



Trustees Report and Accounts

Year ended 29th February 2012



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Trustees' Report for the year ended 29 February 2012

Scottish Aquaculture Research Forum

The trustees present their report and the audited financial statements for the year ended 29 February 2012.

Structure, Governance & Management

The charity is a company limited by guarantee.

Governing Document

The company is governed by its Memorandum and Articles of Association, last amended 28 April 2004.



Recruitment and Appointment of Trustees

From our 16 Member organisations listed below, 14 trustees, together with designated alternates, have been recruited. Trustees are also required to serve as members of the company under the Articles and are formally appointed as Company Directors, guaranteeing to contribute £1 in the event of the company being wound up. The Member organisation is responsible for selecting and nominating the candidates it wishes to serve on the SARF Board. Existing Board Members are informed of the nomination and, in the absence of substantive objection, the

individual is appointed. There is no fixed term for SARF trustees. The Chairman is an independent appointee of the Board and the position is reviewed annually.

SARF Trustees are drawn from a broad range of interest groups including:

- The Scottish Government – Marine Directorate
- Scottish Environment Protection Agency
- Scottish Natural Heritage
- Highlands and Islands Enterprise
- Marine Scotland Science
- Scottish Environment Link
- The Crown Estate
- Sea Fish Industry Authority
- British Trout Association
- Association of Salmon Fishery Boards
- Highland Council
- Rivers and Fisheries Trusts Scotland
- Scottish Salmon Producers Organisation
- Shetland Aquaculture
- Association of Scottish Shellfish Growers



Trustees Induction and Training

At the time of their appointment, all trustees are provided with an information pack containing:

- The Role of the Charity Trustee (Liddell, 2011)¹

¹ Liddell, C. (2011) – The Role of the Charity Trustee (Unpublished).

- Memorandum and Articles of Association
- Standard SARF confidentiality agreement
- The previous year's Board meeting and Annual General Meeting minutes
- The latest set of accounts
- The latest annual report

The Secretariat also provides an induction presentation providing details of the structure, function and status of SARF. Trustees are encouraged to attend workshops and training events relevant to their role with SARF. The Secretariat also provides specific advice and guidance to new trustees. In addition to its normal cycle of Board meetings, SARF has previously staged an internal workshop to encourage the development of specific areas of SARF business through designated task groups. This mechanism was found to be very effective and in future ad hoc workshops will take place to develop the Board's capabilities and take forward important work streams.

Organisational Management

SARF is operated by a Board constituted by trustees who are also Company Directors. Board members are drawn from each of SARF's Member organisations and take overall responsibility for ensuring that SARF fulfils its stated aims and maintains the appropriate infrastructure for the effective, accountable and lawful conduct of the organisation. The Chairman is an independent appointee of the Board. The Company Secretary is J&H Mitchell Solicitors. Day to day management and administration of SARF is undertaken by the Secretariat, which was FRM Ltd to 31st January 2012 and Epsilon Resource Management Ltd (ERM) thereafter. SARF accounts are audited by Johnston Carmichael LLP.

The Board consists of 14 trustees together with a similar number of designated alternates who may act on behalf of a specified trustee in their absence. The Board has agreed that other relevant bodies or individuals shall have observational or advisory status and be invited to participate in normal board meetings. Trustees are drawn from a diverse range of SARF Member

organisations including Government, local authorities, regulators, industry, environmental and fisheries non-governmental organisations (NGO's). As individuals the Trustees bring a combination of policy, technical and business expertise to the Board.

The Board meets at least twice each year: an AGM and Board Meeting take place in April or May with a further Board meeting in late Autumn. The main function of the April/May Board meeting is to select the project areas that will be published as a call for proposals for research and development funding. The Autumn meeting is used to assess which of the proposals submitted should be supported by SARF. Sub-groups of the Board also meet on an *ad hoc* basis to address specific tasks agreed by the Board. Interim Board meetings also occur as required.

The Chairman and the Secretariat liaise regularly with respect to routine operational matters. All decisions related to policy, strategic development, project approvals and fundamental aspects of company business are referred to the Board. In the absence of Board consensus on an issue, decisions are carried on the basis of a simple majority with the Chairman holding a casting vote.



Organisational Structure and Relationships

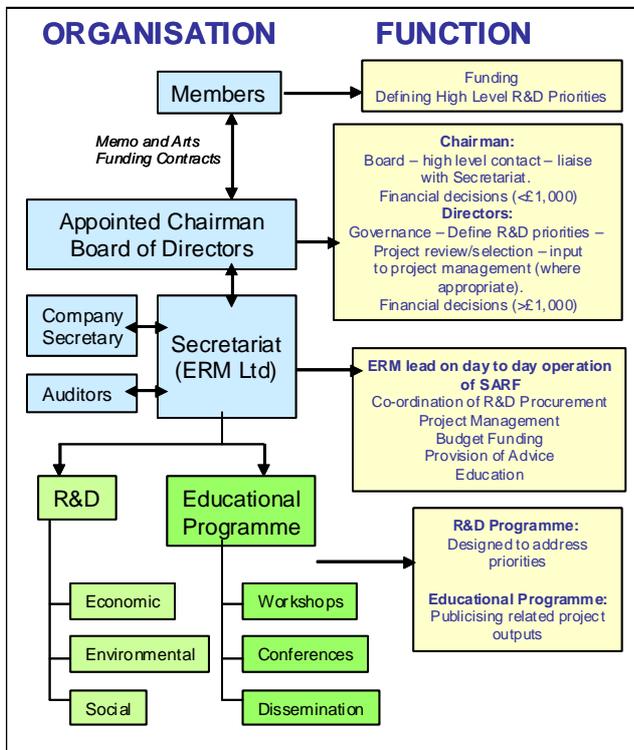


Figure 1. Organisational diagram of SARF operational structure and related functions.

