(3)	(22)
Disposal	23	-	23
At December 2023	<u>(48)</u>	<u>(18)</u>	<u>(66)</u>
Net book value			
At December 2023	<u>55</u>	<u>1</u>	<u>56</u>
At December 2022	<u>33</u>	<u>4</u>	<u>37</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 2023, ASCI Ltd had turnover of €14,908k (2022: €14,417k) and made an operating profit of €9,285k (2022: €9,641k).

	2023 €000	2022 €000
Income	(14,908)	(14,417)
Expenditure	<u>5,623</u>	<u>4,776</u>
Net incoming resources	(9,285)	(9,641)
Gift Aid to UK Charity	9,285	9,641
Funds at 1 January 2023	-	-
Funds at 31 December 2023	<u>-</u>	<u>-</u>
Intangible fixed assets	216	171
Tangible fixed assets	-	1
Current assets	9,371	9,619
Current liabilities	(9,587)	(9,791)
Net current liabilities	<u>(216)</u>	<u>(172)</u>
Total assets less total liabilities	<u>(216)</u>	<u>(172)</u>
Represented by:	-	-
Share Capital	-	-
Retained Earnings	<u>-</u>	<u>-</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023****13. FINANCIAL INSTRUMENTS**

At the balance sheet date, the group held financial assets at amortised cost of €14,796k (2022: €15,169k) and financial liabilities at amortised cost of €1,298k (2022: €1,375k).

14. DEBTORS

	2023		2022	
	Group €000	Charity €000	Group €000	Charity €000
Trade debtors	643	-	312	145
Other debtors	356	191	418	230
Prepayments & accrued income	5,434	161	5,622	198
Taxation & Social Security	-	141	-	-
Amount due from subsidiary	-	9,133	-	9,527
	<u>6,433</u>	<u>9,626</u>	<u>6,352</u>	<u>10,100</u>

15. CREDITORS: Amounts falling due within one year

	2023		2022	
	Group €000	Charity €000	Group €000	Charity €000
Trade creditors	173	190	315	445
Other creditors	411	273	313	197
Taxation and social security	-	-	-	(87)
Amount due to subsidiary	-	191	-	-
Accruals & deferred income	714	478	747	444
	<u>1,298</u>	<u>1,132</u>	<u>1,375</u>	<u>999</u>

	2023	
	Group € 000	Charity € 000
Movement on deferred income		
Deferred income at 1 January	353	353
Released to income in year	(556)	(556)
Income deferred in year	(70)	(70)
Deferred income at 31 December	<u>(273)</u>	<u>(273)</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023**

	2022	
Movement on deferred income	Group	Charity
	€	€
	000	000
Deferred income at 1 January	456	456
Released to income in year	(456)	(456)
Income deferred in year	(353)	(353)
Deferred income at 31 December	<u>(353)</u>	<u>(353)</u>

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

16. RESTRICTED INCOME FUNDS

	Balance at 1 January 2023 €000	Income €000	Expenditure €000	Balance at 31 December 2023 €000
IDH	-	10	(10)	-
Open Philanthropy Walton Foundation – Shrimp Welfare Collaboration	-	112	(112)	-
Packard Foundation & Walton Family Foundation – Certs and Ratings	-	42	(42)	-
Walmart Family Foundation- Sustainable Fish Partnership	-	30	(30)	-
Packard Foundation – Strategic Communications	-	240	(240)	-
Silicon Valley - Fish Welfare Collaboration	-	122	(122)	-
	-	556	(556)	-
PRIOR YEAR	At 1 January 2022 €000	Income €000	Expenditure €000	At 31 December 2022 €000
Packard foundation	-	271	(271)	-
Silicon Valley - Fish Welfare Collaboration	-	97	(97)	-
Sainsbury – Trustee support	7	-	(7)	-
Packard Foundation & Walton Family Foundation – Certs and Ratings	-	41	(41)	-
ISEAL – Project Preparation Grant	-	148	(148)	-
Walton Foundation	-	136	(136)	-
	7	693	(700)	-

IDH – Living wage pilot project to support ASC strategy that certified farms pay their workers a living wage to safeguard their right to a decent standard of living, findings of this pilot will inform the strategy going forward.

Open Philanthropy Walton Foundation – Shrimp Welfare Project – A specialised technical working group to address Shrimp Health and Welfare needs and develop auditable standards.

