



Finance and Administration Committee

FAC(20)04

2019 Audited Accounts

**North Atlantic Salmon Conservation
Organization (NASCO)
Financial statements
for the year ended 31 December 2019**

North Atlantic Salmon Conservation Organization (NASCO)

Financial statements for the year ended 31 December 2019

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North Atlantic Salmon Conservation Organization (NASCO)

Statement of Secretary's responsibilities for the year ended 31 December 2019

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 2019, 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 2019 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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9 November 2020

North Atlantic Salmon Conservation Organization (NASCO)

Income and expenditure account for the year ended 31 December 2019

	Notes	Actual 2019 £	Budget £	Variances £	Actual 2018 £
Income					
Contributions of Parties		584,978	585,000	(22)	592,379
Interest received		1,436	1,000	436	511
Income from property	7	54,324	50,000	4,324	52,375
International Year of the Salmon	18	184,998	-	184,998	80,633
Special Fund	19	-	-	-	-
Other income		-	-	-	837
		825,736	636,000	189,736	726,735
Expenditure					
Staff related costs	2	324,072	341,750	17,678	307,075
Travel and subsistence	3	22,033	37,000	14,967	30,889
Contribution to ICES		67,791	69,000	1,209	65,936
Meetings	4	9,275	12,500	3,225	6,147
Office supplies, printing and translations	5	13,410	29,500	16,090	14,322
Communications	6	17,123	19,500	2,377	14,171
Building upkeep	7	33,862	44,250	10,388	38,020
Other expenses	8	16,304	11,500	(4,804)	17,469
Tag return incentive scheme	20	4,626	4,500	(126)	4,600
Contribution to IASRF	21	395	-	(395)	-
International Year of the Salmon	18	161,251	-	(161,251)	27,476
Special Fund	19	-	-	-	15,280
		670,142	569,500	(100,642)	541,385
Net income					
		155,594	66,500	89,094	185,350
Allocation:					
General Fund - Capital	13	-	6,500	(6,500)	2,680
General Fund - Revenue	14	7,641	-	7,641	-
Working Capital Fund	15	-	-	-	-
Contractual Obligation Fund	16	103,049	35,000	68,049	100,349
Recruitment Fund	17	1,157	5,000	(3,843)	7,124
International Year of the Salmon Fund	18	43,747	20,000	23,747	90,477
Special Fund	19	-	-	-	(15,280)
		155,594	66,500	89,094	185,350

North Atlantic Salmon Conservation Organization (NASCO)

Balance sheet as at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets	9	393,809	396,129
Current assets			
Debtors	10	23,612	7,905
Bank and cash	11	857,532	704,110
		881,144	712,015
Creditors: amounts falling due within one year	12	(111,753)	(88,811)
Net current assets		769,391	623,204
Net assets		1,163,200	1,019,333
Capital employed			
General Fund – Capital	13	393,809	396,129
General Fund – Revenue	14	7,641	-
Working Capital Fund	15	200,000	200,000
Contractual Obligation Fund	16	250,000	156,358
Recruitment Fund	17	52,828	51,671
International Year of the Salmon Fund	18	258,922	215,175
Special Fund	19	-	-
Total capital employed		1,163,200	1,019,333

The net assets of the Organization represent resources held in the General Fund – Capital (principally the Headquarters Property), the General Fund – Revenue, 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 on9 November 2020.....



Dr Emma Hatfield
Secretary

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019

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 2019 (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

	2019	2018
	£	£
Secretariat salaries	216,525	203,059
Temporary and flexible contract staff costs	27,991	37,496
Staff Fund, allowances, insurances and other staff costs	79,556	66,520
	324,072	307,075

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

	2019	2018
	£	£
Travel to annual meeting	1,180	3,432
Official travel and subsistence	20,853	27,457
	22,033	30,889

4 Meetings

	2019	2018
	£	£
Annual meeting	1,518	518
Other meetings	7,757	5,629
	9,275	6,147

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019 (continued)

5 Office supplies, printing and translations

	2019	2018
	£	£
Office supplies	8,199	12,379
Printing	2,795	721
Translations	2,416	1,222
	13,410	14,322

6 Communications

	2019	2018
	£	£
Telecommunications	3,860	4,290
Postage and courier services	1,977	579
Website and IT support	11,286	9,302
	17,123	14,171

7 Building upkeep

	2019	2018
	£	£
Services and other building related costs	33,862	38,020
Less: Income from property	(54,324)	(52,375)
	(20,462)	(14,355)

8 Other expenses

	2019	2018
	£	£
Auditors' remuneration	5,500	5,000
Other professional fees	7,040	7,862
Bank interest and charges	(137)	205
Sundry expenses	2,176	1,761
Office equipment	1,725	2,641
	16,304	17,469

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019 (continued)

9 Fixed assets

	Heritable Property £	Furniture & Fittings £	Equipment £	Total £
Cost				
At 1 January 2019	389,400	21,694	31,139	442,233
Additions during year	-	-	-	-
At 31 December 2019	389,400	21,694	31,139	442,233
Depreciation				
At 1 January 2019	-	21,694	24,410	46,104
Charge for year	-	-	2,320	2,320
At 31 December 2019	-	21,694	26,730	48,424
Net book value				
At 31 December 2019	389,400	-	4,409	393,809
Net book value				
At 31 December 2018	389,400	-	6,729	396,129

10 Debtors

	2019 £	2018 £
Value added tax recoverable	19,511	7,905
Prepayments and other debtors	4,101	-
	23,612	7,905

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019 (continued)

11 Bank and cash balances

	2019	2018
	£	£
The Royal Bank of Scotland plc		
- Resources account	365,344	346,890
- Current account	509	503
- Contractual obligation fund account	182,137	91,080
- Recruitment fund deposit account	51,037	50,671
- Recruitment fund current account	1,000	1,000
- IYS fund account	257,415	213,846
Petty cash	90	120
	857,532	704,110

The balance of the Contractual obligation fund, Recruitment fund deposit, and IYS fund account's shown above do not include the year-end contribution from the surplus of £67,863, £791 and £1,507 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 Notes 16, 17 and 18.