Relationship with Related Parties

The trustees, who are also Directors for the purposes of company law, are each drawn from SARF Member organisations. All trustees are formally requested to declare any potential conflict of interest prior to its discussion at a Board meeting. Exclusion of the Board member from further participation in discussions is at the Chairman's discretion. In instances where the Member organisation that a trustee represents has a vested interest in a research proposal, the trustee will remove themselves from the assessment and voting process in relation to that proposal. Directors are not permitted to be direct participants in a SARF project.



Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. These risks are re-evaluated on an ongoing basis by the Secretariat and the Board is alerted to salient emerging issues. The Board retains insurance for "Professional indemnity for specific professions" and "Trustees and individual liability" with Hiscox Underwriting Limited.

Aims, Objectives and Principal Activities

The aims of SARF are:

- To promote, encourage and support scientific research and development in aquaculture and related areas. This includes research in the fields of environmental, economic and social impacts, technical and biological cultivation and health and welfare science.
- To enhance public understanding of aquaculture through the dissemination of research results in the public domain. This will include research exhibitions and on-line publications of investigations and results.
- SARF has a range of members including representatives from the aquaculture industry, government organisations, wild fish groups and environmental NGO's. The research undertaken will be across a broad range of areas and will be required to meet the collective needs of its members.



Strategic Aim

Through the support of research and the dissemination and publication thereof, promote and encourage a sustainable, diverse and economically viable aquaculture, based on the principles of stewardship, social responsibility and working within the carrying capacity of the environment, both locally and nationally and throughout its supply chain.

Objectives for the year

- Commission research and development projects prioritised and agreed by the Board
- Ensure the delivery of objective scientific research and development outputs from ongoing projects to underpin the sustainable development of aquaculture.
- Develop the educational remit of SARF.

Strategies for achieving objectives

Commissioning research

SARF has established robust mechanisms for commissioning, managing and evaluating research and development projects. Prioritised research requirements are agreed

by the Board and published as a call for proposals. Submitted proposals are subject to internal and external peer review, before being tabled for final assessment by the Board in the Autumn when funding decisions are taken.

In addition to SARF's established grant round, exceptionally, *ad hoc* proposal procedures have been established to permit high priority projects to be taken forward through a fast track mechanism.

To encourage innovation, SARF has introduced an open concept note application process whereby brief outline proposals are invited at specific times. Concept notes deemed by the Board to be of interest to SARF will be required to provide full applications which will be subject to internal and external peer review before the Board makes a final decision on funding the proposed research.

Ensuring delivery

Successful proposals are contracted through SARF and their progress monitored according to agreed protocols. Projects are encouraged to disseminate their results widely through appropriate media and fora. Final reports for projects are subject to internal and external peer review and, subject to commercial sensitivity, are published on the SARF website.

Developing educational remit

In addition to publishing the results of SARF projects through established online media, some projects have produced specific guidance material that has been disseminated directly to the appropriate target audiences. An example of this activity is a guidance note on the use of Acoustic Deterrent Devices which was distributed electronically to all licensed marine fish farms in Scotland. We are aware that the outputs from SARF projects are being used or are under active consideration by Government and Regulators. Work on Permitted Development Rights and Technical Standards are just some of the examples of work that is

directly informing policy and regulation.

The SARF website has been significantly upgraded this year to provide easier access to project information and reports



Review of Achievements and Performance for the Year - 2011 - 12

Operational Performance and Strategic Analysis of Commitments

All the principal objectives for 2011-12 were achieved.

Since its inception in 2004, SARF has developed a respected system for the procurement of high calibre applied research and development in the field of aquaculture. Between 2004 and the end of this reporting period, SARF in collaboration with its co-sponsors has committed a total of £4,771,907 in fulfilment of its charitable role, with direct SARF commitments (projects and operational costs) accounting for £3,123,350 (65%) of the total.

Research and Development projects are the greatest proportion (90%) of expenditure, with a total of £4,280,915 (£2,632,358, 61% from SARF). A total of 68 projects have been commissioned.

Our education and dissemination role included the co-delivery of an international sea lice symposium presentations made at several meetings and conferences in 2011-12.

Operational expenditure as a function of total commitment over the period 2004 to the end of this reporting period is 15.7% of the total

SARF commitment, a variable proportion of which relates to seeking leverage funding to supplement SARF's core income stream. The SARF Secretariat deals with all the day-to-day management of SARF and its various projects, including contractual and financial management together with all processes connected with project monitoring and evaluation. The Secretariat is also responsible for taking forward the education and dissemination role of SARF.

In 2011-12 SARF continued to operate a separate project budget line to account for the provision of advice.

Research and Development

Table 1 provides a list of SARF sponsored research and development projects. Of the 68 projects commissioned since the inception of SARF, 53 are complete and 15 are ongoing.

Since the start of the reporting period 2011-2012, SARF has commissioned an additional 3 projects, with a further 2 projects relating to the financial reporting period signed shortly after the period-end. The total value of these projects and cost to SARF is £165K.

In the same period, 21 SARF project meetings were conducted with 12 projects ending or being finalised. 11 of the projects completed in this financial year have been graded by external reviewers. Ten were considered satisfactory or above. Only one project was considered either satisfactory or below expectation.

