



Finance and Administration Committee

FAC(19)02

2018 Audited Accounts

**North Atlantic Salmon Conservation
Organization (NASCO)
Financial statements
for the year ended 31 December 2018**

North Atlantic Salmon Conservation Organization (NASCO)

Financial statements for the year ended 31 December 2018

Contents

Statement of Secretary's responsibilities for the year ended 31 December 2018.....	1
Independent Auditor's report to the members of Council of North Atlantic Salmon Conservation Organization (NASCO)	1-2
Income and expenditure account for the year ended 31 December 2018	3
Balance sheet as at 31 December 2018.....	4
Notes to the financial statements for the year ended 31 December 2018	5-13
Transfer of appropriations between sections during the year ended 31 December 2018.....	14

North Atlantic Salmon Conservation Organization (NASCO)

Statement of Secretary's responsibilities for the year ended 31 December 2018

The rules of the Organization require that the Secretary shall ensure that appropriate records and accounts are kept of the transactions and affairs of the Organization and shall do all things necessary to ensure that all payments out of the Organization's monies are correctly made and properly authorised and that adequate control is maintained over the assets of, or in the custody of, the Organization and over the incurring of liabilities by the Organization.

Independent Auditor's report to the members of Council of North Atlantic Salmon Conservation Organization (NASCO)

Opinion

We have audited the financial statements of North Atlantic Salmon Conservation Organization (NASCO), which comprise the balance sheet as at 31 December 2018, the income and expenditure account and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Organization for the year ended 31 December 2018 are prepared, in all material respects, in accordance with the financial rules of the Organization and Decision of the Council (CNL(14)19) in relation to the NASCO Deferred Salary Scheme and Staff Fund.

This report is made solely to the Organization's members, as a body, in accordance with paragraph 11.3 of the Organization's Financial Rules. Our audit work has been undertaken so that we might state to the Organization'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 Organization and the Organization's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization in complying with the financial reporting provisions of the rules of the Organization and Decision of the Council (CNL(14)19) in relation to the NASCO Deferred Salary Scheme and Staff Fund. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Organization and should not be distributed to or used by parties other than the Organization. Our opinion is not modified in respect of this matter.

Responsibilities of the Secretary and Council for the Financial Statements

The Secretary is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the rules of the Organization and Decision of the Council (CNL(14)19) in relation to the NASCO Deferred Salary Scheme and Staff Fund and for such internal

North Atlantic Salmon Conservation Organization (NASCO)

control as the Secretary determines 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 Secretary is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

The Council are responsible for overseeing the Organization's financial reporting process.

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.

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.



Saffery Champness LLP
Chartered Accountants and Statutory Auditor
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14 February 2019

North Atlantic Salmon Conservation Organization (NASCO)

Income and expenditure account for the year ended 31 December 2018

	Notes	Actual 2018 £	Budget £	Variances £	Actual 2017 £
Income					
Contributions of Parties		592,379	592,400	(21)	601,379
Interest received		511	1,000	(489)	356
Income from property	7	52,375	48,000	4,375	50,356
International Year of the Salmon		80,633	-	80,633	44,589
Special Fund	19	-	-	-	15,280
Other income		837	-	837	2,207
		726,735	641,400	85,335	714,167
Expenditure					
Staff related costs	2	307,075	341,300	34,225	300,690
Travel and subsistence	3	30,889	30,000	(889)	28,585
Contribution to ICES		65,936	64,600	(1,336)	64,732
Meetings	4	6,147	11,000	4,853	11,920
Office supplies, printing and translations	5	14,322	26,500	12,178	26,703
Communications	6	14,171	16,000	1,829	19,393
Building upkeep	7	38,020	40,000	1,980	33,991
Other expenses	8	17,469	11,000	(6,469)	10,197
Tag return incentive scheme	20	4,600	4,500	(100)	4,631
Contribution to IASRF	21	-	-	-	-
International Year of the Salmon	18	27,476	-	(27,476)	1,089
Special Fund	19	15,280	-	(15,280)	-
		541,385	544,900	3,515	501,931
Net income					
		185,350	96,500	88,850	212,236
Allocation:					
General Fund - Capital	13	2,680	6,500	(3,820)	6,601
General Fund - Revenue	14	-	-	-	-
Working Capital Fund	15	-	-	-	-
Contractual Obligation Fund	16	100,349	35,000	65,349	87,551
Recruitment Fund	17	7,124	15,000	(7,876)	(678)
International Year of the Salmon Fund	18	90,477	40,000	50,477	103,482
Special Fund	19	(15,280)	-	(15,280)	15,280
		185,350	96,500	88,850	212,236

