



seafish

Here to give the UK seafood sector  
the support it needs to thrive



# Annual Report & Accounts 2022/23

For the period 1 April 2022 to 31 March 2023

HC 16

SG/2023/294



The Sea Fish Industry Authority  
(Seafish)

# **Annual Report & Accounts 2022/23**

For the period 1 April 2022 to 31 March 2023

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# Performance Report

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## Performance Report

### Foreword by the Chair of Seafish

The past year has been an important one for Seafish. It was a year in which the continued need for a public body like Seafish was tested through a robust consultation process with industry. Not only did Seafish come through that test with a resounding level of support, but it also secured a fresh mandate in the form of clearly defined priorities that industry would like us to focus on.

It is my job, at the helm of the Board, to ensure that these priorities feature prominently in the organisation's new Corporate Plan 2023-28. The plan sets a course for Seafish over the next five years. That course may well be challenged due to the volatile, complex, and turbulent times in which we operate, but having a strong mandate will help bring focus and intent as we work with our partners across all four nations of the UK and throughout all elements of the seafood supply chain.

At the same time, as we drive forward with our support for industry, all Seafish Board members will continue to play their part in ensuring that the highest standards of corporate governance are applied at Seafish to ensure that the levy funds entrusted to us are deployed effectively and efficiently and in line with the priorities that have been established.

Looking ahead to 2023/24 we have an important task to conclude; the review of Seafish levy arrangements. The Strategic Review that we undertook last year clearly demonstrated the need for change, the need for fairness and equity and the need for an efficient and fit for purpose levy collection mechanism. The Seafish Board and I are committed to seeing through the necessary formal processes here, to bring about an updated Seafish levy landscape that provides clear value for money support for industry, while also securing a sustainable financial future for Seafish.

I look forward to working with the industry, government, and colleagues over the coming years to make good on our ambitions set out in the new Corporate Plan and deliver the support the industry needs to truly thrive.

**Mike Sheldon**  
**Chair of the Seafish Board**

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## Chief Executive Statement

The UK seafood industry is experiencing extremely uncertain and volatile conditions at this time. We predict that the next five years will be the most challenging in at least a generation as a result of global unrest following Russia's invasion of Ukraine, economic uncertainty driving a 'cost of living crisis' and a climate and nature emergency resulting from rising temperatures, unpredictable weather patterns and a continued decline in biodiversity.

However, we also know that alongside the uncertainties there are opportunities to support the seafood industry and the communities that depend on it to thrive. This is the context in which Seafish is operating and it means that the organisation is more in demand than ever before. We are here to support the seafood sector as it grapples with this challenging operating environment and have found that our services are being drawn upon across the supply chain and right across all four nations of the United Kingdom.

I would like to acknowledge and thank our stakeholders for their engagement with Seafish over the past year. It is only by working collaboratively with industry, government, and researchers that we are able to drive transformation and find solutions to problems. Attendance and contributions through our Sector Panels, our Advisory Committees and our Issues Groups has been remarkable and driven by the pressing issues that we are all facing.

It would be remiss of me not to also thank and congratulate my Seafish staff colleagues who have drawn on their considerable range of fisheries and seafood knowledge and expertise. We have 84 staff working across the UK with offices in Grimsby and Edinburgh and many based near some of the main fishing and seafood hubs. They have stepped forward to tackle requests for support and their contribution has been recognised and appreciated by many of our stakeholders.

In spite of the uncertainty described above, we have been able to build on the outcomes of our Strategic Review in 2021 to help us formulate a new Corporate Plan covering the next five years 2023-28. This follows extensive stakeholder engagement, and we believe delivers an impactful, collaborative, and ambitious set of objectives for Seafish. This plan was developed with the Seafish Board and now forms the basis for our work going forward.

The Seafish Board has also launched a debate with industry regarding reforms to the Seafish levy. We hope to conclude those discussions in a positive way in 2023/24 such that Seafish is able to secure a sustainable financial future for the next decade.

A handwritten signature in blue ink, appearing to read "M. Coleman".

**Marcus Coleman**  
**Chief Executive**

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## Overview

The Performance Report discloses those matters which we are required to report under the Government Financial Reporting Manual (FReM). It is intended to provide:

- An overview of our purpose, strategy, high level objectives and organisational structure during the year;
- A balanced and comprehensive analysis of our development and performance during the financial year, including the financial positions at the year end;
- Notable highlights and deliverables for our Operational and Corporate Relations Divisions;
- Key operational issues and risks;
- The main trends and factors likely to affect the future development, performance, and position of the business;
- Sustainability reporting.

Key governance risks are discussed in the Governance Statement on page 38.



## **Seafish Purpose**

Seafish exists to give the UK seafood sector the support it needs to thrive.

We know what seafood can do for the nation: it's packed full of nutrition; when managed responsibly, it's sustainable; it creates long-term job opportunities; builds and sustains communities and drives business prosperity. When this sector thrives, the whole nation thrives.

We engage with industry right across the UK from Shetland in the north, to Cornwall in the south. We work with fishing vessels and their crew, seafood processing businesses, aquaculture producers and restaurants and fishmongers reliant on the industry and the top-quality seafood we fish, farm and process.

Our industry care passionately about seafood, their communities, and the seas around our coast. Our unique, non-competitive position means we work in partnership with stakeholders across the UK to navigate challenges and seize opportunities.

As in previous years, our high-level objectives align with the five big Challenges that affect the industry. Seafish is working to manage both the potential upsides and downsides of these challenges on businesses and to help the sector find solutions.

### **Challenge 1: Changing landscape**

Helping the industry navigate a changing economic and regulatory landscape as the UK exited the EU and recover from the Covid-19 pandemic.

### **Challenge 2: Increasing seafood consumption**

Increasing consumer demand for fish and other seafood against strong competition from other protein and non-protein foods.

### **Challenge 3: A safe and skilled workforce**

Supporting the sector to find and retain a suitably skilled workforce, while addressing complex challenges around workplace safety.

### **Challenge 4: Ensuring sustainable supply**

Helping the seafood sector to source sustainable seafood in an increasingly competitive global market, while ensuring consumer expectations on welfare (both human and animal), and the environment are met.

### **Challenge 5: Data, innovation and insight**

Helping the sector access data, information and knowledge to ensure it is equipped to understand and respond innovatively to challenges and opportunities.

## Organisational Structure

To address the Challenges effectively, our work is led under three divisions: Enabling Services, Communications and Engagement and Operations. The performance against the Challenges under the Communications and Engagement and Operations divisions are reported on page 14. The director leading each division and the divisional teams are demonstrated in the following organisational structure.



The Executive Management team are governed by the Seafish Board – please see page 24 for more details.

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## Performance Analysis

Progress against our Corporate Plan is measured through detailed performance dashboards on each Challenge work area, and these are included in the Board pack for the Seafish Board on a quarterly basis to review. In addition, each Challenge has an internal monitoring team and monitoring tool which is updated and reviewed monthly. To provide the Board with assurance that operations are running effectively, a budget variance analysis and project delivery RAG Rating is included on the detailed performance dashboards.

Performance dashboards relating to Finance, Human Resources, Levy collection, and Information Systems are also made available for the Board to review on a quarterly basis.

A review of our financial performance is shown, followed by delivery highlights from our 2022/23 Annual Plan. This includes:

- The notable highlights;
- Performance against key expectations;
- Upcoming issues that the teams are expecting to face, and;
- Any non-financial information including social matters, respect for human rights, anti-corruption and anti-bribery matters.

## Financial Performance

### Review of Financial Results for the Year

We delivered a surplus based on total comprehensive income of £0.1m in 2022/23 compared to a surplus of £4.9m for 2021/22. The main reasons for this £4.8m movement were:

|   | 2022/23<br>£000 | 2021/22<br>£000 | Movement<br>£000 | Reason for Movement  |
|---|-----------------|-----------------|------------------|--|
| Levy Income                                     | 7,160           | 7,641           | (481)            | Levy decreased by 6% due to a drop in volume of seafood subject to levy.   |
| Other Operating Income                          | 2,014           | 1,614           | 400              | New grant and other project related funding accessed, in particular within Fisheries Management which is partly-funded by Defra. |
| Project Expenditure                             | (2,873)         | (2,914)         | 41               | Project work spend remained consistent with the prior year.  |
| Staff Costs                                     | (4,344)         | (4,011)         | (333)            | Pay progression and bonuses for staff as per pay policy.   |
| Actuarial Pension Gain                          | 11,700          | 3,555           | 8,145            | Actuarial gain in the LGPS WYPF scheme assets.   |
| Loss on settlement of funded pension obligation | (12,395)        | -               | (12,395)         | Loss on the settlement of the LGPS WYPF funded pension obligation.   |
| Other Income and Expenditure                    | (1,176)         | (1,010)         | (166)            | Other income and expenditure remained consistent with the prior year.  |
| <b>Total</b>                                    | <b>86</b>       | <b>4,875</b>    | <b>(4,789)</b>   |  |



## Review of Financial Position as at 31 March 2023

After covering all our liabilities, we had net assets of £5.2m as at 31 March 2023 (2022: net assets of £5.1m). The key balance sheet movements were as follows:

|                           | 2022/23<br>£000 | 2021/22<br>£000 | Movement<br>£000 | Reason for Movement   |
|---------------------------|-----------------|-----------------|------------------|---|
| Cash and cash equivalents | 6,313           | 5,693           | 620              | Cash increased largely due to net operating income of £0.8m for the year and improved bank interest rates throughout the year, as per the changes in the Bank of England base rate. |
| Pension liability         | (2,652)         | (3,247)         | 595              | Positive movement mainly relates to actuarial gains in the unfunded section of the LGPS WYPF.   |
| Other                     | 1,531           | 2,670           | (1,139)          | Movement mainly relates to the accrual to the exit of funded section of LGPS WYPF.  |
| <b>Total</b>              | <b>5,192</b>    | <b>5,116</b>    | <b>76</b>        |   |

## Levy Income

Total levy income for 2022/23 was £7.2m (2021/22 £7.6m). This decrease of £0.4m was due to a reduction in seafood consumption subject to levy, impacted by the cost of living crisis, economic uncertainty, and associated supply and demand dynamics which have impacted prices and consumer behaviour.

Any variance in levy is a result of variations in volumes or categories of landed or purchased fish by levy payers and are based on the rate of levy set in 1999. Following a Strategic Review process in 2021/22, a consultation with stakeholders commenced in early 2023 with a view to increasing the levy rate and levy scope for the first time since 1999, a process which is ongoing at the time of writing. This is aligned to our commitment to achieving continual improvement in support for the fishing industry.