Whilst overall, the quality of project outputs is good, the Secretariat and the Board are aware of the need for some contractors to improve the provision of practical guidance and recommendations based on best available evidence.

The following SARF projects ended during the reporting period:

SARF Code Title

SARF012a	Development of assimilative capacity and carrying capacity models for water bodies utilised for marine bivalve and caged fish farming
SARF027a	CON008 - continuation/extension of SARF027
SARF030	Assessment of the rate of sedimentary ecosystem recovery following the removal of marine fish farm cages or the cessation of farming.
SARF053	A systematic assessment of the environmental impact of Scottish shellfish farms, including benthos, water column and relevant special interactions
SARF064	<i>Mytilus trossulus</i> : Managing impact on sustainable mussel production in Scotland
SARF066	Practical trials and cost-benefit analysis for industry of reduced depuration times for the mussel <i>Mytilus edulis</i>
SARF070	Development of a risk evaluation system for the establishment of <i>Gyrodactylus salaris</i> in Scottish river systems
SARF073	Engineering Standards
SARF077	Macro/Micro Algae
SARF078	Carbon Lifecycle
SARF079	Tourism Project - ISLAD
SARF081	Multi Trophic Aquaculture - IMTA

Education and Dissemination

The SARF Secretariat has developed promotional material that is available to Member organisations, outlining SARF’s role, remit and progress, together with a link to the SARF website.

The SARF application form which forms the basis of our research contracts requires that contractors define their plans to disseminate the outcomes of projects in appropriate formats, and also requires them to consider the subsequent use and/or impacts resulting from their research.

SARF secretariat made presentations to several meetings during the year, publicising its activities and outcomes: Aquaculture Common Issues Group; NPP Climate Change Workshop; ASSG Annual Conference.

In addition to actively encouraging dissemination of project results through conferences, workshops and both popular and academic publications, online presentations are to be made available on the SARF website.

SARF remains available to provide the Ministerial Working Group on Aquaculture with an annual status update, and continues to respond to specific requests for information related to projects that address actions being taken forward under the renewed Strategic Framework for Scottish Aquaculture.

Representational Role

The SARF Secretariat is increasingly recognised as an important source for strategic aquaculture R&D related information and is developing a representational role in fora at UK and EU level. A member of the SARF Secretariat has been appointed to the Ministerial Working Group on Aquaculture (MGWA), the Aquaculture Common Issues Group and the UK European Fisheries Fund Programme Monitoring Committee. Members of the SARF Board are also active participants in the MGWA together with other international fora, where they actively promote the work of SARF.

Throughout the year, the Chairman and the Secretariat engage with senior officials within Government, academia and industry to promote the work of SARF, remain abreast of relevant initiatives and to encourage further collaboration and support.

SARF is a founding member of the European Aquaculture Technology and Innovation Platform (EATIP).

Contracts

Additional clauses to the SARF standard R&D contract have been approved which will help to ensure that contractors record, archive and share the data they collect in appropriate formats and through nationally recognised Data Archive Centres.

Finance

A corporate level risk assessment pro-forma has been developed and adopted by the Board.

Assessment of research council and other funding source opportunities is ongoing.

SARF continues to encourage funding from organisations wishing to use the SARF commissioning and management processes to deliver R&D projects.

Factors outside the charity's control affecting objectives

Securing longer term financial stability is fundamental to SARF's continued success. Contributing SARF Members are encouraged to formalise their commitments to SARF through contracts and increase their sponsorship to reflect increasing costs.

There has been a trend amongst some sponsors of SARF to reduce their core funding commitments, in favour of selective support for specific projects. This continues to be an area of concern in that it tends to reduce the flexibility with which funds can be allocated and can result in increased Secretariat costs in securing the balance of funding required to commission projects.

Previously, increasing resources from the Scottish Government helped to offset reduced contributions in funding from some sponsors, but this source of funding is likely to decline slowly from 2012. SARF will need to continue to actively seek additional funding sources. Whilst the economic climate appears to have stabilised over the past year, there is likely to be a significant impact on public expenditure in the coming year and beyond which may impact on SARF's capacity to deliver prioritised R&D. The proportion of Government derived sponsorship for SARF has increased since its inception in 2004 and it is important that the non-Government commitment of funds to SARF is augmented to maintain both a broad funding base and a balance of contributions between the public and private sectors.

Better co-ordination and management of research effort will be required at National and UK level to ensure that what limited resources are available are properly targeted, efficiently managed and focus on delivery.

In the coming year, an important role for

SARF could be to facilitate better co-ordination of aquaculture relevant R&D. The Secretariat continues to liaise with other organisations involved in sponsoring aquaculture related R&D with a view to collaboration and co-sponsorship of projects.

Financial Review and Results for the Year

Incoming funds are donations from member organisations for core funding and specific additional project funding. In total these donations amounted £350,167 in the year.

It is anticipated that any reserves will be used to fund research projects in future accounting periods.

Financial management policies

Until 31st January 2012 FRM Ltd was responsible for the day-to-day management of SARF finance and had responsibility for ensuring that an effective system of internal financial control was maintained and operated in respect of SARF accounts. As of 1st February 2012 ERM Ltd has taken over all of these duties and responsibilities.

