



Finance and Administration Committee

*2020 Audited Accounts for the North Atlantic Salmon
Conservation Organization*

FAC(21)03

**North Atlantic Salmon Conservation
Organization (NASCO)
Financial statements
for the year ended 31 December 2020**

North Atlantic Salmon Conservation Organization (NASCO)

Financial statements for the year ended 31 December 2020

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North Atlantic Salmon Conservation Organization (NASCO)

Statement of Secretary's responsibilities for the year ended 31 December 2020

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 2020, 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 2020 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 control as the

North Atlantic Salmon Conservation Organization (NASCO)

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

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15 February 2021

North Atlantic Salmon Conservation Organization (NASCO)

Income and expenditure account for the year ended 31 December 2020

	Notes	Actual 2020 £	Budget £	Variances £	Actual 2019 £
Income					
Contributions of Parties		583,600	583,630	(30)	584,978
Interest received		763	1,000	(237)	1,436
Income from property	7	41,771	52,000	(10,229)	54,324
International Year of the Salmon	18	-	-	-	184,998
Special Funds	19	31,400	-	31,400	-
Other income		855	-	855	-
		658,389	636,630	21,759	825,736
Expenditure					
Staff related costs	2	340,226	353,180	12,954	324,072
Travel and subsistence	3	4,510	39,500	34,990	22,033
Contribution to ICES		68,758	65,700	(3,058)	67,791
Meetings	4	6,202	12,750	6,548	9,275
Office supplies, printing and translations	5	12,392	26,500	14,108	13,410
Communications	6	14,421	19,750	5,329	17,123
Building upkeep	7	43,783	44,250	467	33,862
Other expenses	8	15,512	13,500	(2,012)	16,304
Tag return incentive scheme	20	4,614	4,500	(114)	4,626
Contribution to IASRF	21	-	-	-	395
International Year of the Salmon	18	15,239	-	(15,239)	161,251
		525,657	579,630	53,973	670,142
Net income		132,732	57,000	75,732	155,594
Allocation:					
General Fund - Capital	13	11,098	17,000	(5,902)	-
General Fund - Revenue	14	76,228	-	76,228	7,641
Working Capital Fund	15	-	-	-	-
Contractual Obligation Fund	16	-	35,000	(35,000)	103,049
Recruitment Fund	17	5,045	5,000	45	1,157
International Year of the Salmon Fund	18	(76,039)	-	(76,039)	43,747
Special Funds	19	116,400	-	116,400	-
		132,732	57,000	75,732	155,594

North Atlantic Salmon Conservation Organization (NASCO)

Balance sheet as at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets	9	401,111	393,809
Current assets			
Debtors	10	48,095	23,612
Bank and cash	11	871,519	857,532
		919,614	881,144
Creditors: amounts falling due within one year	12	(28,589)	(111,753)
Net current assets		891,025	769,391
Net assets		1,292,136	1,163,200
Capital employed			
General Fund – Capital	13	401,111	393,809
General Fund – Revenue	14	83,869	7,641
Working Capital Fund	15	200,000	200,000
Contractual Obligation Fund	16	250,000	250,000
Recruitment Fund	17	57,873	52,828
International Year of the Salmon Fund	18	182,883	258,922
Special Funds	19	116,400	-
Total capital employed		1,292,136	1,163,200

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, the International Year of the Salmon Fund and the Special Funds.

The financial statements were approved by the Secretary on 12 February 2021.....



Dr Emma Hatfield
Secretary

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2020

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 2020 (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 Funds

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

2 Staff related costs

	2020	2019
	£	£
Secretariat salaries	210,298	216,525
Temporary and flexible contract staff costs	36,137	27,991
Staff Fund, allowances, insurances and other staff costs	93,791	79,556
	340,226	324,072

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

	2020	2019
	£	£
Travel to annual meeting	6	1,180
Official travel and subsistence	4,504	20,853
	4,510	22,033

4 Meetings

	2020	2019
	£	£
Annual meeting	5,519	1,518
Other meetings	683	7,757
	6,202	9,275

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2020 (continued)

5 Office supplies, printing and translations

	2020	2019
	£	£
Office supplies	9,377	8,199
Printing	810	2,795
Translations	2,205	2,416
	12,392	13,410

6 Communications

	2020	2019
	£	£
Telecommunications	4,800	3,860
Postage and courier services	189	1,977
Website and IT support	9,432	11,286
	14,421	17,123

7 Building upkeep

	2020	2019
	£	£
Services and other building related costs	43,783	33,862
Less: Income from property	(41,771)	(54,324)
	2,011	(20,462)

8 Other expenses

	2020	2019
	£	£
Auditors' remuneration	6,500	5,500
Other professional fees	7,087	7,040
Bank interest and charges	202	(137)
Sundry expenses	1,192	2,176
Office equipment	531	1,725
	15,512	16,304

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2020 (continued)

9 Fixed assets

	Heritable Property £	Furniture & Fittings £	Equipment £	Total £
Cost				
At 1 January 2020	389,400	21,694	31,139	442,233
Additions during year	-	-	12,047	12,047
Disposals during year			(6,134)	(6,134)
At 31 December 2020	389,400	21,694	37,052	448,146
Depreciation				
At 1 January 2020	-	21,694	26,730	48,424
Charge for year	-	-	3,796	3,796
Eliminated on disposal			(5,185)	(5,185)
At 31 December 2020	-	21,694	25,341	47,035
Net book value				
At 31 December 2020	389,400	-	11,711	401,111
Net book value				
At 31 December 2019	389,400	-	4,409	393,809

10 Debtors

	2020 £	2019 £
Value added tax recoverable	34,934	19,511
Prepayments and other debtors	13,161	4,101
	48,095	23,612

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Notes to the financial statements for the year ended 31 December 2020 (continued)

11 Bank and cash balances

	2020	2019
	£	£
The Royal Bank of Scotland plc		
- Resources account	352,051	365,344
- Current account	507	509
- Contractual obligation fund account	285,160	182,137
- Recruitment fund deposit account	56,873	51,037
- Recruitment fund current account	1,000	1,000
- IYS fund account	175,825	257,415
Petty cash	103	90
	871,519	857,532

The balance of the Contractual obligation fund shown above has exceeded the fund cap of £250,000, the excess of £35,160 will be transferred into the Resources Account post-year end to reflect the balance of the Fund as disclosed in Note 16. The balance of the IYS fund account shown above does not include the year-end contribution from the surplus of £7,058 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 18.