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## ***Performance Across the Five Challenges***

In relation to the five Challenges, we continued to work collaboratively with stakeholders in industry and government to make positive progress. The following are a selection of notable activities for each Challenge presented below:

### **Challenge 1: Changing landscape**

We continued to play a key role in assisting seafood businesses adapt to the new trading arrangements post EU Exit which included preparing for the introduction of import requirements. We also monitored the EU regulatory landscape to assess potential regulatory divergence to understand how these changes may impact UK seafood trade, and what steps businesses should take to minimise the impact.

We engaged extensively on the impact of the Russian invasion of Ukraine on seafood imports and seafood prices. This included supporting government and industry to navigate trade restrictions, culminating in the application of import tariffs, and assisting the sector to identify alternative import opportunities.

Our work on analysing and assessing the risks and opportunities for the seafood sector from new Free Trade Agreements has continued throughout this period. Reports were produced on India, Canada, and Australia/New Zealand.

We continued to work closely with the Defra GREAT Team and the Department for International Trade (DIT) to promote an international marketing toolkit comprising a suite of digital assets that DIT's global advisors and UK Exporters can use to showcase UK seafood in international markets. In addition, we delivered a UK Pavilion in partnership with Defra and DIT for the first time at Seafood Expo Global in Barcelona in April 2022, part-funded by the UK Seafood Export Support Package.

We supported seafood businesses to adapt to domestic regulation change including new plastic packaging tax requirements, restrictions on the retail promotion of certain processed fishery products, and calorie labelling in food service.

We also continued to monitor and report on sector performance on a quarterly basis. These quarterly reports provided detailed insights into how the UK seafood supply chain responded to the impacts of external events, including the war in Ukraine and the energy and cost of living crises.

Finally, we launched our new Trade Analysis support service to provide businesses with detailed information and analysis on key trends in seafood imports and exports.

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## Challenge 2: Increasing seafood consumption

Our Strategic Review in 2021 identified that, Seafish should focus on industry priorities detailed below in the section on “Future Strategic Direction” on page 20. As a result of the demand for more focus on these priority issues, our consumer marketing activity through ‘Love Seafood’ ceased from the end of the last financial year.

Activity in 2022/23 was reorientated and team members refocussed efforts on supporting industry reputation and developing our Comms and Channels function to support Business to Business (B2B) rather than Business to Consumer (B2C) marketing as was the case with ‘Love Seafood’.

We also supported other seafood promotional initiatives such as the ‘Northern Ireland Seafood Trails’ and the ‘Marketing Seafood through Education’ projects and provided marketing support to a project looking at innovative uses of mussel protein to support the aquaculture sector.

Throughout the year, our Market Insight service provided 538 sector and species-specific reports, as well as responding to 269 stakeholder enquiries and delivering 5 webinars for industry with 188 stakeholders registered.

## Challenge 3: A safe and skilled workforce

We continued to deliver our support for training providers and workers across the seafood supply chain, with a total of 5,473 mandatory and voluntary Seafish training places taken up (4,921 fishers and 552 onshore workers).

We administered £671,000, secured from the Maritime & Coastguard Agency and Marine Management Organisation, Marine Scotland, Welsh Government and DAERA in Northern Ireland, to support fishers undertaking additional voluntary training.

Our Kingfisher service<sup>1</sup> continued its vital work in alerting fishermen to surface and subsea hazards. We had 1,250 fishing vessel operators create accounts on our new Bulletin app, through which we issued more than 150,000 safety alerts.

We refreshed and updated content on the Fishing Industry Safety Group’s Home & Dry website and delivered a further campaign in March to maintain high levels of safety awareness amongst fishers and their loved ones.

In partnership with the RNLI, we delivered 19 Manoverboard Awareness events at centres in Aberdeen, South Shields, Poole, Lowestoft, Fleetwood and Errigal, providing

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<sup>1</sup> Seafish receives ongoing financial support for Kingfisher from charities and commercial businesses across the cables, renewables and oil/gas sector which is used to deliver core Kingfisher safety services. These services include the FishSAFE, KIS-ORCA and Kingfisher Bulletin hazard awareness services.

259 fishers with a high impact, behaviour-changing experiences. These events were funded by £260,000 received from the Department for Transport and the Maritime & Coastguard Agency.

We continued to support local fishing safety forums, assisting with the organisation and delivery of safety roadshow events and the production and distribution of first aid guides to skippers across the UK.

#### Challenge 4: Ensuring sustainable supply

With part-funding from Defra, our Fisheries Management work programme continues to go from strength to strength. We continued to support the delivery of the front runner Fisheries Management Plans (FMP), leading the development of key shellfish plans (whelk, crab and lobster) and supporting the Scallop FMP. We established the Finfish Industry Advisory Group as the core group for industry, regulators and researchers to engage on finfish issues.

We held an international symposium, in collaboration with partner organisations in the US and Australia, on microplastics in seafood and the risk to human health.

We led two supply chain initiatives looking at the supply solutions to small haddock landings and options for use of mussels as a food ingredient.

Significant progress was made on our shellfish water quality work programme, in collaboration with shellfish producers and the Food Standards Agency on the application of the shellfish control regulations.

Our Seafish Issues Groups convened in person for the first time since the pandemic, although a hybrid model will be adopted in the future with a mix of online and in person events.

We continued to work with regulators and businesses across the supply to address issues related to ethics and welfare in seafood. Our focus was on supporting two key industry initiatives, the Fishermen's Welfare Alliance, and the Seafood Ethics Action Alliance, and assisting government understand labour issues across the supply chain.

Other work in this area includes progressing work on the crustacea codes of practice, gear technology research, and establishing our Vessels of the Future Forum to assist the UK fishing fleet to adapt to meet net zero requirements.



## Challenge 5: Data, innovation and insight

As in previous years we delivered our annual Defra-funded fleet and processing sector surveys and produced the analysis to show how the catching and processing sector has performed. We continue to respond to requests for analysis and advice from industry and government alike. Key outputs included impact assessments on the implications of changes to the Nationality and Borders Act 2022, the energy crises on the seafood sector, and analysis on seafood consumption trends.

Our work on improving our understanding of the ecosystem services that shellfish provides included research to quantify these benefits across the UK. We also completed our special review into 'fish as food' which considered the challenges affecting seafood consumption and how the sector could respond.

We continue to facilitate research partnerships to align industry needs with research funding programmes, and we supported two key innovation programmes, Seafood Innovation Fund and Fisheries Innovation Scotland.

### **Key Operational Issues and Risks**

The key operational issues and risks faced by Seafish in 2022/23 and how we have mitigated these risks are highlighted below:

#### **Risk 1. Long Term Financial Sustainability**

*There is a risk that Seafish will cease to be financially viable as a public body due to a combination of adverse economic factors.*

The exit from the LGPS pension scheme in the financial year has significantly reduced risk associated with valuation volatility and will also result in reduced ongoing employer pension costs, putting the organisation on a more stable financial platform going forward.

More detailed information on the scheme exit is contained in Note 9 of the accounts.

#### **Risk 2. Legal Challenge to Levy Collection Arrangements**

*There is a risk that successful legal challenge could be brought regarding the collection of Seafish Levy, potentially impacting levy collection levels and reputation.*

The likelihood of legal challenge is thought to be low, as levy collection is underpinned by legislation. Nevertheless, compliance with the legislation requires rigorous enforcement through the levy audit process.

### Risk 3. Deconstruction of UK-wide Remit

*There is a risk that Seafish might struggle to be a viable entity if Seafish is no longer able to operate as a UK wide body due to a changing landscape.*

Initiatives are in place to ensure strong engagement with all Administrations that Seafish work with across the UK.

### Risk 4. Loss of Stakeholder Satisfaction

*There is a risk that a fall in the perceived value provided by Seafish or general satisfaction with Seafish activities would result in damage to reputation, a reduction of support for Seafish and resistance or challenge to the need for a levy raising body.*

Seafish have continued to improve the Stakeholder Engagement Strategy and have consulted in the development of significant initiatives within the financial year such as Corporate Plan, Annual Plan and Levy reforms.

### Risk 5. IT Security Breach

*There is a risk that the organisation would be unable to function and may face ransom demands from third parties to retrieve or unlock data. Loss of data could trigger Class Action responses from affected groups.*

Significant improvements have been made in recent years in relation to security accreditations, providing greater levels of system resilience and assurance. The move to cloud-based applications in recent years has also improved functionality and accessibility whilst at the same time improving system security.

### Risk 6. Impact of Global Events

*There is a risk that the consequences arising from events such as the Russia / Ukraine conflict could influence market dynamics in terms of supply of fish, oils, energy, labour availability, etc and these factors could have an adverse effect on Seafish income or the relevance or demand for Seafish activities.*

Agile thinking and flexibility to adapt the operating model have been success factors in retaining organisational resilience in recent years. The proposals on levy reform also capture the opportunity to spread risk over an increased scope of levy categories.

The primary focus for the organisation in terms of risk is to ensure that it secures a sustainable financial future. There are several negative driving forces here including, reducing seafood consumption, market shifts to non-levy species, rising organisational costs and a static levy arrangement that has not changed in 20+ years nor is linked to any form of inflationary adjustment. This is being mitigated through first, a Strategic Review and second, a subsequent attempt to reform the approach to the Seafish levy; rates, scope and administration.

## Fraud

Like all public sector bodies, external fraud provides us with an ever-present risk. There are increasing instances of sophisticated fraud attempts on public bodies and an increasing variety of attacks as cybercrime advances. Threats range from creditor fraud to procurement fraud. A successful fraud attempt has the potential to leave us at a financial loss, lose the confidence of external stakeholders and lower the organisation's morale. A review of our fraud risk was carried out and a Fraud Risk Management Report update was presented to our Audit and Risk Committee in July 2022. The report noted good progress against recommended actions, with further processes relating to levy fraud risk being implemented. We are connected to the Defra Counter Fraud Network and work to the highest possible standard of best practice in adherence to the Counter Fraud Functional Standard, GS013 (v2.0) which was issued in August 2021.

## Going Concern

The Seafish Board has considered going concern in line with the requirements of the government's Financial Reporting Manual (FReM) for accounts preparers and is content for each of the reasons discussed below that it remains appropriate to prepare the accounts on a going concern basis as Seafish will continue to provide a service in the future.

Seafish continues to operate in a time of general economic uncertainty, with high inflation and cost of living and the war in Ukraine being key issues. Levy income dropped in 2022/23 after showing a recovery in the prior year of 2021/22 following the Covid pandemic.

We are content that all ongoing obligations will be met in the next 12 months, that no liquidity issues are expected and that no going concerns issues will arise. The situation with the war in the Ukraine and other key risks continue to be monitored closely.

## Future Strategic Direction

In early 2023, Seafish secured approval for its new five-year Corporate Plan covering the period between 2023 and 2028. The plan was developed through extensive engagement with our stakeholder community as part of our Strategic Review in which the issues that matter most became very clear. It gives us great confidence and reassurance knowing that we have listened to industry needs and have acted on that. As well as delivering a clear line of sight on our priorities for the seafood industry, the Strategic Review has assured us that we have a strong mandate to deliver and has empowered us to take forward proposed changes to our funding and delivery models.