12 Creditors: amounts falling due within one year

	2019	2018
	£	£
Members contributions paid in advance	79,763	71,954
Accrued audit fee and sundry accruals	31,990	16,857
	111,753	88,811

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019 (continued)

13 General Fund – Capital

	2019	2018
	£	£
Balance at 1 January	396,129	395,769
Transfer from General Fund - Revenue	-	-
Transfer from International Year of the Salmon Fund	-	2,680
Allowance for depreciation of fixed assets	(2,320)	(2,320)
Balance at 31 December	393,809	396,129

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 2019 of £393,809 (2018: £396,129) is made up of the Heritable Property (the Headquarters Property) £389,400 (2018: £389,400), Furniture and Fittings £Nil (2018: £Nil) and Equipment £4,409 (2018: £6,729).

14 General Fund – Revenue

	2019	2018
	£	£
Balance at 1 January	-	-
Net income for the financial year	155,594	185,350
Transfer to Contractual Obligation Fund	(103,049)	(100,349)
Transfer to General Fund – Capital	-	-
Transfer to Recruitment Fund	(1,157)	(7,124)
Transfer to International Year of the Salmon Fund	(43,747)	(93,157)
Transfer from Special Fund	-	15,280
Balance at 31 December	7,641	-

15 Working Capital Fund

	2019	2018
	£	£
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 2019 (continued)

16 Contractual Obligation Fund

	2019	2018
	£	£
Balance at 1 January	156,358	56,009
Transfer from General Fund - Revenue	102,863	100,279
Transfer from General Fund - Revenue - interest	186	70
Transfer to Staff Fund	(9,407)	-
Balance at 31 December	250,000	156,358

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 one (2018: no) 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

	2019	2018
	£	£
Balance at 1 January	51,671	44,547
Transfer from General Fund - Revenue	5,000	15,000
Transfer from General Fund - Revenue – net interest and bank charges	97	44
Transfer from General Fund - Revenue – expenses incurred	(3,940)	(7,920)
Balance at 31 December	52,828	51,671

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019 (continued)

18 International Year of the Salmon Fund

	2019	2018
	£	£
Balance at 1 January	215,175	124,698
Transfer from General Fund – Revenue – voluntary contributions	148,005	80,633
Transfer from General Fund – Revenue – symposium registration fees	36,993	-
Transfer from General Fund – Revenue – budgeted transfer	20,000	40,000
Transfer from General Fund - Revenue – expenses incurred	(124,229)	(27,476)
Transfer from General Fund - Revenue – payment to Norway for symposium registration	(37,022)	-
Transfer to General Fund – Capital	-	(2,680)
Balance at 31 December	258,922	215,175

Voluntary contributions were received into the International Year of the Salmon Fund as follows:

	2019	2018
	£	£
Voluntary contributing party		
European Commission	148,005	-
Canada	-	41,983
United States of America	-	38,650
Total contributions for the year (net of bank charges)	148,005	80,633

19 Special Fund

	2019	2018
	£	£
Balance at 1 January	-	15,280
Transfer from General Fund - Revenue – expenses incurred	-	(15,280)
Balance at 31 December	-	-

20 NASCO tag return incentive scheme fund

Total prizes awarded in the year amounted to £4,626 (2018: £4,600).

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2019 (continued)

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.

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.

	2019	2018
	£	£
Balance at 31 December	69,454	43,967

23 Subsequent events

Subsequent to the year end, the Organization, like many throughout the UK and internationally, has been significantly affected by the COVID-19 pandemic.

At the date of approval of the financial statements, the Secretary has prepared up to date management accounts, budgets and projections which include key assumptions on Contributions from Parties and working capital that the Secretary considers to be reasonable and prudent.

Having considered the above matters, the Secretary is of the view that the Organization will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been drawn up on a going concern basis.

North Atlantic Salmon Conservation Organization (NASCO)

Transfer of appropriations between sections during the year ended 31 December 2019

	£
Transfer from interest received	436
Transfer from property income	4,324
Transfer from International Year of the Salmon income	184,998
Transfer from staff related costs	17,678
Transfer from travel and subsistence	14,967
Transfer from contribution to ICES	1,209
Transfer from meetings	3,225
Transfer from office supplies, printing and translations	16,090
Transfer from communications	2,377
Transfer from building upkeep	10,388
Transfer from General Fund – Capital	6,500
Transfer from Recruitment Fund	3,843
	<hr/>
	266,035
	<hr/>
Transfer to contributions of parties	(22)
Transfer to other expenses	(4,804)
Transfer from tag return incentive scheme	(126)
Transfer to IASRF	(395)
Transfer to International Year of the Salmon expenditure	(161,251)
Transfer to General Fund – Revenue	(7,641)
Transfer to Contractual Obligation Fund	(68,049)
Transfer to International Year of the Salmon Fund	(23,747)
	<hr/>
	(266,035)
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