The system of internal financial control is based on a framework of regular management information, periodic audit, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

- the existence of an appropriate control environment, such as clearly defined management responsibilities and evidence of reaction to control failures;
- regular monitoring of financial activity, on a weekly basis by ERM's financial controller and on a monthly basis all transactions of more than £1,000 are agreed by the SARF Chairman and one other designated signatory;
- contractual agreement for the allocation of SARF funds requiring the signature of two Directors;
- the Chairman also approves on a regular basis the expenses and fees generated by the Secretariat;

- a system of continuous cash flow control;
- all contractors invoices being checked prior to settlement and, under the terms of the standard SARF Agreement, the right to secure financial audit of contractors;
- Johnston Carmichael LLP independently audit the SARF accounts annually;
- the Directors of SARF are informed at biannual Board meetings of the financial status of the company;
- minimising the financial risk to SARF by, as far as possible, securing contractually agreed contributions from Member organisations and committing funds within the constraints of these confirmed allocations.

The system of internal financial control is informed by the Chairman's oversight, the SARF Board and the financial administrator who has responsibility for the development and maintenance of the financial control framework.

Reserves Policy and Objectives

It is the policy of SARF not to accrue reserves. The majority of the funds committed to SARF by our sponsors are allocated on the basis that they will support research and development projects. As research projects have a life of up to three years, the majority of related funding is in place at the outset. In addition, SARF conducts an annual research prioritisation exercise with its Member organisations and the number of high priority research areas submitted for consideration is always considerably more than SARF sponsorship alone could support.

Future Plans

Over the coming year, in addition to commissioning a new tranche of research and development projects, SARF will continue to try to engage with other major sponsors of R&D in this sector to better co-ordinate research effort and make best use of scarce resources.

In addition to maintaining a close dialogue with existing sponsors, work to develop

strategic alliances with potential sponsors and co-funders will continue, together with assessments of the potential to secure grant funding for specific areas of SARF's work.

Building the capacity of the Board as a respected sponsor of scientific research will continue through encouraging their attendance at relevant project meetings and stimulating debate on key areas of research required to underpin the sustainable development of aquaculture in Scotland. New Board appointments will be considered for 2012/13.

The annual report including an assessment of progress against annually agreed objectives and targets is used as an expedient and dynamic means of defining and evaluating SARF's performance.

The following strategic, medium and short term objectives were agreed for the reporting period beginning 2011. The progress made against each of these objectives during the reporting year is outlined below.

Strategic objectives

1. Research and Development

- Seek to measurably improve the quality of research being delivered in support of SARF's aims, by maintaining and improving appraisal, assessment, monitoring and evaluation processes.
- Take an active role in co-ordinating aquaculture relevant research in Scotland.
- Better understand and develop aquaculture knowledge and expertise in both food and non-food production.
- Demonstrably deliver policy, regulatory and industry relevant research outcomes.

Progress:

- All proposals and projects continue to be subject to internal and external peer review and the list of peer reviewed publications emerging from projects is growing steadily.
- All projects are formally monitored on an interim and or annual basis. Many projects involve steering groups.

- SARF is taking an increasingly proactive role in providing advice and in R&D co-ordination activities at a strategic level.
- The SARF Board has taken the decision to encourage a **broader range** of R&D to include both food and non-food aquaculture production.
- The majority of SARF projects relate directly to informing policy, regulation and industry best practice.

2. Education and Dissemination

- Take a more prominent role in developing and promoting Scotland's reputation in aquaculture research.
- Encourage use of the results of SARF research projects to promote national and international improvements in aquaculture sustainability.
- Seek measurable improvement in targeted communication of research results to non-specialists.

Progress:

- The Secretariat's involvement in a range of UK and EU related aquaculture R&D fora helps to ensure that Scotland's reputation as an important and internationally recognised centre for research in this field is promoted.
- In addition to the meeting presentations discussed earlier, the SARF secretariat attended the Aquanor meeting in Trondheim in August 2011, and was an active participant in the seminars organised by the European Aquaculture Society.

Medium term objectives

Research and Development

- Demonstrably promote better communication between key stakeholders and research providers to improve research focus and delivery.
- Forge links with one or more research funding bodies with a view to delivering co-ordinated research effort to address areas of work which may require multidisciplinary approaches and or resources beyond those available to SARF.
- Submit SARF to independent external evaluation every five years.

Progress –

- In addition to specific project dissemination activities and workshops, SARF continues to promote collaborative projects which engage key stakeholders as project partners or sponsors.
- SARF has been in liaison with MASTS in Scotland with a view to developing collaborative projects in the future.

Education and Dissemination

- Stage a high quality (international) symposium every three years.
- Develop the potential of SARF to disseminate audience specific educational material on line.
- Engage with other education and training bodies to facilitate the delivery of research results to appropriate target audiences.

Progress –

- Much of SARF's effort in this area during this reporting period has been focused on improving the delivery of relevant project information to policy, regulation and industry.
- The SARF website has been upgraded to ensure that it remains web compliant and contains new features to improve dissemination. The new site was launched in mid 2011.
- SARF coordinated an international workshop on sea lice R&D in November 2011.

Recurrent short term objectives to be completed within the reporting period:

Research and Development

- Identify research priorities and commission research prioritised by the Board.
- Conduct at least one project monitoring meeting per project per year.
- Ensure appropriate peer review of all proposals and final reports.
- Seek to hold inaugural project meetings with all projects engaging key SARF Member organisations at an early stage to encourage good communication, early

data exchange and better experimental design and execution.

Progress –

- Research prioritisation, commissioning, and peer review are a fundamental and ongoing part of SARF's operational and management procedures. For complex and or sensitive projects, inaugural meetings are standard.

Education and Dissemination

- Ensure that all SARF project final reports accepted by the Board and not subject to confidentiality are published on the SARF website.
- Ensure that all published SARF project reports are issued with an International Standard Book Number (ISBN) and lodged with the British Library.
- Seek to disseminate information on the work of SARF and its projects to appropriate audiences when ever possible.