The priorities we are taking forward are as follows:

- Ensuring a safe and skilled workforce
- Facilitating and promoting international trade
- Responding to the climate change emergency
- Improving fisheries management
- Enabling supply chain resilience
- Improving data, insight and innovation to support our priority work areas and to deliver products and services directly to businesses.

Across all these priority work areas we will actively scan the landscape for reputational risks and proactively plan responses to help mitigate impacts and champion industry reputation.

For all these priority work areas we have set out stretching ambitions for the seafood sector and we will be tracking these against a series of measures alongside key performance indicators focused specifically on the performance of Seafish itself.

Seafish is a small organisation but we have big ambitions for the future of the UK seafood industry. Ultimately, we see success as a thriving seafood industry that:

- Has access to the seafood supply (locally produced and imported);
- Has consumers, at home and abroad, valuing seafood for the health, nutritional and environmental benefits it provides;
- Is valued for the contribution it makes nationally to regional growth and coastal community resilience, and to the food supply of the nation; and
- Is recognised as being a leader in corporate social responsibility and delivering best practice while maintaining its competitiveness.

Most of our funding comes from a levy on the first sale of seafood products in the UK. We also secure funding from government and charitable organisations where appropriate. The Seafish levy was last amended in 1999 and, in response to our Strategic Review recommendations, the levy system will be reviewed during 2023. This review is needed to ensure that the levy system is fair, equitable and efficient and underpins a sustainable financial future for the organisation.



## Seafish Sustainability Report

Seafish acts responsibly as an employer and as an organisation through such mechanisms such as waste recycling and purchasing from sustainable sources, where possible.

In delivering our 2018-21 Seafish Corporate Plan (which was extended for a further two years), we committed to directly contribute to six United Nations Sustainable Development Goals. These Global Goals provide the planet's blueprint to achieve a better and more sustainable future for all by 2030.

Seafish is a valued member of Defra group's Sustainability Leadership Group. We were invited to contribute to discussions to help shape Defra group's sustainability vision and its recently published sustainability strategy. In addition to quarterly data reporting requirements to comply with our Greening Government Commitment (2021-25), Seafish is committed to aligning our organisational sustainability journey with Defra group's recently published sustainability strategy.

Our staff are also passionate about giving back to their community and protecting the environment. We offer staff five days a year to undertake volunteer work to support this aspiration; it is anticipated that momentum will return after all activity was halted during the Covid-19 pandemic.

|  | Year ended 31 March 2023 |         |               | Year ended 31 March 2022 |         |               | [Baseline]<br>Year ended 31 March 2020 |         |               |
|--|--------------------------|---------|---------------|--------------------------|---------|---------------|--|---------|---------------|
|  | Expenditure<br>£000      | Measure | Tonnes<br>CO2 | Expenditure<br>£000      | Measure | Tonnes<br>CO2 | Expenditure<br>£000                    | Measure | Tonnes<br>CO2 |
| <b>Scope 1: Direct energy</b>            |                          |         |               |                          |         |               |  |         |               |
| Gas (kWh)                                | 7                        | 97,507  | 18            | 5                        | 92,250  | 17            | 5                                      | 102,615 | 19            |
| Travel by non-owned transport (miles)    | 64                       | 59,947  | 24            | 66                       | 49,555  | 13            | 226                                    | 350,929 | 98            |
| <b>Scope 2: Indirect energy</b>          |                          |         |               |                          |         |               |  |         |               |
| Electricity (kWh)                        | 20                       | 60,499  | 13            | 11                       | 54,236  | 13            | 11                                     | 57,032  | 15            |
| <b>Scope 3: Other indirect emissions</b> |                          |         |               |                          |         |               |  |         |               |
| Air Travel (miles)                       | 27                       | 62,665  | 19            | 6                        | 12,893  | 2             | 65                                     | 150,696 | 24            |
| Rail Travel (miles)                      | 47                       | 110,880 | 6             | 11                       | 26,840  | 1             | 130                                    | 302,480 | 13            |
| Water supply (m3)                        | 5                        | 21      | -             | 5                        | 10      | -             | 5                                      | 115     | -             |
| Waste management (tonnes)                | 1                        | 1       | -             | 2                        | 2       | -             | 7                                      | 5       | 1             |
| <b>Total</b>                             | <b>171</b>               |         | <b>80</b>     | <b>106</b>               |         | <b>46</b>     | <b>449</b>                             |         | <b>170</b>    |

Total reported emissions are well below the 2019/20 baseline but still increased by 74% in 2022/23 compared to the previous year, as seen in the year-on-year emissions values in the above table. Travel has increased as we resumed attending Seafood Expos exhibitions abroad, as well as attending other conferences and meetings after it was also all halted during the Covid-19 pandemic.

Whilst we operate hybrid working, a slightly higher usage of electricity and gas is evident, as more staff returned to the office to work.

A substantial proportion of the 'Travel by non-owned transport' are due to the costs of our lease vehicles.

To minimise waste, IT hardware are reused within Seafish or collected by specialist contractors who arrange re-use, recycling and eventual disposal. We also continue to use Microsoft's Office 365 and Azure hosting which provides Seafish with web-based messaging, video conferencing and increased collaboration facilities, enabling colleagues to share and collaborate on documents, reducing face-to-face meetings and travel related emissions.

There are several factors that currently limit the accurate compilation of the sustainability data.

These are listed below:

- We pay a unitary charge to operate out of our leased premises in Grimsby. As such, utility and waste management charges associated with the Grimsby office cannot be disaggregated and therefore are not included.
- Details of exact miles taken are not recorded for taxi, rail or air travel. The above mileage is an estimate based on the expenditure in these areas.

A handwritten signature in blue ink, appearing to read "M. Coleman".

**Marcus Coleman**

**Chief Executive**

28<sup>th</sup> November 2023



# Accountability Report

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## Accountability Report

### Corporate Governance Report

The purpose of the Corporate Governance report is to explain the composition and organisation of Seafish's governance structure and how it supports the achievement of our objectives. This Governance report sets out how we have managed and controlled our resources during the year.

### Directors' Report

#### Statutory Background

These accounts have been prepared in accordance with Section 11 of the Fisheries Act 1981 as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2004. These financial statements have been prepared in accordance with the accounts direction issued by the Secretary of State for Environment, Food and Rural Affairs. The accounts direction requires compliance with HM Treasury's Financial Reporting Manual (FReM) and any other guidance issued by HM Treasury.

#### Seafish Board Members

In 2022/23, there were ten non-executive Seafish Board members, appointed jointly by the Minister of State for Food, Farming and Fisheries (Defra), the Cabinet Secretary for Rural Affairs and Islands (Scottish Government), the Cabinet Secretary for Environment and Rural Affairs (Welsh Government) and the Minister for Agriculture, and the Secretary of State for Northern Ireland. Five Board members are independent of the seafood industry and the remaining five members represent the interests of the seafood industry.

**Independent:** Michael Sheldon (Chair)  
Jeffrey Halliwell (Deputy Chair)  
Linda Rosborough  
Graham Black  
David Brooks

**Industry:** Michael Mitchell  
Nathan de Rozarieux  
Heather Jones  
Nigel Edwards  
Harry Wick

A Register of Board members' interests details company directorships and other significant interests held by Board members which may conflict with their



responsibilities. The register is available on the Seafish website (<https://www.seafish.org/about-us/governance-and-performance/seafish-board/>) or by contacting Seafish direct.

Board meetings are held regularly to ensure overall control over the operations of Seafish is exercised. The Chief Executive and the Executive Directors attend and participate fully in all Board meetings. Meetings are fully minuted.

### Board Members' Responsibilities

Board members have adopted a Code of Good Practice, as recommended by government, which covers their responsibilities including public service values, corporate responsibilities, strategic planning and control, handling conflicts of interest and annual report and accounts preparation on a going concern basis.

The Chief Executive of Seafish as Accounting Officer is responsible for maintaining accounting records and maintaining a sound system of internal control. The Accounting Officer is also responsible for preparing the Annual Report, the Remuneration and Staff Report and the financial statements in accordance with the Fisheries Act 1981, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2004 and the Accounts Direction issued by the Secretary of State for the Environment, Food and Rural Affairs.

### Management

The management of Seafish comprised the following Executive Directors during 2022/2023:

- Marcus Coleman (Chief Executive)
- Aoife Martin (Director of Operations)
- Dr Lynn Gilmore (Director of Communications and Engagement)
- Linsey Neill (Human Resources Director)
- Kenneth McIntosh (Finance Director)

### Business Review and Future Developments

The Statement of Comprehensive Net Income is set out on page 62 of the accounts.

The net expenditure for the year, after taxation but prior to Other Comprehensive Income gains, amounted to £11.6m (2021/22: net income £1.2m).

A detailed Performance Report is set out from page 12. The Performance Report contains a performance and financial review of the activities undertaken by us during 2022/23 as well as information on future developments.

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## Political and Charitable Donations

We did not make any donations towards charitable or political purposes during the year.

## Payment of Payables

We aim to comply with the Better Payments Practice Code. Our policy is to pay creditors' accounts by the due date specified under each creditor's terms of payment, unless under dispute.

At 31 March 2023, £0.2m was owed to trade payables representing 17 days purchases outstanding (31 March 2022 – 23 days).

## Auditors

The Comptroller and Auditor General is the statutorily appointed external auditor for Seafish. The audit fee for the statutory audit for 2022/23 is £79k (2021/22: £57k). There was no non-statutory audit work undertaken by the Comptroller and Auditor General in 2022/23 or 2021/22.

## Personal Data Related Incidents

There was one personal data breach during the period. This was reported to the Information Commissioners Office who were satisfied with the process followed to address the breach. (2021/22: nil).

## Statement of Accounting Officer's Responsibilities

Under the Fisheries Act 1981, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2004, the Secretary of State of Environment, Food and Rural Affairs has directed the Sea Fish Industry Authority (Seafish) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis. The Accounting Officer confirms that the Annual Report and Accounts as a whole give a true and fair view of the situation of the Sea Fish Industry Authority and of its income and expenditure, application of resources, changes in taxpayers' equity, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Ministers with the consent of Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- Maintain internal controls.
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the accounts.
- Prepare the accounts on a going concern basis.
- The Board and the Chief Executive as Accounting Officer are responsible for confirming that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of Defra has appointed the Chief Executive as Accounting Officer of Seafish. The responsibilities of an Accounting Officer; including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Sea Fish Industry Authority's assets; are set out in Managing Public Money published by HM Treasury and in the Accounting Officers' Memorandum issued by the Ministers and published in a Memorandum of Understanding between the Ministers and the Sea Fish Industry Authority.