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Members contributions paid in advance	-	79,763
Accrued audit fee and sundry accruals	28,589	31,990
	28,589	111,753

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2020 (continued)

13 General Fund – Capital

	2020	2019
	£	£
Balance at 1 January	393,809	396,129
Fixed asset additions made in the year	12,047	-
Fixed asset disposals made in the year	(6,134)	-
Allowance for depreciation of fixed assets	(3,796)	(2,320)
Elimination of depreciation on disposal	5,185	-
Balance at 31 December	401,111	393,809

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 2020 of £401,011 (2019: £393,809) is made up of the Heritable Property (the Headquarters Property) £389,400 (2019: £389,400), Furniture and Fittings £Nil (2019: £Nil) and Equipment £11,711 (2019: £4,409).

14 General Fund – Revenue

	2020	2019
	£	£
Balance at 1 January	7,641	-
Net income for the financial year	132,732	155,594
Transfer to Contractual Obligation Fund	-	(103,049)
Transfer to General Fund – Capital	(11,098)	-
Transfer to Recruitment Fund	(5,045)	(1,157)
Transfer to Special Funds	(55,600)	-
Transfer from International Year of the Salmon Fund	15,239	(43,747)
Balance at 31 December	83,869	7,641

15 Working Capital Fund

	2020	2019
	£	£
Balance at 1 January	200,000	200,000
Transfer from General Fund - Revenue	-	-
Balance at 31 December	200,000	200,000

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Notes to the financial statements for the year ended 31 December 2020 (continued)

16 Contractual Obligation Fund

	2020	2019
	£	£
Balance at 1 January	250,000	156,358
Transfer from General Fund - Revenue	35,000	102,863
Transfer from General Fund - Revenue - interest	161	186
Transfer to General Fund – Revenue	(35,161)	(9,407)
Balance at 31 December	250,000	250,000

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 (2019: one) 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

	2020	2019
	£	£
Balance at 1 January	52,828	51,671
Transfer from General Fund - Revenue	5,000	5,000
Transfer from General Fund - Revenue – net interest and bank charges	45	97
Transfer from General Fund - Revenue – expenses incurred	-	(3,940)
Balance at 31 December	57,873	52,828

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Notes to the financial statements for the year ended 31 December 2020 (continued)

18 International Year of the Salmon Fund

	2020	2019
	£	£
Balance at 1 January	258,922	215,175
Transfer from General Fund – Revenue – voluntary contributions	-	148,005
Transfer from General Fund – Revenue – symposium registration fees	-	36,993
Transfer from General Fund – Revenue – budgeted transfer	-	20,000
Transfer to General Fund - Revenue – expenses incurred	(15,239)	(124,229)
Transfer to General Fund - Revenue – payment to Norway for symposium registration	-	(37,022)
Transfer to Special Funds	(60,800)	-
Balance at 31 December	182,883	258,922

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

	2020	2019
	£	£
Voluntary contributing party		
European Commission	-	148,005

19 Special Funds

	2020	2019
	£	£
Balance at 1 January	-	-
Transfer from General Fund – Revenue – voluntary contributions	31,400	-
Transfer from General Fund – Revenue	24,200	-
Transfer from International Year of the Salmon Fund	60,800	-
Balance at 31 December	116,400	-

Voluntary contributions were received into the Special Funds as follows:

	2020	2019
	£	£
Voluntary contributing party		
United States of America	31,400	-

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2020 (continued)

19 Special Funds (continued)

The closing balances of the Special Funds are as follows:

	2020	2019
	£	£
Periodic Projects Special Fund	85,000	-
Special Fund	31,400	-
Balance at 31 December	116,400	-

20 NASCO tag return incentive scheme fund

Total prizes awarded in the year amounted to £4,614 (2019: £4,626).

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.

	2020	2019
	£	£
Balance at 31 December	96,279	69,454

North Atlantic Salmon Conservation Organization (NASCO)

Notes to the financial statements for the year ended 31 December 2020 (continued)

23 Subsequent events

During and 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 2020

	£
Transfer from Special Funds income	31,400
Transfer from other income	855
Transfer from staff related costs	12,954
Transfer from travel and subsistence	34,990
Transfer from meetings	6,548
Transfer from office supplies, printing and translations	14,108
Transfer from communications	5,329
Transfer from building upkeep	467
Transfer from General Fund - Capital	5,902
Transfer from contractual obligation fund	35,000
Transfer from International Year of the Salmon Fund	76,039
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	223,592
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Transfer to contributions of parties	(30)
Transfer to interest received	(237)
Transfer to income property	(10,229)
Transfer to contribution to ICES	(3,058)
Transfer to other expenses	(2,012)
Transfer to tag return incentive scheme	(114)
Transfer to International Year of the Salmon Fund expenditure	(15,239)
Transfer to General Fund - Revenue	(76,228)
Transfer to Recruitment Fund	(45)
Transfer of the Special Funds	(116,400)
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	(223,592)
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