Progress –

- All SARF project reports accepted by the Board are published on the SARF website.
- All SARF reports are now issued with an ISBN to ensure that they will be retained as formal references by the British Library.
- A SARF project highlights document has been developed and is available on the SARF website as a download. This document and associated web pages will be updated on an ongoing basis.

Short term objectives which have been completed within the reporting period 2011-2012

Research and Development

- Co-ordination and management of two projects on behalf of Marine Scotland related to sea lice research.
- Attendance and presentations at national and international workshops.

Education and Dissemination

- Upgrade the SARF website to facilitate access to SARF reports and deliver

project information in a form that is appropriate to diverse and geographically dispersed audiences.

- Consideration of the need for additional workshops.

General

- Seeking to improve co-ordination of aquaculture related R&D to ensure more efficient use of resources.

Progress –

- All of the objectives to be completed in 2011 were achieved.

Short term objectives to be completed within the forthcoming reporting period 2012 - 2013

Research and Development

- For the Secretariat to consult directly with SARF members to establish their strategic research priorities.
- Through the Board, to select which of the identified research priorities should be commissioned within the reporting year and to complete this task.
- For the Secretariat with the assistance of the Board to secure additional funding to support the prioritised research.

Education and Dissemination

- For the Secretariat to investigate mechanisms to identify and increase the impact of SARF projects.
- To develop a SARF workshop as part of the MASTS science conference in September 2012.

General

- Seek to improve co-ordination of aquaculture related R&D to ensure more efficient use of resources.
- Consider additional membership on the SARF Board with a view to strengthening representation and expertise.

Chairman's Notes

Despite a backdrop of economic uncertainty and some cutbacks in the SARF budget, the organisation has continued to play a significant role in providing focused research outputs that are being used to inform policy, to improve regulation and to guide the day-to-day activities of fish and shellfish farmers. A good measure of SARF's importance is the increasing use of our project commissioning and management infrastructure by Government and industry, to procure and deliver independent research. The Secretariat has also become a focal point for the provision of advice and other forms of assistance, including the organisation of conferences that relate to the remit of SARF.

As SARF has been fully operational for six years, the Board commissioned an independent review of SARF. With a remit to cover all aspects of SARF's work, the review was conducted over a period of five months. The reviewers concluded that SARF was being well run, delivered good value for money and, to a great extent, met all the needs of its Member organisations. The Board has considered the final report in detail and many of the recommendations made, have either already been enacted or will be addressed soon.

Maintaining a budget which will ensure that SARF can continue to achieve its stated objectives will be challenging for the foreseeable future. Public funding of SARF remains remarkably strong when viewed against the wider funding landscape. Private funding from some sectors is unlikely to increase given their relatively fragile economic base. Other sectors of the industry are proving to be financially more robust and we must secure their support in key areas. To do so SARF will need to achieve a balance between the understandable desire of the commercial sector to conduct relatively short term, highly targeted research with our practice to work over longer timescales with less certain outcomes. Based on the priorities and requirements of SARF Member organisations, our projects are normally commissioned to deliver specific outputs,

typically data to inform policy development, tools to support regulation and guidance or products that will directly benefit industry. The impact that a project may have is usually beyond the control of SARF, nevertheless because our standard project management arrangements includes potential "users", beneficiaries and selected Board Members during the research period, the final research outcomes normally result in effective change in most aspects of the industry – policy, guidelines and practice.

Reflecting upon the last six years, it would be fair to say that SARF has helped to foster more productive working relationships between key stakeholders in the aquaculture community. This has been achieved by developing credibility and trust - founded upon transparency, openness and by focusing upon the provision of independent and impartial evidence to support the sustainable development of aquaculture in Scotland. Above all, SARF has flourished as a result of the commitment of its Member organisations and the considerable personal commitment of individual Board members and those who conduct our projects.

Finally, the most substantive event was a change in the secretariat, which led to a smooth transition in the administration of SARF, from Fisheries Resource Management (FRM) to Epsilon Resource Management (ERM), with no operational or contractual changes. A personal word of thanks is due to Dr Mark James of FRM, especially in relation to his setting-up of the SARF research commissioning, management, review and publication protocols. All members of the Board wish Mark well in his position in MASTS.

On behalf of the board of trustees:



Table 1. List of Projects

Project Code	Project Title	Start Date	End Date
SARF001	Prevention and management of <i>Ichthyophthirius multifiliis</i>	01/01/2005	31/07/2005
SARF003	Development of a GIS-based tool to assist planning of aquaculture developments	01/03/2005	28/02/2006
SARF004	Vaccine performance - efficacy in gadoids measured by cell mediated immune responses	01/05/2005	30/04/2008
SARF004a	BAC Library	01/09/2006	28/02/2007
SARF005	Site optimisation for aquaculture operations	20/01/2005	19/10/2005
SARF009	Coastal assimilative capacity for amalgamated fish farm chemicals/organic pollutants	01/04/2005	31/03/2008
SARF011	Review of Environmental Quality Standards (EQS) for use in assimilative capacity model development	01/06/2005	31/05/2006
SARF012	The development of modelling techniques to improve predictions of assimilative capacity of water bodies utilised for marine caged fish farming	01/07/2005	30/09/2007
SARF012a	Development of assimilative capacity and carrying capacity models for water bodies utilised for marine bivalve and caged fish farming	01/04/2008	30/09/2010
SARF013 & 13a	Identification of sources of faecal pollution in Scottish coastal waters to help clarify causes of recent deterioration in the quality of Shellfish Harvesting waters (to be associated with the EU REDRISK Project)	14/11/2005	13/11/2007
SARF014	Cod broodstock nutrition, and specifically the role of essential fatty acids such as arachadonic acid.	01/10/2005	30/09/2007
SARF015	The aetiology and epidemiology of Pancreas Disease (PD) and similar pathologies - Heart and Skeletal Muscle Inflammation (HSMI) and Cardiomyopathy Syndrome (CMS) - in Scotland	01/11/2005	30/11/2007
SARF016	Rainbow Trout Gastro Enteritis	01/05/2006	31/03/2009
SARF017	A rationale for the identification of sea lochs with isolated deep water, to help assess the risk of widespread basin de-oxygenation.	01/12/2005	30/11/2006
SARF021	The development of practical but meaningful welfare indices for cod ongrowing.	01/03/2006	11/06/2009
SARF022	Novel species risk to biodiversity assessments study: as discussed within the Scottish Biodiversity Strategy Implementation plans	05/01/2006	05/07/2006
SARF023	Review of sea lice bath treatment model	12/06/2006	17/08/2007
SARF024	A Review of Fish Farm Environmental Impact Assessments	01/09/2006	31/03/2007
SARF025	Consumer attitudes to aquaculture feed sustainability	01/02/2007	30/09/2007
SARF026	Evaluation of copper concentrations around marine cage fish farms.	01/02/2007	01/11/2009
SARF027	Stock management strategies to optimise growth potential in ongrowing of marine fish.	01/02/2007	31/01/2010
SARF027a	CON008 - continuation/extension of SARF027	15/02/2010	31/05/2011

SARF028	Development of a system for sentinel fish farm monitoring.	01/03/2007	01/02/2009
SARF030	Assessment of the rate of sedimentary ecosystem recovery following the removal of marine fish farm cages or the cessation of farming.	01/07/2007	30/09/2010
SARF031	Assessment of appropriate thresholds for the potential triggers for Environmental Impact Assessments (EIA) for shellfish farms.	15/01/2007	30/09/2007
SARF035	Determination of the fate of chemical/faecal material which is transported beyond the Allowable Zone of Effects (AZE).	26/02/2007	31/08/2007
SARF036	Establishing the effects of fish farm discharges on Biodiversity Action Plan (BAP) habitats and assessing their recoverability.	01/08/2007	31/12/2009
SARF037	Strategic waste management and minimisation in aquaculture – a detailed review of current status and future options.	19/02/2007	30/09/2007
SARF038	International Symposium	01/04/2007	01/04/2010
SARF039	SARF Education and Dissemination Programme	01/04/2007	Ongoing
SARF040	Review of Marine Fish Farm EIA Thresholds	10/03/2008	14/02/2009
SARF040a	Completion of SARF040	25/09/2009	27/11/2009
SARF040b	PDR	12/04/2010	30/06/2010
SARF041	Developing practical strategies for reducing the spread of harmful organisms during the transportation of live fish	01/04/2008	31/03/2009
SARF042	Assessment of the potential to reduce the infaunal species list required to give an indication of stress in sediments.	07/02/2008	06/06/2008
SARF043	Improving understanding of species specific requirements for marine finfish cultivation	01/03/2008	30/06/2012
SARF044	Assessment of the impacts and utility of acoustic deterrent devices	01/03/2008	31/12/2009
SARF045	Assessment of evidence that fish farming impacts on tourism.	08/02/2008	28/02/2009
SARF046	Socio-economic assessment of potential impacts of new and amended legislation on the cultivation of fish and shellfish species of current commercial importance.	08/02/2008	30/04/2009
SARF053	A systematic assessment of the environmental impact of Scottish shellfish farms, including benthos, water column and relevant special interactions	01/02/2009	30/06/2011
SARF054	Assessment of protocols and development of best practice contingency guidance to improve stock containment at cage and land based sites.	01/04/2009	01/10/2009
SARF055	Validation of OECD-model for predicted impact of freshwater cage production on in loch total phosphorus concentration	01/02/2009	31/03/2010
SARF056	Development and delivery of a proposal for re-establishment, on a pilot scale, of a native oyster population in Scotland	05/01/2009	30/09/2009
SARF057	Development of improved management strategies for Red Mark Syndrome (RMS)	01/02/2010	01/08/2011

SARF063-01	Overcoming bottlenecks in the intensive commercial production of native oyster spat	01/01/2010	30/06/2012
SARF063-02	Establishment and development of a national broodstock of the European hake, <i>Merluccius merluccius</i>	04/01/2010	30/12/2012
SARF064	<i>Mytilus trossulus</i> : Managing impact on sustainable mussel production in Scotland	04/01/2010	31/08/2011
SARF065	Trials to enhance oyster depuration with respect to norovirus	01/03/2010	31/10/2010
SARF066	Practical trials and cost-benefit analysis for industry of reduced depuration times for the mussel <i>Mytilus edulis</i>	01/08/2010	30/01/2011
SARF068	Optimising sea lice treatment regimes to minimise the development of resistance - altered to - Management of sea lice numbers with wrasse and maintaining wrasse welfare - April/May 2011	01/03/2010	01/09/2012
SARF069	Evaluation of sensitivity to chemotherapeutants in successive generations of <i>Lepeophtheirus salmonis</i> from a resistant population	01/01/2010	28/02/2011
SARF070	Development of a risk evaluation system for the establishment of <i>Gyrodactylus salaris</i> in Scottish river systems	01/03/2010	30/09/2010
SARF071	Preliminary tests of the behavioural responses of seals to electric fields in sea water	01/10/2010	30/06/2012
SARF072	Independent Review of SARF	20/08/2010	15/12/2010
SARF073	Engineering Standards	01/12/2010	31/07/2011
SARF075	SARF/Telford Workshop	28/02/2010	28/02/2010
SARF076	Provision of Advice	01/10/2009	
SARF077	Macro/Micro Algae	22/11/2010	22/05/2011
SARF078	Carbon Lifecycle	01/12/2010	30/06/2011
SARF079	Tourism Project - ISLAD	01/04/2011	30/09/2011
SARF080	Applications for external funding	Ongoing	Ongoing
SARF081	Multi Trophic Aquaculture - IMTA	13/12/2010	25/03/2011
SARF082	Scottish Aquaculture's Utilisation of Environmental Resources		
SARF084	SARF Session on Fish Migration Assessment at WFC	11/05/2012	11/05/2012
SARF085	Sediment Sulphide Response to Organic Loading	01/03/2012	31/08/2013
SARF087	Monitoring and Eradication of Invasive and Non-native Species in Aquaculture Units	01/02/2012	31/07/2012
SARF088	Student Dissertations	T.B.C	T.B.C