The Accounting Officer considers that the system of internal controls and corporate governance deployed by Seafish are effective and robust and are proportionate to the size and scale of activities undertaken by the organisation. Plans are in place to further

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strengthen this area with the appointment of a Project Management and Governance Officer in 2023.

As far as the Accounting Officer is aware, there is no relevant audit information of which the Comptroller and Auditor General is unaware, and the Accounting Officer has taken all necessary steps to make himself aware of any relevant audit information and to establish that the Comptroller and Auditor General is aware of that information.

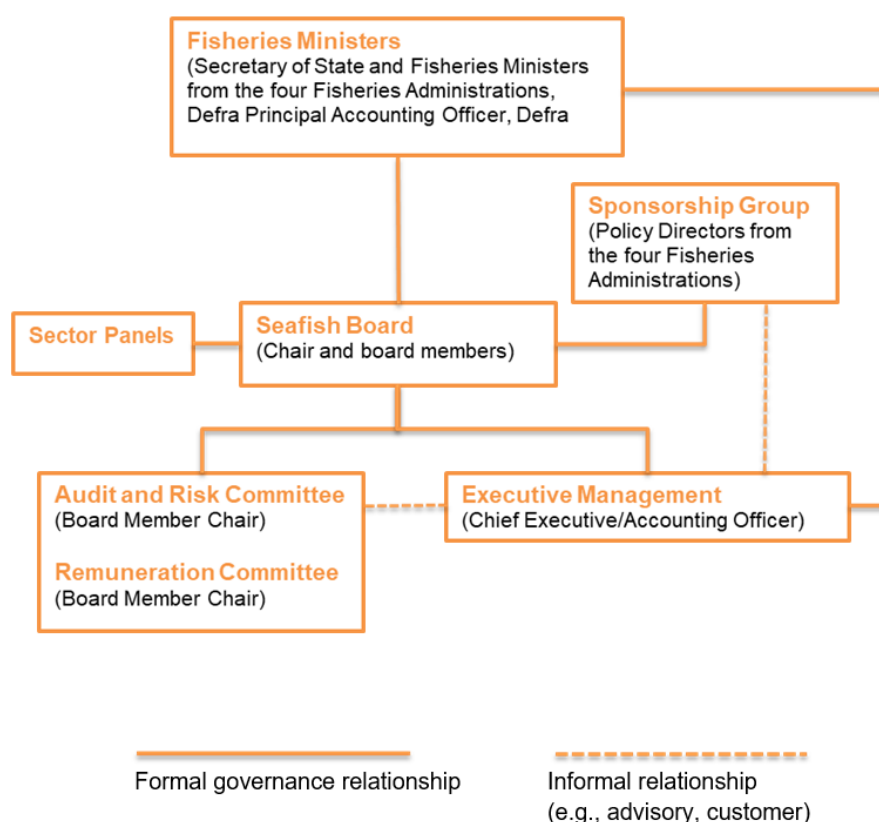
The Accounting Officer confirms that the annual report and accounts as a whole is fair, balanced and understandable and takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

## Governance Statement

As Accounting Officer, I have the responsibility for maintaining a sound system of risk management, governance and control that supports the achievements of Seafish policies, aims and objectives, whilst safeguarding the public funds and Seafish assets for which I am responsible. Seafish is required to operate in accordance with the responsibilities assigned in Managing Public Money, issued by HM Treasury, and are also required to ensure compliance with the relevant principles and protocols outlined in the Corporate Governance in Central Government Departments - Code of Good Practice 2017.

## The Governance Framework of Seafish

In 2013, Seafish and the four Fisheries Administrations agreed the detail of a Framework Agreement that set out the overarching arrangements for the sponsorship of Seafish and the governance and accountability arrangements between the four Fisheries Administrations (being the Department for Environment, Food and Rural Affairs (Defra), Marine Scotland, Department of Agriculture, Environment and Rural Affairs Northern Ireland (DAERA) and the Welsh Government) and Seafish. This structure was operational throughout 2022/23 but is currently being refreshed and brought up to date with HM Treasury requirements. This governance framework is demonstrated in the below diagram.



Under the Framework Agreement, the Sponsorship Group, comprising policy directors from the four Administrations, manages the relationship with Seafish and the main sponsorship activities. Defra acts as the primary point of contact for Seafish in dealing with issues relating to sponsorship, finance, corporate governance and performance, and liaises with the other Administrations as appropriate. Routine policy issues are handled through bilateral engagement between policy leads in the relevant Administrations and Seafish.

The Framework Agreement also sets out the governance structure for Seafish, including the role of the three Sector Panels to provide advice to the Seafish Board on work priorities.

### The Board

Ministers appoint the Seafish Board. The Board provides strategic direction and leadership; drives performance and holds the Executive to account against its corporate plans. It also ensures that ministers are kept informed of any changes which are likely to impact on the strategic direction of the company.

Members of the three advisory Sector Panels are appointed by Seafish. The aim of the Panels is to enable greater industry representation and influence in defining our work programmes. The three Panels represent the following sectors: Domestic and Exporters; Importers and Processors; Consumers and Supply Chain.

The Seafish Board agrees the strategy and corporate objectives for the organisation and the Sector Panels, and our Executive team then develop specific strategies and costed work programmes against these objectives. The Panel Chairs attend Board meetings and provide a valuable channel of communication between Seafish, the Panel members and the wider industry.

There were ten non-executive Board members during the year, five of whom were independent members, with the remaining five being from the seafood industry.

Current Board members in 2022/23 were:

|                                    |                        |
|------------------------------------|------------------------|
| • Michael Sheldon (Chair)          | Appointment 01/04/2021 |
| • Jeffrey Halliwell (Deputy Chair) | Appointment 01/04/2021 |
| • Linda Rosborough                 | Appointment 01/01/2019 |
| • Graham Black                     | Appointment 01/04/2021 |
| • David Brooks                     | Appointment 01/04/2021 |
| • Michael Mitchell                 | Appointment 01/04/2018 |
| • Nathan de Rozarieux              | Appointment 01/04/2018 |
| • Heather Jones                    | Appointment 01/04/2021 |
| • Nigel Edwards                    | Appointment 01/04/2021 |
| • Harry Wick                       | Appointment 01/04/2021 |



The Board met eight times during the year and the minutes of these meetings are available on our website (<https://www.seafish.org/about-us/governance-and-performance/seafish-board/>). The Panel Chairs, the Chief Executive and the Executive Directors attend and participate in all Board meetings. The Board meets in closed session where appropriate.

### Board Meetings

The meeting attendance records for Board members during 2022/23 are detailed in the table below:

| Board Member                     | Possible <sup>2</sup> | Attended |
|----------------------------------|-----------------------|----------|
| Michael Sheldon (Chair)          | 8                     | 8        |
| Jeffrey Halliwell (Deputy Chair) | 8                     | 5        |
| Linda Rosborough                 | 8                     | 7        |
| Graham Black                     | 8                     | 7        |
| David Brooks                     | 8                     | 8        |
| Michael Mitchell                 | 8                     | 8        |
| Nathan de Rozarieux              | 8                     | 8        |
| Heather Jones                    | 8                     | 7        |
| Nigel Edwards                    | 8                     | 5        |
| Harry Wick                       | 8                     | 6        |

| Executive Directors                                    | Possible | Attended |
|--|----------|----------|
| Marcus Coleman (Chief Executive)                       | 8        | 8        |
| Kenneth McIntosh (Finance Director)                    | 8        | 8        |
| Linsey Neill (Human Resources Director)                | 8        | 6        |
| Aoife Martin (Director of Operations)                  | 8        | 8        |
| Lynn Gilmore (Director of Communications & Engagement) | 8        | 8        |

The Board considers standard items that include reports from Executive Directors, the risk register, Health and Safety update, and reports from the committees and any ad hoc sub-groups. All papers presented to the Board or any of its committees are validated by the relevant Executive Director.

Most governance issues identified were delegated to the Audit and Risk Committee (ARC) for consideration and feedback. Examples of issues considered by ARC are shown on page 33.

<sup>2</sup> Includes 4 Extraordinary Board meetings

## Conflicts of Interest

Board members are required to declare any direct or indirect interest in any item on the agenda before the board meeting begins. Any declaration will be noted in the minutes and the member will not take part in any deliberation or decision-making process relevant to the issue raised. If deemed appropriate by the Chair, they may also be asked to withdraw from the meeting during consideration of the business to which the conflict relates. There were no conflicts of interest identified in the year to 31 March 2023.

## Board Effectiveness

As noted above, the Board met eight times during the year as it worked through challenging discussions regarding the Strategic Review of the organisation and the future of levy arrangements.

An internal Board Effectiveness review was undertaken in October 2022 with the findings subsequently reviewed and discussed at the Board. The exercise illustrated a high degree of consensus about the performance of the Board. There were seven theme areas: Objectives, Strategy & Remit; Performance Oversight, Stakeholder Relations, Awareness of Sensitive Issues, Project & Programme Updates, Risk Management and Effective Operation. There were 57 quantitative questions and 3 open comment questions.

Key outcomes of the Effectiveness Review are summarised as follows:

- i. Board members answered most positively and in agreement when asked about Board objectives, strategy, and remit, management of risk and the extent to which the Board operates effectively (between 93% and 97% agreement in these theme areas).
- ii. Board members agreed with the vast majority of statements relating to Stakeholder Relations, agreeing that the sponsor department and Parliament consider the organisation to be performing well, has a strong Board and a good reputation.
- iii. The most common responses from Board members when asked to comment on the most successful outcomes for the Board during 2022/23 were: the strategic review, achievement of a strategic 5-year plan and successful closure of the DB pension scheme.
- iv. Board members cited the most challenging issues of 2022/23 were an absence of KPI or metrics to measure or challenge performance outcomes, the navigation of significant systemic and structural challenges and reflective comments on topics covered in the year.
- v. A quarter of Board members felt that more timely and robust post-evaluation reviews for major projects and programmes could be happening. This is perhaps in context to comments received around Board focusing this year specifically on significant strategic matters, namely the strategic review and 5-year plan.

- vi. A quarter of Board members disagreed when asked if Board regularly reviews progress against its performance appraisal action plan and draws up action plans following its performance evaluations. There was some disagreement that the Board assesses its performance against objectives at regular intervals and year-end.

It was agreed that these observations would be taken forward by the Executive and Board into 2023.

### Audit and Risk Committee

The Audit and Risk Committee (ARC) is a subcommittee of the Board. The ARC is chaired by one of the Independent Seafish Board member and includes three other non-executive members. The role of ARC is to independently provide assurance on the organisation and maintain an effective control environment to ensure financial and wider business integrity, sustainability and continuity. The ARC will scrutinise, monitor and if necessary, recommend measures to ensure that risk is effectively managed within the organisation.

This committee met five times during the year, with one being an Extraordinary ARC meeting.