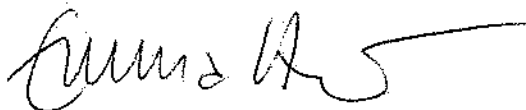
North Atlantic Salmon Conservation Organization (NASCO)

Balance sheet as at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets	9	396,129	395,769
Current assets			
Debtors	10	7,905	5,103
Bank and cash	11	704,110	534,962
		712,015	540,065
Creditors: amounts falling due within one year	12	(88,811)	(99,531)
Net current assets		623,204	440,534
Net assets		1,019,333	836,303
Capital employed			
General Fund – Capital	13	396,129	395,769
General Fund – Revenue	14	-	-
Working Capital Fund	15	200,000	200,000
Contractual Obligation Fund	16	156,358	56,009
Recruitment Fund	17	51,671	44,547
International Year of the Salmon Fund	18	215,175	124,698
Special Fund	19	-	15,280
Total capital employed		1,019,333	836,303

The net assets of the Organization represent resources held in the General Fund – Capital (principally the Headquarters Property), the Working Capital Fund, the Contractual Obligation Fund, the Recruitment Fund and the International Year of the Salmon Fund.

The financial statements were approved by the Secretary on 14 February 2019.



Dr Emma Hatfield
Secretary

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018

1 Accounting policies

The accounts are prepared in accordance with the historical cost convention. A summary of the more important accounting policies of the Organization are set out below:-

Going Concern

The financial statements have been prepared on a going concern basis. The Secretary has assessed the Organization's ability to continue as a going concern and has a reasonable expectation that the Organization has reasonable resources to continue its operational existence subject to budget provision being made available in accordance with the Council's five year spending plan. Thus, these financial statements continue to be prepared on the going concern basis of accounting.

Contributions

Contributions of all parties are accounted for in the income and expenditure account in the period to which they relate.

Interest received

Interest received is included in the income and expenditure account when receivable.

Taxation

Under the terms of the Headquarters Agreement between the Government of Great Britain and Northern Ireland and the North Atlantic Salmon Conservation Organization, the Organization is exempt from all United Kingdom taxation.

Fixed assets

Tangible fixed assets are stated at their purchase price together with any incidental expenses of acquisition.

The policy adopted for the capitalisation of fixed assets which has been applied consistently, is only to treat as fixed assets items costing more than £1,000.

Provision for depreciation is made so as to write off the cost of fixed assets, other than heritable property, over the expected useful economic lives of the assets concerned through the General Fund - Capital. The principal annual rates used for this purpose are:-

Equipment	- 25% on a straight line basis
Furniture and fittings	- 10% on a straight line basis

Heritable property is not depreciated as it is maintained to a high standard and its realisable value is estimated to be in excess of its book cost.

Working Capital Fund

Transfers are made to the Working Capital Fund to establish a reserve for the purpose of meeting unexpected non-budgeted or urgent costs.

Contractual Obligation Fund

A Contractual Obligation Fund has been established as a reserve with the aim of enabling the Organization to meet such obligations without major fluctuations in budgeted expenditure.

Recruitment Fund

The Recruitment Fund has been established as a reserve with the aim of avoiding substantial budget increases in the event that new staff are recruited internationally.

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

1 Accounting policies (continued)

International Year of the Salmon Fund

The International Year of the Salmon (IYS) Fund has been established as a reserve with the aim of supporting IYS activities as identified by the Council and IYS North Atlantic Steering Committee.

Special Fund

The Special Fund has been established as a reserve with the aim of deferring income to match specific identified future costs.

2 Staff related costs

	2018	2017
	£	£
Secretariat salaries	203,059	195,519
Temporary and flexible contract staff costs	37,496	30,372
Staff Fund, allowances, insurances and other staff costs	66,520	74,799
	307,075	300,690

The Organization and Secretariat members make contributions to the NASCO Staff Fund, which are held externally to the financial statements, for the benefit of Secretariat members (see Note 22). The costs of the Organization's contributions are charged to the income and expenditure account when incurred. Additional lump sum payments are made to the Staff Funds which are met from the Contractual Obligation Fund; details of these payments are shown in Note 16 of the financial statements.