Scottish Aquaculture Research Forum

Trustees' Report and Accounts For The Year Ended 29 February 2012

Accounts: Legal and Administrative Information

Chairman: Professor William Ritchie
Secretary: J & H Mitchell
Charity number SC035745
Company number SC267177

Registered office:
PO Box 7223
Balnakeilly
Pitlochry
Perthshire
PH16 9AF

Auditors: Johnston Carmichael LLP
66 Tay Street
Perth
PH2 8RA

Bankers: The Royal Bank of Scotland plc
84 Atholl Road
Pitlochry
PH16 5BJ

Solicitors: J & H Mitchell W.S.
51 Atholl Road
Pitlochry
Perthshire
PH16 5BU

The trustees present their report and accounts for the year ended 29 February 2012.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by

guarantee. The trustees, who are also the directors for the purpose of company law, who served during the year were:

Iain Sutherland
John Webster
David Sandison
Ewan Gillespie (Resigned 1 March 2011)
Paul Williams
David Bassett
Michael Cowling
Callum Sinclair
George Lees
George Hamilton
Piers Hart
Douglas Sinclair (Appointed 1 March 2011)
Robin Weatherston (Appointed 30 June 2011)
Rob Raynard
Brian Dornan (Resigned 30 June 2011)
Walter Speirs

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware

of such information.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Auditors

A resolution proposing that Johnson Carmichael LLP be reappointed as auditors of the company will be put to members.

On behalf of the board of trustees:



.....
Walter Speirs - Trustee:

Dated: 15th May 2012



.....
David Sandison - Trustee:

Dated: 15th May 2012

Statement of Trustees' Responsibilities

The trustees, who are also the directors of Scottish Aquaculture Research Forum for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these accounts, 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 estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE SCOTTISH AQUACULTURE RESEARCH FORUM FOR THE YEAR ENDED 29 FEBRUARY 2012

We have audited the accounts of Scottish Aquaculture Research Forum for the year ended 29 February 2012 set out on pages 21 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' responsibilities statement set out on page 18, the trustees, who are also the directors of Scottish Aquaculture Research Forum for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting

estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the accounts and non-financial information in the charity's Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 29 February 2012 and of its incoming resources and application of resources, including its 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.



Ian Roy (Senior Statutory Auditor)

for and on behalf of Johnston Carmichael LLP

Chartered Accountants
Statutory Auditor
66 Tay Street
Perth
PH2 8RA
Dated:

Johnston Carmichael LLP is eligible to act as an
auditor in terms of section 1212 of the Companies
Act 2006

SCOTTISH AQUACULTURE RESEARCH FORUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 29 FEBRUARY 2012

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources						
Incoming resources from generated funds						
Donations and legacies	2	332,167	-	18,000	350,167	501,083
Investment income	3	1,529	-	-	1,529	1,211
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		333,696	-	18,000	351,696	502,294
Incoming resources from charitable activities						
	4	19,227	-	-	19,227	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources		352,923	-	18,000	370,923	502,294
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Resources expended						
Costs of generating funds						
Fundraising and publicity	5	679	-	-	679	755
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources available		352,244	-	18,000	370,244	501,539
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Charitable activities						
Support costs		64,591	-	-	64,591	78,064
Charitable expenditure		25,927	(5,182)	18,000	38,745	256,125
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total charitable expenditure		90,518	(5,182)	18,000	103,336	334,189
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Governance costs		3,668	-	-	3,668	31,687
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		94,865	(5,182)	18,000	107,683	366,631
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers		258,058	5,182	-	263,240	135,663
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Gross transfers between funds		(258,058)	258,058	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds		-	263,240	-	263,240	135,663
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 1 March 2011		-	36,125	15,000	51,125	(84,538)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 29 February 2012		-	299,365	15,000	314,365	51,125
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SCOTTISH AQUACULTURE RESEARCH FORUM

BALANCE SHEET

AS AT 29 FEBRUARY 2012

	Notes	2012		2011	
		£	£	£	£
Current assets					
Debtors	11	6,638		27,302	
Cash at bank and in hand		480,107		625,407	
		<u>486,745</u>		<u>652,709</u>	
Creditors: amounts falling due within one year					
	12	(172,380)		(597,171)	
Total assets less current liabilities					
			314,365		55,538
Creditors: amounts falling due after more than one year					
	13		-		(4,413)
Net (liabilities)/assets					
			<u>314,365</u>		<u>51,125</u>
Funds					
Restricted funds	14		15,000		15,000
Unrestricted funds:					
Designated funds			299,365		36,125
			<u>314,365</u>		<u>51,125</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts were approved by the Board on

.....
Walter Speirs
Trustee

.....
David Sandison
Trustee

Company Registration No. SC267177

SCOTTISH AQUACULTURE RESEARCH FORUM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29 FEBRUARY 2012

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

1.2 Incoming resources

Incoming resources represent grants and donations received for revenue purposes which are included when the company is legally entitled to receive them.