During 2022/23, this committee has:

- Considered the Annual Report and Accounts for the year to 31 March 2022;
- Reviewed the NAO's Audit Completion Report for the Annual Report to 31 March 2022 and ensured any recommendations have been acted on;
- Received and commented upon several Internal Audit reports;
- Reviewed the progress made with the recommendations on Fraud Risk improvements;
- Reviewed the Strategic Risk Register;
- Made recommendations to the Board around consulting to exit a defined benefits LGPS, with further oversight and review as the consultation process developed; and
- Provided continued oversight for the Digital Transformation Programme.

Throughout the year the committee has maintained its focus on ensuring Seafish has a stable financial position, receiving regular financial updates.

ARC scrutinised a budget proposal for 2023/24 that contemplated the commencement of delivery of the Corporate Plan, showing a modest planned operating deficit with some associated depletion of cash reserves.

The framework of assurance in place throughout 2022/23 has enabled ARC to support the organisation through challenging times and remain in a stable financial position.

## Audit Risk Committee Effectiveness

The ARC followed through with its own review of effectiveness. This took place in July 2022 using a template survey provided by the NAO. A detailed discussion took place including: the relationship with the departmental Defra ARAC; committee skills and possible training gaps; whistleblowing arrangements; and effectiveness of committee communications to the Board. Actions were recorded against the various discussion points and agreement was reached that the person facilitating the effectiveness review will be rotated in future years.

## Internal Audit

During 2022/23 we continued our engagement with BDO as our internal auditors and Head of Internal Audit. Their role is to provide an independent, objective assurance and consulting activity designed to add value and improve operations. This involved BDO with designing and implementing the annual audit programme, attending each ARC meetings and providing an end of year audit opinion. These arrangements ensure we are fully compliant with the Public Sector Internal Audit Standards (PSIAS) and the requirements of Managing Public Money, which are outlined in the Seafish Accounting Officer delegation letter and Seafish framework document.

BDO carried out four internal audits during 2022/23, as follows:

- Health & Safety;
- Purchase to Pay;
- Income and Expenditure; and
- IT Security - Cyber Review

Internal audits are typically focused on areas that the Executive team has identified as in need of improvement. The audit findings are then evaluated alongside plans for improvement and are then tracked to ensure implementation follows.

In its capacity as Seafish's Head of Internal Audit, based on the reviews undertaken and in the context of materiality, BDO gave the following opinion:

*"In our view, based on the reviews undertaken during the period, and in the context of materiality:*

*The risk management activities and controls in the areas which we examined, except in the case of cyber security, were found to be suitably designed to achieve the specific risk management, control and governance arrangements.*

*Based on our verification reviews and sample testing, the risk management, control and governance arrangements were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control and governance objectives were achieved for the period under review, in all areas except cyber security where we noted gaps in the controls design. Management have agreed*

*the related recommendations and have made progress towards implementing these recommendations.”*

Recommendations made by BDO with regards to cyber security is in progress and our IT team is progressing with bridging the gaps highlighted to ensure appropriate policies and an effective control environment are in place.

### Remuneration Committee

The Remuneration Committee (RemCom) is chaired by an Independent Board Member who is also the Seafish Deputy Chair and includes two other non-executive members. The role of RemCom is to advise the Board on matters of staff remuneration, performance management and other systems and processes relating to staff management and welfare, attraction, retention and development of staff.

RemCom met formally three times during the year.

During 2022/23 RemCom has overseen the development and progress of the following key work areas:

- Reviewing our resource profile which has included resourcing requirements, leaver and retention analytics, the demographic composition of the organisation, and the management of critical roles;
- Pay policy, including the performance related pay scheme implemented in 2019, and gender pay gap reporting;
- Addressing staff wellbeing implications of the Covid-19 pandemic and oversight of health and safety matters;
- Reviewing the findings of staff surveys and making recommendations on measures to support staff wellbeing; and
- Reviewed proposals around the proposals for management of the Local Government Pension Scheme (WYPF)

### RemCom Effectiveness

An effectiveness review took place during 2022/23 to ensure good practice was being followed and that committee members were content with the processes and procedures being followed.

## **Risk and Control Framework**

### **Risk Management Strategy**

Seafish's risk management strategy is embedded throughout the organisation, with operational risks being identified through the Challenge Governance Groups. A risk reporting culture is encouraged across the organisation to enable the identification, prioritisation and escalation of key strategic and operational risks. We have taken a fresh look at our organisational risk appetite and agreed a risk appetite statement that sets out our outlook across a number of risk categories. Our risk appetite statement is as follows:

Our risk appetite has been defined following consideration of organisational risks, issues and consequences. Appetite levels will vary, in some areas our risk tolerance will be cautious, in others, we are open/eager for risk and are willing to carry risk in the pursuit of important objectives.

We will always aim to operate organisational activities at the levels defined below. Where activities are projected to exceed the defined levels, this must be highlighted through appropriate governance mechanisms.

- **Strategy Risks:** We have adopted a **cautious stance** for strategy risks, with a preference for strategic documents to be fully supported by extensive stakeholder engagement including securing agreement from Ministers in all four UK Administrations. We are not afraid to take bold decisions when needed. Organisational Strategy is refreshed at 4–5-year intervals.
- **Governance Risks:** We have adopted a **minimal stance** for governance risks, with a robust framework of governance controls including NAO Annual Audit processes, an appointed Internal Auditor function, a Committee and Board structure and all decisions made within the defined boundaries of the Principal Accounting Officer's Letter of Authorisation.
- **Operational Risks:** We have adopted an **open stance** for operational risks, recognising the uncertain and unpredictable sector that we support. New issues and situations arise frequently, and we need the Executive team and management to respond in an agile and dynamic fashion to meet the needs of levy payers and other stakeholders.
- **Legal Risks:** We have adopted a **minimal stance** for legal risks. We want to be sure that we would win any legal challenge and will bring in third party legal expertise to minimise any risk of legal challenge when the circumstances arise.
- **Financial Risks:** We have adopted a **cautious stance** for financial risks, generally seeking safe delivery options with little threat to cash reserves and a robust controls framework with regular monitoring at Executive and Board levels. The Board will receive ongoing assurance through the annual



governance statement that policies and procedures are in place in line with HMT guidance.

- **Technology Risks:** We have adopted an **open stance** for technology risks, seeing technology as a key enabler of improved delivery. We have put in place additional governance arrangements to oversee our digital transformation programme.
- **Data and Information Management Risks:** We have adopted a **minimalist stance** for data and information management risks, accepting the need for information be shared to support and engender collaboration whilst protecting personal information in line with GDPR requirements. We are very much aware of the risk of potential damage due to disclosures.
- **People Risks:** We have adopted an **eager (hungry) stance** for people risks. There is a desire to 'break the mould' and challenge traditional working practices. There are high levels of devolved authority – management is by trust rather than close control. *(Note: our approach to compliance with all employment law requirements and contractual terms is covered under 'legal risks').*
- **Reputational risks:** We have adopted an **open stance** for reputational risks, mindful of the frequent need for the organisation to be the defender and honest broker on behalf of the sector we serve. This is not without occasional reputational challenge for Seafish and we ensure that we underpin our statements and positions with robust data and facts rather than rhetoric.

## Risk Environment

We operate a comprehensive corporate risk register which identifies strategic and operational risk separately. To monitor changes and check progress of mitigation measures, the risk register is reviewed at least twice a year by ARC. The risk register is also reviewed by the Board at board meetings at least twice a year, and the Board carry out an in-depth review of all risks once a year. It is ARC's responsibility to assess the risks identified by the Executive team and report assessments to the Board. Challenge of the management process occurs at both Board and ARC meetings. Significant risks will be discussed directly with the Board.

## Key Risks

We identified six key risks regarding the Governance of the organisation. More on these risks can be found on page 17. These risks are recorded in our risk register which are reviewed and monitored as described above.

**Long Term Financial Sustainability** – There is a risk that Seafish will cease to be financially viable as a public body due to a combination of adverse economic factors.

**Legal Challenge to Levy Collection Arrangements** – There is a risk that legal challenge could be brought regarding the collection of Seafish Levy, potentially impacting levy collection levels and reputation.

**Deconstruction of UK-wide remit** – There is a risk that Seafish might struggle to be a viable entity if Seafish is no longer being able to operate as a UK wide body due to a changing landscape.

**Loss of Stakeholder Satisfaction** – There is a risk that a fall in the perceived value provided by Seafish or general satisfaction with Seafish activities would result in damage to reputation, a reduction of support for Seafish and resistance or challenge to the need for a levy raising body.

**IT Security / Data Breach Episode** – There is a risk that the organisation would be unable to function and may face ransom demands from third parties to retrieve or unlock data. Loss of data could trigger Class Action responses from affected groups.

**Impact of Geopolitical events** – There is a risk that the consequences arising from events such as the Russia / Ukraine conflict could influence market dynamics in terms of supply of fish, oils, energy, labour availability, etc and these factors could have an adverse effect on Seafish income or the relevance or demand for Seafish activities.

## Business Critical Models

We use a small number of financial models within our planning and analysis area. The financial models are maintained by the Finance team with oversight by the Finance Director and ARC. There are no business models which currently fall within the definition 'business critical models' as set out by HM Treasury.

## Whistle-blowing Policy

We are committed to the highest standards of openness and accountability, and concerns about malpractice are taken very seriously. We have a Whistleblowing policy in place to encourage employees to come forward and voice their concerns. Any employees who do so reasonably and responsibly will not be penalised. Concerns can be raised with internal management or the Executive team (including the CEO). However, employees also have the right to go to an outside body if they feel that it is inappropriate to raise a concern internally. They can approach any of our Board members or a prescribed person or body as noted on the Department of Business, Energy and Industrial Strategy website. If an employee does not consider that the response received is reasonable, the policy enables them to report the matter directly to Defra. There have been no instances of whistleblowing in the year to 31 March 2023.

## Information Management

The Data Protection Officer is responsible for the management of information within the organisation. All staff are required to complete mandatory training so that they are aware of their own personal responsibilities regarding information management and data protection. Systems to ensure the appropriate protection of data held by us are in place, including systems to protect data during transport or transfer to other sites or organisations. Our approach to the management of security risks is proportionate to the nature of the risks, and controls are in place to ensure that all information are handled securely. There were no reported data losses during the year.

## Compliance with Corporate Governance in Central Government Departments: Code of Good Practice 2017

We comply with the codes as appropriate for NDPBs as outlined in the Code of Good Practice 2017.

We received no ministerial directions in 2022/23.

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## **Conclusion**

We have robust and effective Governance arrangements in place. These arrangements ensure sound oversight and Governance of key strategic and business matters by the Seafish Board. Our organisation continues to align to the needs of the seafood industry through its three Sector Panels, and that relationships with all four Administrations are maintained. Furthermore, it ensures that our strategy is clearly aligned to the organisation's remit, external environments, and political landscape.