The salaries and Staff Fund contributions, including lump sum payments, of all Secretariat members have been subject to an income tax imposed by the Organization.

3 Travel and subsistence

	2018	2017
	£	£
Travel to annual meeting	3,432	13,597
Official travel and subsistence	27,457	14,988
	30,889	28,585

4 Meetings

	2018	2017
	£	£
Annual meeting	518	6,821
Other meetings	5,629	5,099
	6,147	11,920

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

5 Office supplies, printing and translations

	2018	2017
	£	£
Office supplies	12,379	17,860
Printing	721	7,596
Translations	1,222	1,247
	14,322	26,703

6 Communications

	2018	2017
	£	£
Telecommunications	4,290	4,060
Postage and courier services	579	3,926
Website and IT support	9,302	11,407
	14,171	19,393

7 Building upkeep

	2018	2017
	£	£
Services and other building related costs	38,020	33,991
Less: Income from property	(52,375)	(50,356)
	(14,355)	(16,365)

8 Other expenses

	2018	2017
	£	£
Auditors' remuneration	5,000	4,850
Other professional fees	7,862	4,381
Bank interest and charges	205	237
Sundry expenses	1,761	729
Office equipment	2,641	-
	17,469	10,197

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

9 Fixed assets

	Heritable Property £	Furniture & Fittings £	Equipment £	Total £
Cost				
At 1 January 2018	389,400	21,694	28,459	439,553
Additions during year	-	-	2,680	2,680
At 31 December 2018	389,400	21,694	31,139	442,233
Depreciation				
At 1 January 2018	-	21,694	22,090	43,784
Charge for year	-	-	2,320	2,320
At 31 December 2018	-	21,694	24,410	46,104
Net book value				
At 31 December 2018	389,400	-	6,729	396,129
Net book value At 31 December 2017	389,400	-	6,369	395,769

10 Debtors

	2018 £	2017 £
Value added tax recoverable	7,905	5,103
	7,905	5,103

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

11 Bank and cash balances

	2018	2017
	£	£
The Royal Bank of Scotland plc		
- Resources account	346,890	361,463
- Current account	503	504
- Contractual obligation fund account	91,080	3,557
- Recruitment fund deposit account	50,671	43,547
- Recruitment fund current account	1,000	1,000
- IYS fund account	213,846	124,698
Petty cash	120	193
	704,110	534,962

The balance of the Contractual Obligation Fund and IYS Fund Accounts shown above do not include the year-end contribution from the surplus of £65,278 and £1,329 respectively which will be transferred into this account from the Resources Account post-year end to reflect the balance of the Fund as disclosed in Note 16.

12 Creditors: amounts falling due within one year

	2018	2017
	£	£
Members contributions paid in advance	71,954	83,446
Accrued audit fee and sundry accruals	16,857	16,085
	88,811	99,531

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

13 General Fund – Capital

	2018	2017
	£	£
Balance at 1 January	395,769	391,134
Transfer from General Fund - Revenue	-	6,601
Transfer from International Year of the Salmon Fund	2,680	-
Allowance for depreciation of fixed assets	(2,320)	(1,966)
Balance at 31 December	396,129	395,769

The General Fund - Capital represents the net book value of the fixed assets held by the Organization. The balance (after allowing for depreciation) at 31 December 2018 of £396,129 (2017: £395,769) is made up of the Heritable Property (the Headquarters Property) £389,400 (2017: £389,400), Furniture and Fittings £Nil (2017: £Nil) and Equipment £6,729 (2017: £6,369).