Income is deferred if there are donor imposed conditions that specify that time period in which the expenditure can take place.

1.3 Resources expended

Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to that category and include irrecoverable VAT.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

Governance comprises costs for the running of the charity itself as an organisation.

1.4 Accumulated funds

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.5 Taxation

The company is recognised as a charity by HM Revenue and Customs under section 505 TA 1988; no provision is made for taxation.

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Donations and gifts	<u>332,167</u>	<u>18,000</u>	<u>350,167</u>	<u>501,083</u>

SCOTTISH AQUACULTURE RESEARCH FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2012

3 Investment income

	2012 £	2011 £
Interest receivable	1,529	1,211

4 Incoming resources from charitable activities

	2012 £	2011 £
Sea Lice Symposium income	19,227	-

5 Total resources expended

	Other costs £	Grant funding £	Total 2012 £	Total 2011 £
Costs of generating funds				
Fundraising and publicity	679	-	679	755
Charitable activities				
<u>Support costs</u>				
Support costs	64,591	-	64,591	78,064
<u>Charitable expenditure</u>				
SARF Symposium expenditure	6,410	-	6,410	1,942
Research	-	12,818	12,818	254,183
Grant funding of activities	6,410	12,818	19,228	256,125
Sea Lice Symposium expenditure	19,517	-	19,517	-
	90,518	12,818	103,336	334,189
Governance costs	3,668	-	3,668	31,687
	94,865	12,818	107,683	366,631

SCOTTISH AQUACULTURE RESEARCH FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2012

6 Grants payable

	Total 2012 £	Total 2011 £
Grants to institutions:		
Poseidon Aquatic Resource Management	18,000	-
Scottish Association for Marine Science	9,940	80,001
Viking Fish Farms Ltd	-	11,972
Thistle Environmental Partnership	-	84,977
Epsilon Resource Management Ltd	-	42,392
Sea Mammal Research Unit	-	15,674
Environmental Resource Management Ltd	-	20,000
Aquafish Solutions Ltd (project abandoned)	-	(8,700)
Others under £10,000	23,138	7,867
Under spend on Projects	(38,260)	-
	<u>12,818</u>	<u>254,183</u>

7 Support costs

	2012 £	2011 £
Consultancy fees	48,660	52,337
Programme expenses and referees payments	2,710	3,058
Insurance	3,598	3,313
Postage and stationery	427	126
Conferences and seminars	7,777	17,668
Bank charges	-	86
Dues and subscriptions	275	722
Sundry expenses	1,144	754
	<u>64,591</u>	<u>78,064</u>

8 Governance costs

	2012 £	2011 £
Legal and professional	68	28,187
Auditors' remuneration	3,600	3,500
	<u>3,668</u>	<u>31,687</u>

SCOTTISH AQUACULTURE RESEARCH FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2012

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. Chairman, Professor Ritchie, who is not a trustee, received an honorarium of £2,000 (2011 - £2,000) and travel expenses reimbursed amounting to £467 (2011 - £349).

10 Employees

There were no employees during the year.

11 Debtors	2012 £	2011 £
Trade debtors	6,628	27,250
Other debtors	10	52
	<u>6,638</u>	<u>27,302</u>

12 Creditors: amounts falling due within one year	2012 £	2011 £
Trade creditors	23,984	124,535
Accruals	123,646	395,719
Deferred income	24,750	76,917
	<u>172,380</u>	<u>597,171</u>

13 Creditors: amounts falling due after more than one year	2012 £	2011 £
Accruals	-	4,413
	<u>-</u>	<u>4,413</u>

SCOTTISH AQUACULTURE RESEARCH FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2012

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 March 2011	Movement in funds		Balance at 29 February 2012
	£	Incoming resources	Resources expended	£
SARF 047	15,000	-	-	15,000
SARF 079	-	18,000	(18,000)	-
	<u>15,000</u>	<u>18,000</u>	<u>(18,000)</u>	<u>15,000</u>

SARF 047 - funding from Scottish Salmon Producers' Organisation towards wellboat treatments and integrated sealice management.

SARF 079 - funding from the Scottish Government in relation to aquaculture and tourism.

15 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 29 February 2012 are represented by:				
Current assets	-	471,745	15,000	486,745
Creditors: amounts falling due within one year	-	(172,380)	-	(172,380)
	<u>-</u>	<u>299,365</u>	<u>15,000</u>	<u>314,365</u>

Designated funds represent unexpended core funding received from member organisations after expenses. The trustees have set aside the donations to fund particular research projects although no restriction was applied by the donors.

Restricted funds represent unexpended co-funders contributions to specific projects. These funds are restricted in purpose and are recorded separately.

Incoming resources currently confirmed for next year amounts to £281,000. It is anticipated that future funding over the coming three years is not expected to fall below £240,000 per annum.

16 Related parties

The trustees, who are also the directors for the purposes of company law, each represent one of the sponsor organisations of the company.

In instances where the organisation that a trustee represents has a vested interest in a research proposal, the trustee will remove themselves from the evaluation and voting process in relation to that proposal.