The two committees of the Board, ARC and RemCom, have clearly defined roles that provide effective insight into the organisation. This enables the Board to take collective responsibility for the performance of the organisation whilst taking full account of risk in its decisions. It is also evident that the Board is cohesive in its approach and provides appropriate challenge to the management team.

After the appointment of new internal auditors in 2018, we have continued to strengthen our internal audit programme. We thank our internal auditors for their challenge throughout the year and we are pleased that they found our management activities and controls to be suitably designed to achieve the required risk management, control framework and governance.

Following the thorough Strategic Review/Tailored Review process in 2021/22 we are now working with all four Fisheries Administrations to explore reforms to the Seafish levy. If successful, this reform will establish a sustainable financial operating model so that we can continue to support the UK seafood sector.

## Remuneration and Staff Report

The Remuneration and Staff Report provides information on our employees and sets out the organisation's remuneration policy for Directors, reports on how that policy has been implemented and details the amounts awarded to Directors.

### Remuneration Report

#### Remuneration Policy

RemCom functions as a subcommittee of the Seafish Board with formal delegated responsibilities and terms of reference. The Committee's primary role is to contribute to the Board's overall process for ensuring adequate arrangements are in place regarding staff pay and benefits, including Directors.

The Committee comprised four members, all of whom are non-executive Board Members. The members during the year to 31 March 2023 were Jeffrey Halliwell (Chair), Michael Mitchell, Heather Jones and Nathan de Rozarieux.

Meetings are normally held no less than twice a year and minutes are taken at all meetings. The Committee met three times during the year in 2022/23.

#### Executive Directors Remuneration

Our Executive Directors are employed on standard contracts of employment which (with the exception of notice periods) are in line with all other employees. Executive directors' remuneration is by way of a fixed annual salary and benefits-in-kind including car benefit, medical insurance and subscriptions.

Set out below are the details of the contracts of employment for our senior executive staff as at 31 March 2023.

|   | Contract Start Date | Contract Expiry Date | Notice Period | Unexpired Term |
|---|---------------------|----------------------|---------------|----------------|
| Marcus Coleman<br>Chief Executive                       | 05/01/2016          | Indefinite           | 3 months      | n/a            |
| Linsey Neill<br>Human Resources Director                | 01/04/2017          | Indefinite           | 3 months      | n/a            |
| Aoife Martin<br>Director of Operations                  | 03/07/2017          | Indefinite           | 3 months      | n/a            |
| Lynn Gilmore<br>Director of Communications & Engagement | 01/11/2021          | Indefinite           | 3 months      | n/a            |
| Kenneth McIntosh<br>Finance Director                    | 22/11/2021          | Indefinite           | 3 months      | n/a            |

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## Remuneration of Senior Executive Staff

Pay policy is formally reviewed annually by RemCom. In seeking to ensure pay and other conditions are fair, competitive, and affordable, market data and other relevant data are considered. Like all other employees, the pay associated with executive posts are derived from a formal job evaluation process, and pay increases are linked to performance.

In line with HM Treasury Pay Guidelines, consolidated pay awards were based on a pot of 3.5% of total pay bill and non-consolidated pay awards were based on a pot of 1% of total pay bill to the year 31 March 2023. Only eligible staff receive pay awards and bonuses and a process of moderation of performance ratings is in place that includes Senior Executive Staff and is reviewed by RemCom.

## Performance Assessment

In assessing individual performance, we have a formal performance management system which is a core management process. This enables us to be clear and consistent in focusing performance on the delivery of strategic objectives and provides a mechanism to assess an employee's contribution and to recognise their achievement. The performance management system is also used to facilitate conversation about staff personal development and career development and is used to assist with succession planning. The performance framework includes a four-level organisational competency framework which enables us to assess performance on both delivery of results and behaviour.



## Remuneration of Employment for Executive Directors (subject to audit)

Set out below are details of the remuneration of our senior Executive staff during the year to 31 March 2023. Benefits-in-kind comprise car benefit and medical insurance.

|                  | Basic Salary <sup>3</sup> |                    | Bonus             |       | Benefits-in-kind <sup>4</sup> |       | Pension Benefit |       | Total             |         |
|------------------|---------------------------|--------------------|-------------------|-------|-------------------------------|-------|-----------------|-------|-------------------|---------|
|                  | (Bands of £5,000)         |                    | (Bands of £5,000) |       | (Nearest £100)                |       | (£000)          |       | (Bands of £5,000) |         |
|                  | 22/23                     | 21/22              | 22/23             | 21/22 | 22/23                         | 21/22 | 22/23           | 21/22 | 22/23             | 21/22   |
| Marcus Coleman   | 115-120                   | 110-115            | 0-5               | 0-5   | 6,200                         | 6,200 | 13              | 11    | 135-140           | 130-135 |
| Linsey Neill     | 90-95                     | 85-90              | 0-5               | 0-5   | 5,500                         | 9,500 | 10              | 9     | 105-110           | 105-110 |
| Aoife Martin     | 90-95                     | 90-95              | 0-5               | 0-5   | n/a                           | n/a   | 10              | 9     | 105-110           | 100-105 |
| Lynn Gilmore     | 80-85                     | 30-35 (FYE 75-80)  | 0-5               | 0-5   | 500                           | 600   | 8               | 3     | 90-95             | 35-40   |
| Kenneth McIntosh | 95-100                    | 30-35 (FYE 95-100) | 0-5               | 0-5   | n/a                           | n/a   | 10              | 3     | 105-110           | 35-40   |

## Pension Scheme Particulars of Executive Directors: Defined Contribution Schemes (subject to audit)

Set out below are the Pensions Scheme particulars of our senior Executive staff during the year to 31 March 2023.

|                  | Pension Scheme Details | Employer's Contribution Rate |
|------------------|------------------------|------------------------------|
| Marcus Coleman   | Legal and General      | 10.0%                        |
| Linsey Neill     | Legal and General      | 10.0%                        |
| Aoife Martin     | Legal and General      | 10.0%                        |
| Lynn Gilmore     | Legal and General      | 10.0%                        |
| Kenneth McIntosh | Legal and General      | 10.0%                        |

## Pension Entitlement of Executive Directors: Defined Contribution Schemes (subject to audit)

Employer contributions made on behalf of our Executive Directors for the year are reflected as pension benefits in the table above.

<sup>3</sup> Basic salary includes car allowance where applicable.

<sup>4</sup> Benefits-in-kind refers to company cars and private medical care.

## Fair Pay Disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

In 2022/23 or 2021/22 no employee received remuneration in excess of the highest paid director. Total remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The annualised banded remuneration of the highest paid director in 2022/23 was £120k - £125k (2021/22: £120k - £125k), a 0% change compared to 2021/22. This was:

- 3.04 times (2021/22: 3.01 times) the median remuneration of the workforce, which was £40,292 (2021/22: £40,666);
- 3.82 times (2021/22: 4.00 times) the 25th percentile of pay and benefits which was £32,107 (2021/22: £30,619); and
- 2.46 times (2021/22: 2.56 times) the 75th percentile of pay and benefits which was £49,846 (2021/22: £47,880).

The lowest annualised remuneration band paid was £20k - £25k and the highest was £120k - £125k. Average staff salaries increased by 2.31% which is consistent with the pay progression policy in which a 2% increase was implemented in the year 2022-23.

### *Percentage change in total salary and bonuses for the staff average and the highest paid director*

|                       | 2022-23                     |                             | 2021-22                     |                |
|-----------------------|-----------------------------|-----------------------------|-----------------------------|----------------|
|                       | Total salary and allowances | Bonus Payments <sup>5</sup> | Total salary and allowances | Bonus Payments |
| Staff average         | 2.31%                       | 10.19%                      | -2.31%                      | -81.77%        |
| Highest paid director | 1.73%                       | -1.51%                      | 1.82%                       | -70.23%        |

<sup>5</sup> Staff eligible for non-consolidated bonus payments based on performance assessment as noted on page 42.

*Ratio between the highest paid directors' total remuneration and the lower quartile, median and upper quartile for staff pay*

|         | Lower quartile | Median | Upper quartile |
|---------|----------------|--------|----------------|
| 2022-23 | 3.82:1         | 3.04:1 | 2.46:1         |
| 2021-22 | 4.00:1         | 3.01:1 | 2.56:1         |

*Lower quartile, median and upper quartile for staff pay for salaries and total pay and benefits*

|                                     | Lower quartile |         | Median  |         | Upper quartile |         |
|-------------------------------------|----------------|---------|---------|---------|----------------|---------|
|                                     | 2022-23        | 2021-22 | 2022-23 | 2021-22 | 2022-23        | 2021-22 |
| Salary                              | 31,757         | 30,619  | 39,856  | 39,260  | 43,665         | 42,745  |
| Total Pay and Benefits <sup>6</sup> | 32,107         | 30,619  | 40,292  | 40,666  | 49,846         | 47,880  |

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<sup>6</sup> Includes bonuses.

### Non-Executive Directors' Remuneration (subject to audit)

The following table sets out details of payments made and appointment term for the Chairman, Deputy Chairman and non-executive Directors:

| Name and title                                   | 2022-23<br>Salary in<br>£5k bands<br>£000 | 2021-22<br>Salary in<br>£5k bands<br>£000 | Date of<br>appointment | Appointment<br>end date |
|--|---|---|------------------------|-------------------------|
| <b>Michael Sheldon</b><br>Chair                  | 15-20                                     | 15-20                                     | 01/04/2021             | 31/03/2024              |
| <b>Jeffrey Halliwell</b><br>Deputy Chair         | 10-15                                     | 10-15                                     | 01/04/2021             | 31/03/2024              |
| <b>Linda Rosborough</b><br>Independent<br>Member | 5-10                                      | 5-10                                      | 01/01/2019             | 27/02/2025              |
| <b>Graham Black</b><br>Independent<br>Member     | 5-10                                      | 5-10                                      | 01/04/2021             | 31/03/2024              |
| <b>David Brooks</b><br>Independent<br>Member     | 5-10                                      | 5-10                                      | 01/04/2021             | 31/03/2024              |
| <b>Michael Mitchell</b><br>Industry Member       | 5-10                                      | 5-10                                      | 01/04/2018             | 31/03/2024              |
| <b>Nathan de Rozarieux</b><br>Industry Member    | 5-10                                      | 5-10                                      | 01/04/2018             | 31/03/2024              |
| <b>Heather Jones</b><br>Industry Member          | 5-10                                      | 5-10                                      | 01/04/2021             | 31/03/2024              |
| <b>Nigel Edwards</b><br>Industry Member          | 5-10                                      | 5-10                                      | 01/04/2021             | 31/03/2024              |
| <b>Harry Wick</b><br>Industry Member             | 5-10                                      | 5-10                                      | 01/04/2021             | 31/03/2024              |

No non-executive Directors received any other payments or benefits-in-kind. The remuneration of non-executive Directors are paid directly by Defra for agreed contractual days. This amounted to £77,879 during the year to 31 March 2023.