14 General Fund – Revenue

	2018	2017
	£	£
Balance at 1 January	-	-
Net income for the financial year	185,350	212,236
Transfer to Contractual Obligation Fund	(100,349)	(87,551)
Transfer to General Fund – Capital	-	(6,601)
Transfer to Recruitment Fund	(7,124)	678
Transfer to International Year of the Salmon Fund	(93,157)	(103,482)
Transfer from Special Fund	15,280	(15,280)
Balance at 31 December	-	-

15 Working Capital Fund

	2018	2017
	£	£
Balance at 1 January	200,000	200,000
Transfer from General Fund - Revenue	-	-
Balance at 31 December	200,000	200,000

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

16 Contractual Obligation Fund

	2018	2017
	£	£
Balance at 1 January	56,009	250,000
Transfer from General Fund - Revenue	100,279	87,450
Transfer from General Fund - Revenue - interest	70	101
Transfer to Staff Fund	-	(281,542)
Balance at 31 December	156,358	56,009

Contingent obligations

There is a contingent obligation arising under the Organization's rules for lump sum payments to Secretariat members or death in service benefits. The Organization has agreed to build the Contractual Obligation Fund through annual budgetary provisions with the aim of avoiding major fluctuations in future levels of budgeted expenditure. During the period no (2017: two) discretionary final lump sum payments were made to secretariat staff.

The transfer from the Contractual Obligation Fund to the Staff Fund is paid net of NASCO income tax in accordance with the Organization's Staff Fund Rules, CNL(14)62, and Staff Rules, CNL(14)63.

17 Recruitment Fund

	2018	2017
	£	£
Balance at 1 January	44,547	45,225
Transfer from General Fund - Revenue	15,000	15,000
Transfer from General Fund - Revenue – net interest and bank charges	44	34
Transfer from General Fund - Revenue – expenses incurred	(7,920)	(15,712)
Balance at 31 December	51,671	44,547

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

18 International Year of the Salmon Fund

	2018	2017
	£	£
Balance at 1 January	124,698	21,216
Transfer from General Fund - Revenue	120,633	103,500
Transfer from General Fund - Revenue – net interest and bank charges	-	(18)
Transfer from General Fund - Revenue – expenses incurred	(27,476)	-
Transfer to General Fund – Capital	(2,680)	-
Balance at 31 December	215,175	124,698

19 Special Fund

	2018	2017
	£	£
Balance at 1 January	15,280	-
Transfer from General Fund - Revenue	-	15,280
Transfer from General Fund - Revenue – expenses incurred	(15,280)	-
Balance at 31 December	-	15,280

20 NASCO tag return incentive scheme fund

Total prizes awarded in the year amounted to £4,600 (2017: £4,631).

21 International Atlantic Salmon Research Fund (IASRF)

The Council of NASCO has established the International Atlantic Salmon Research Board (IASRB) and the International Atlantic Salmon Research Fund (IASRF) to support research and promote collaboration into the causes of marine mortality in Salmon.

Whilst the IASRB and the IASRF form part of NASCO and its activities, Council has determined that separate accounts be maintained for the IASRF and therefore the IASRF does not form part of the accounts of NASCO.

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2018 (continued)

22 Staff Fund Accounts

The funds contributed to, and held within the NASCO Staff Fund, belong to and comprise part of the assets of NASCO. The funds held in the Staff Fund, and any increase in their value, are deemed to be within the scope of NASCO's official activities. However, each Secretariat member shall at all times be fully vested and have entitlement to give notice requesting payment in whole or in part of their individual Staff Fund account at any time whilst remaining a Secretariat member.

In accordance with Council Decision CNL(14)19, the following Staff Fund accounts which represent assets of NASCO and contractual obligations to Secretariat members fall to be disclosed in a memorandum note to the financial statements.

	2018	2017
	£	£
Balance at 31 December	43,967	11,013

North Atlantic Salmon Conservation Organization (NASCO)

Transfer of appropriations between sections during the year ended 31 December 2018

	£
Transfer from property income	4,375
Transfer from International Year of the Salmon income	80,633
Transfer from other income	837
Transfer from staff related costs	34,225
Transfer from meetings	4,853
Transfer from office supplies, printing and translations	12,178
Transfer from communications	1,829
Transfer from building upkeep	1,980
Transfer from General Fund – Capital	3,820
Transfer from Recruitment Fund	7,876
Transfer from Special Fund	15,280
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	167,886
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Transfer to contributions of parties	(21)
Transfer to interest received	(489)
Transfer to travel and subsistence	(889)
Transfer to contribution to ICES	(1,336)
Transfer from other expenses	(6,469)
Transfer to IASRF	(100)
Transfer to International Year of the Salmon expenditure	(27,476)
Transfer to Special Fund	(15,280)
Transfer to Contractual Obligation Fund	(65,349)
Transfer to International Year of the Salmon Fund	(50,477)
	<hr/>
	(167,886)
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