Packard Foundation & Walton Family Foundation – Certification and Ratings – is a collaboration that brings together five global seafood certification and ratings programs, to coordinate their tools and increase their impact.

Walmart Family Foundation – Sustainable Fish Partnership – exploring mechanism for building a foundation for landscape scale improvements in India for shrimp aquaculture.

Packard Foundation – Strategic Communications – enabled ASC to develop Strategic Communications by understanding partners’ needs, accessing current approach, to form a comprehensive communications plan.

Silicon Valley - Fish Welfare Collaboration - Funding has enabled ASC to undertake work developing producers’ guidance on fish welfare issues.

Sainsbury –Trustee support: This grant assists with the costs associated with Trustees performing their duties.

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

ISEAL –Project preparation grant: ASC and partners have evaluated how they translate ideas into a potentially deliverable project aimed at improving the integration of certification and ratings scheme approaches to improve interoperability and the scaling of their collective impacts.

16. RESTRICTED INCOME FUNDS (CONTINUED)

Walton Foundation– Aquaculture Improvement Project (AIP): ASC and partners collaborated in a project to provide guidelines for Indonesian shrimp farms. The purpose was to implement pilot projects and trainings on the guidelines and promote certification of sustainable shrimp farms. The first shrimp farm was fully certified during 2023.

17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jan 23 € 000	Income € 000	Expenditure € 000	Balance at 31 Dec 23 € 000
Group - General Funds	14,013	15,070	(15,312)	13,771
Charity - General Funds	14,013	12,777	(13,213)	13,577

PRIOR YEAR

	Balance at 1 Jan 22 €000	Income €000	Expenditure €000	Balance at 31 Dec 22 €000
Group - General Funds	12,803	14,491	(13,281)	14,013
Charity - General Funds	12,803	12,834	(11,624)	14,013

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 31 Dec 23 €000	Restricted Funds 31 Dec 22 €000	Total 31 Dec 23 €000
Tangible fixed assets	272	-	272
Cash at bank and in hand	7,808	556	8,364
Other net current assets/(liabilities)	5,691	(556)	5,135
Total	13,771	-	13,771

PRIOR YEAR

	Unrestricted Funds 31 Dec 22 €000	Restricted Funds 31 Dec 22 €000	Total 31 Dec 22 €000
Tangible fixed assets	219	-	219
Cash at bank and in hand	8,124	693	8,817
Other net current assets/(liabilities)	5,670	(693)	4,977
Total	14,013	-	14,013

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

19. 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 2023:

	ASCI NL BV	Stichting Aquaculture Council Foundation
Profit and loss/Statement of income and expenditure	€000	€000
Income	(3,583)	(4,259)
Expenses	3,583	4,259
Net loss before tax	-	-
Taxation	-	-
Net loss after tax	-	-
Balance Sheet	€000	€000
Tangible fixed assets	13	0
Receivables	213	151
Cash and cash equivalent	146	291
Total assets	372	442
Current liabilities	(372)	(442)
Net assets	-	-
Reserves	-	-

20. RELATED PARTY TRANSACTIONS

During the period ASC UK charity charged service fee of €684k (2022: €667k) to Stichting Aquaculture Stewardship Council Foundation (ASC – Netherlands). The balance outstanding at the financial period end is nil (2022: €nil).

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 2023

AQUACULTURE STEWARDSHIP COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

21. OPERATING LEASE COMMITMENTS

The entity had outstanding commitments for future minimum lease payments under non-cancelling operating leases as at year end €3k (2022; €3k)

22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds €000	Restricted Funds €000	Total Funds Year to 31-Dec-22 €000
	Note			
INCOME FROM:				
Grants and donations	2	-	693	693
Other trading activities	3	14,490	-	14,490
Investments		1	-	1
TOTAL		<u>14,491</u>	<u>693</u>	<u>15,184</u>
EXPENDITURE ON:				
Raising funds:				
Trading activities	4	(1,657)	-	(1,657)
Charitable activities	5/6	(11,624)	(700)	(12,324)
TOTAL		<u>(13,281)</u>	<u>(700)</u>	<u>(13,981)</u>
Net income and net movement in funds		1,210	(7)	1,203
RECONCILIATION OF FUNDS				
Total funds brought forward		12,803	7	12,810
TOTAL FUNDS CARRIED FORWARD	17/18	<u>14,013</u>	<u>-</u>	<u>14,013</u>