## Staff Report

### Staff Costs (subject to audit)

Employment costs for the year, excluding Board members were as follows:

|                                   | Management and Staff |              | Agency and Temp Contract Staff |            | Total Staff  |              |
|-----------------------------------|----------------------|--------------|--------------------------------|------------|--------------|--------------|
|                                   | 2022-23              | 2021-22      | 2022-23                        | 2021-22    | 2022-23      | 2021-22      |
|                                   | £000                 | £000         | £000                           | £000       | £000         | £000         |
| Gross salaries                    | 3,024                | 2,809        | 400                            | 345        | 3,424        | 3,154        |
| Social security costs             | 340                  | 369          | 36                             | 28         | 376          | 397          |
| Defined contribution scheme costs | 287                  | 193          | 28                             | 20         | 315          | 213          |
| Defined benefit scheme costs      | 229                  | 247          | -                              | -          | 229          | 247          |
| <b>Total</b>                      | <b>3,880</b>         | <b>3,618</b> | <b>464</b>                     | <b>393</b> | <b>4,344</b> | <b>4,011</b> |

### Average Number of Persons Employed (subject to audit)

The average number of whole-time equivalent staff employed during the year were:

|                      | Management and Staff |           | Agency and Temp Contract Staff |          | Total Staff |           |
|----------------------|----------------------|-----------|--------------------------------|----------|-------------|-----------|
|                      | 2022-23              | 2021-22   | 2022-23                        | 2021-22  | 2022-23     | 2021-22   |
| Research and project | 48                   | 52        | 12                             | 7        | 60          | 59        |
| Corporate services   | 16                   | 19        | 1                              | -        | 17          | 19        |
| Directors            | 5                    | 4         | -                              | -        | 5           | 4         |
| Board Members        | 10                   | 10        | -                              | -        | 10          | 10        |
| Panel Chairs         | 3                    | 3         | -                              | -        | 3           | 3         |
| <b>Total</b>         | <b>82</b>            | <b>88</b> | <b>13</b>                      | <b>7</b> | <b>95</b>   | <b>95</b> |



## Staff Turnover

For 2022-23 and 2021-22 the staff turnover is calculated as the number of leavers within the year divided by the average of staff in post over the period. The average staff in post is calculated as the average of the headcount monthly payroll over the financial year.

Leavers include retirements, death in service, end of appointments as well as dismissals and resignations and leavers under compulsory and voluntary redundancies.

| Headcount<br>Permanent staff, short and fixed term<br>appointments | 2022-23 | 2021-22 |
|--|---------|---------|
| Leavers in the year  | 13      | 18      |
| Average staff during year  | 95      | 95      |
| Staff turnover during the year                                     | 14%     | 19%     |

## Pensions Liabilities

Seafish was an admitted body to a funded defined benefit scheme operated by the West Yorkshire Pension Fund (WYPF), which was independently invested and administered.

Seafish exited the funded element of the scheme on 30 November 2022. From 1 December 2022, there were no active members in the WYPF scheme. All employees are now offered a defined contribution scheme administered by the Legal & General Group.

As at 31 March 2023, Seafish still operates the non-funded element of the WYPF scheme which has a total liability of £2.5m (31 March 2022: liability of £3.1m).

In addition to the non-funded element of the WYPF, we have a liability for a scheme on behalf of former Herring Industry Board employees, The Seafish Pension and Life Assurance Fund (SPLAF). At 31 March 2023 the liability for SPLAF was £0.1m (2022: £0.2m). The total pension liability at 31 March 2023 is therefore £2.6m (2022: £3.2m) as per note 9f of the accounts.

## Disabled Persons

We operate an equal opportunities policy and treat all job applicants in the same way regardless of disability. If an employee becomes disabled during employment, all practical efforts will be made to enable them to continue in their employment.

## Sickness Absence

We have one common absence management policy which covers the whole of the organisation and provides a consistent framework approach to management. The policy is underpinned by an externally provided occupational health service and employee assistance programme which is available 24 hours a day. Our overall level of sickness absence during 2022/23 was on average four days per person (2021/22: six days per person).

## Employee Involvement

We recognise the benefits of involving staff in a range of business matters and encourage open discussion and availability of information. Involvement is encouraged through participation in a range of team meetings and short-term working groups.

## Consultancy Costs

Our consultancy cost for the year to 31 March 2023 was £20k (2021/22: £2k), as shown in note 3 to the accounts.

## Gender Profile

Our total staff as at the 31 March 2023 is shown in the table below. This table includes permanent and temporary staff.

|                         | Male      | Female    |
|-------------------------|-----------|-----------|
| Non-Executive Directors | 8         | 2         |
| Executive Directors     | 2         | 3         |
| Management              | 7         | 9         |
| Panel Chairs            | 3         | 0         |
| All Other Staff         | 30        | 33        |
| <b>Total Staff</b>      | <b>50</b> | <b>47</b> |

## Gender Pay Gap

Our gender pay gap reporting as at the 31 March 2023 is shown below.

|   |       |
|---|-------|
| <b>Average gender pay gap as a mean average</b>         | 8.1%  |
| <b>Average gender pay gap as a median average</b>       | 14.8% |
| <b>Average bonus gender pay gap as a mean average</b>   | 8.8%  |
| <b>Average bonus gender pay gap as a median average</b> | 9.0%  |

The proportion of males receiving a bonus payment was 56.4% and the proportion of females receiving a bonus payment was 59.1%.

The proportion of males and females when divided into four groups ordered from lowest to highest pay are as follows.

| <b>Quartile</b> | <b>1</b> | <b>2</b> | <b>3</b> | <b>4</b> |
|-----------------|----------|----------|----------|----------|
| Female          | 71%      | 52%      | 33%      | 55%      |
| Male            | 29%      | 48%      | 67%      | 45%      |

## Exit Packages (subject to audit)

There was no exit package in 2022/23 and 2021/22.

## Off-Payroll Appointments

There were no off-payroll appointments in 2022/23.

## Health and Safety at Work

As referenced on page 35, the Remuneration Committee advises the Board on all matters relating to the Health, Safety and Wellbeing of Seafish Staff. The Executive reports to the Remuneration Committee on engagement with staff and the work of a Health and Safety Committee made up of Seafish staff representatives and led by the Seafish Human Resources Director. A report is compiled for each Remuneration Committee meeting.

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## Human Capital Management

As also referenced on page 35, during 2022/23 RemCom has overseen the development and progress of the following key work areas:

- Reviewing our resource profile which has included resourcing requirements, leaver and retention analytics, the demographic composition of the organisation, and the management of critical roles.
- Pay policy, including the performance related pay scheme implemented in 2019, and gender pay gap reporting.

## Trade Union Facility Time

In accordance with the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 we can confirm that it is a nil report on trade union time during 2022/23 (2021/22: nil).

## The Parliamentary Accountability and Audit Report

The Parliamentary Accountability and Audit Report describes how departments are financed through the Westminster Estimates process. As we are a NDPB and financed through levies, analysis of net outturn by section and reconciliation of resource outturn to net operating income is not a requirement. Details regarding the regularity of expenditure are provided below.

### Fees and Charges (subject to audit)

|   | 2022-23 |           |         |
|---|---------|-----------|---------|
|   | Income  | Full Cost | Surplus |
|   | £000    | £000      | £000    |
| Levies collected under the Fisheries Act 1981 | 7,160   | 6,790     | 370     |

Levy rates are set with due regard to HM Treasury's Fees, Charges and Levies guidance in Managing Public Money, with the financial objective of providing value for money for industry.

The information provided is for fees and charges purposes and not for IFRS 8 purposes. It shows the levy income recognised in 2022/23 covered all of our full cost excluding grant income and Kingfisher costs.

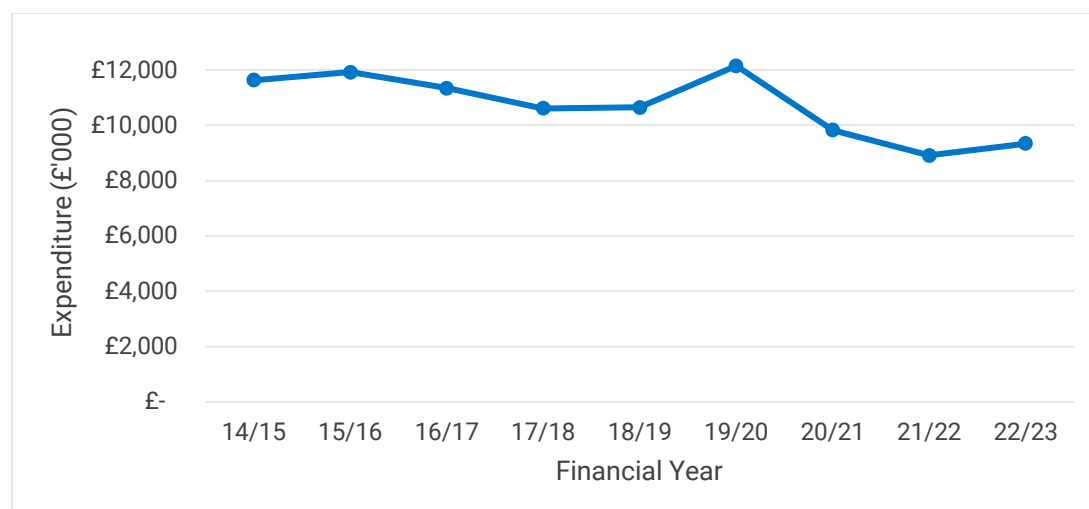
### Losses and Special Payments (subject to audit)

There have been no losses or special payments over the limits prescribed in Managing Public Money that have occurred during the year.

### Remote Contingent Liabilities (subject to audit)

We have no contingent liabilities as of 31 March 2023.

## Long Term Expenditure Trends



For the five years up to 2018/19, expenditure was consistent, varying by no more than 6% year on year.

From 2018/19 into 2019/20 we had a 14% increase in expenditure due to an increase in the number of projects being carried out. This decreased by 19% from 2019/20 into 2020/21 and a further 9% in 2021/22 due to the impact of the Covid-19 pandemic affecting our levy income, with spend being constrained as a result.

In 2022/23, expenditure spend went up 5% from the previous year as some activities resumed.



**Marcus Coleman**  
**Chief Executive**  
28<sup>th</sup> November 2023



## The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

### Opinion on financial statements

I certify that I have audited the financial statements of the Sea Fish Industry Authority for the year ended 31 March 2023 under the Fisheries Act 1981.

The financial statements comprise the Sea Fish Industry Authority's:

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Income, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Sea Fish Industry Authority's affairs as at 31 March 2023 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Fisheries Act 1981 and Secretary of State directions issued thereunder.

### Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Sea Fish Industry Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Sea Fish Industry Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Sea Fish Industry Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Sea Fish Industry Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Fisheries Act 1981.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Fisheries Act 1981; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

### Matters on which I report by exception

In the light of the knowledge and understanding of the Sea Fish Industry Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the Sea Fish Industry Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## **Responsibilities of the Board and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the board and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Sea Fish Industry Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the Fisheries Act 1981;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the Fisheries Act 1981; and
- assessing the Sea Fish Industry Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Sea Fish Industry Authority will not continue to be provided in the future.

## **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Fisheries Act 1981.

My 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 a certificate that includes my 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.

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***Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud***

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

***Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud***

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Sea Fish Industry Authority's accounting policies.
- inquired of management, the Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Sea Fish Industry Authority's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Sea Fish Industry Authority's controls relating to the Sea Fish Industry Authority's compliance with the Fisheries Act 1981 and Managing Public Money.
- inquired of management, the Head of Internal Audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal specialists, including pensions experts, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Sea Fish Industry Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Sea Fish Industry Authority's framework of authority and other legal and regulatory frameworks in which the Sea Fish Industry Authority operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Sea Fish Industry Authority. The key laws

and regulations I considered in this context included the Fisheries Act 1981, Managing Public Money, employment law, pensions legislation and tax legislation.

I considered whether all grants recognised during the year were applied to the purposes intended by Parliament.

### ***Audit response to identified risk***

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, extended testing of levy income and debtors, and assessing whether the judgements made in making the levy accrued income estimate and levy expected credit loss estimate are indicative of bias.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.



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### ***Other auditor's responsibilities***

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

### **Report**

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**

**28<sup>th</sup> November 2023**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP



# Financial Statements

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[Statement of Financial Position](#)

[Statement of Cash Flows](#)

[Statement of Changes in Taxpayers' Equity](#)

[Notes to the Financial Statements](#)

## Financial Statements

### Statement of Comprehensive Net Income

For the year ended 31 March 2023

|  | Note | 2022-23<br>£000 | 2021-22<br>£000 |
|--|------|-----------------|-----------------|
| <b>Income:</b>   |      |                 |                 |
| Revenue from contracts with customers – Levies                   | 2a   | 7,160           | 7,641           |
| Revenue from contracts with customers – other than Levies        | 2a   | 971             | 951             |
| Other operating income   | 2b   | 2,014           | 1,614           |
| <b>Total operating income</b>                                    |      | <b>10,145</b>   | <b>10,206</b>   |
| <b>Expenditure:</b>  |      |                 |                 |
| Staff costs  | 4    | (4,344)         | (4,011)         |
| IAS 19 pension charge  | 9b   | (166)           | (279)           |
| Other operating expenditure                                      | 3    | (4,854)         | (4,627)         |
| Total operating expenditure                                      |      | (9,364)         | (8,917)         |
| <b>Net operating income</b>                                      |      | <b>781</b>      | <b>1,289</b>    |
| Finance income   |      | 120             | 7               |
| Financing expense on pension scheme assets and liabilities       | 9b   | (88)            | (141)           |
| Loss on settlement of funded pension obligation                  | 9b   | (12,395)        | -               |
| <b>Net (expenditure)/ income for the year</b>                    |      | <b>(11,582)</b> | <b>1,155</b>    |
| <b>Other Comprehensive Income:</b>                               |      |                 |                 |
| Actuarial gain on pension scheme assets and obligations          | 9c   | 11,700          | 3,555           |
| Net (loss)/ gain on revaluation of property, plant and equipment | 5    | (32)            | 165             |
| <b>Total comprehensive net income for the year</b>               |      | <b>86</b>       | <b>4,875</b>    |

The notes on pages 66 to 96 form part of these accounts.

## Statement of Financial Position

As at 31 March 2023

|  | Note | 31 March<br>2023<br>£000 | 31 March<br>2022<br>£000 |
|--|------|--------------------------|--------------------------|
| <b>Non-current assets:</b>                   |      |                          |                          |
| Property, plant and equipment                | 5    | 1,141                    | 1,166                    |
| RoU Assets (IFRS 16)                         | 10a  | 67                       | -                        |
| Intangible assets                            | 6    | 114                      | 171                      |
| <b>Total non-current assets</b>              |      | <b>1,322</b>             | <b>1,337</b>             |
| <b>Current assets:</b>                       |      |                          |                          |
| Trade and other receivables                  | 7    | 2,663                    | 3,104                    |
| Cash and cash equivalents                    | 12   | 6,313                    | 5,693                    |
| <b>Total current assets</b>                  |      | <b>8,976</b>             | <b>8,797</b>             |
| <b>Total assets</b>                          |      | <b>10,298</b>            | <b>10,134</b>            |
| <b>Current liabilities:</b>                  |      |                          |                          |
| Trade and other payables                     | 8    | (2,387)                  | (1,771)                  |
| <b>Total current liabilities</b>             |      | <b>(2,387)</b>           | <b>(1,771)</b>           |
| <b>Total assets less current liabilities</b> |      | <b>7,911</b>             | <b>8,363</b>             |
| <b>Non-current liabilities:</b>              |      |                          |                          |
| Pension liabilities                          | 9f   | (2,652)                  | (3,247)                  |
| Lease liability                              | 10b  | (67)                     | -                        |
| <b>Total non-current liabilities</b>         |      | <b>(2,719)</b>           | <b>(3,247)</b>           |
| <b>Total assets less total liabilities</b>   |      | <b>5,192</b>             | <b>5,116</b>             |
| <b>Taxpayers' equity and other reserves:</b> |      |                          |                          |
| Revaluation reserve                          |      | 194                      | 204                      |
| General fund                                 |      | 4,998                    | 4,912                    |
| <b>Total equity</b>                          |      | <b>5,192</b>             | <b>5,116</b>             |



**Marcus Coleman**

**Chief Executive**

28<sup>th</sup> November 2023

The notes on pages 66 to 96 form part of these accounts.

## Statement of Cash Flows

For the year ended 31 March 2023

|   | Note  | 2022-23<br>£000 | 2021-22<br>£000 |
|---|-------|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                     |       |                 |                 |
| Net operating income  | SoCNI | 781             | 1,289           |
| Adjustments for non-cash transactions                           | 3     | 145             | 100             |
| Decrease in trade and other receivables                         | 7     | 441             | 91              |
| Increase in trade and other payables                            | 8     | 616             | 372             |
| Use of pension provisions                                       |       | (780)           | 279             |
| Defined pension contributions paid                              | 9f    | (598)           | (767)           |
| <b>Net cash inflow from operating activities</b>                |       | <b>605</b>      | <b>1,364</b>    |
| <b>Cash flows from investing activities</b>                     |       |                 |                 |
| Interest received   |       | 120             | 7               |
| Purchase of property, plant and equipment                       | 5     | (56)            | (20)            |
| Purchase of intangible assets                                   | 6     | -               | (4)             |
| <b>Net cash inflow/ (outflow) from investing activities</b>     |       | <b>64</b>       | <b>(17)</b>     |
| <b>Cash flows from financing activities</b>                     |       |                 |                 |
| Payment of lease liabilities                                    | 10b   | (49)            | -               |
| <b>Net cash outflow from financing activities</b>               |       | <b>(49)</b>     | <b>-</b>        |
| <b>Net increase in cash and cash equivalents in the period</b>  |       | <b>620</b>      | <b>1,347</b>    |
| <b>Cash and cash equivalents at the beginning of the period</b> | 12    | <b>5,693</b>    | <b>4,346</b>    |
| <b>Cash and cash equivalents at the end of the period</b>       | 12    | <b>6,313</b>    | <b>5,693</b>    |

'Use of pension provisions' includes the removal of current service cost in both years, as a non-cash item included in net operating income. For 2022-23 this also includes an adjustment of the amount of the pension balance reclassified to accruals, because this amount has been included in the 'increase in trade and other payables' line but has had no effect on operating income or cash, so needs excluding through this further adjustment.

The notes on pages 66 to 96 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2023

|   |      | Revaluation<br>Reserve | General<br>Fund | Pension<br>Reserve | Total<br>Reserves |
|---|------|------------------------|-----------------|--------------------|-------------------|
|   | Note | £000                   | £000            | £000               | £000              |
| <b>Balance at 1 April 2021</b>                          |      | 164                    | 3,676           | (3,639)            | 201               |
| <b>Changes in taxpayers' equity for 2021/22</b>         |      |                        |                 |                    |                   |
| Transfers between reserves                              |      | -                      | (84)            | 84                 | -                 |
| Actuarial gain on pension scheme assets and obligations | 9c   | -                      | -               | 3,555              | 3,555             |
| Total net expenditure                                   |      | -                      | 1,155           | -                  | 1,155             |
| Net gain on revaluation                                 | 5    | 40                     | 165             | -                  | 205               |
| <b>Balance at 31 March 2022</b>                         |      | <b>204</b>             | <b>4,912</b>    | <b>-</b>           | <b>5,116</b>      |
| <b>Balance at 1 April 2022</b>                          |      | 204                    | 4,912           | -                  | 5,116             |
| <b>Changes in taxpayers' equity for 2022/23</b>         |      |                        |                 |                    |                   |
| Transfers between reserves                              |      | -                      | 11,700          | (11,700)           | -                 |
| Actuarial gain on pension scheme assets and obligations | 9c   | -                      | -               | 11,700             | 11,700            |
| Total net income  |      | -                      | (11,582)        | -                  | (11,582)          |
| Net loss on revaluation                                 | 5    | (10)                   | (32)            | -                  | (42)              |
| <b>Balance at 31 March 2023</b>                         |      | <b>194</b>             | <b>4,998</b>    | <b>-</b>           | <b>5,192</b>      |

### Pension Reserve

The pension reserve represents the net liabilities on the West Yorkshire Pension Fund as funded by Seafish.

### Revaluation Reserve

The revaluation reserve reflects the unrealised balance of revaluation adjustment to assets not taken through the Statement of Comprehensive Net Income.

### General Fund

The general fund represents the total assets less liabilities of Seafish, to the extent that the total is not represented by other reserves.

IFRS 16 was implemented at the start of 2022-23 using the cumulative catch-up method but had no impact on equity since adjustments to assets and liabilities were of equal value.

The notes on pages 66 to 96 form part of these accounts.



## Notes to the Financial Statements

### 1. Statement of Accounting Policies

#### 1.1 Requirement to prepare accounts

These financial statements have been prepared in accordance with the accounts direction issued by the Secretary of State for Environment, Food and Rural Affairs. The accounts direction requires compliance with HM Treasury's Financial Reporting Manual (FReM) and any other guidance issued by HM Treasury. The accounting policies within these Financial Statements are in accordance with the IFRS's as adapted by the FReM for the public sector. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Seafish for the purpose of giving a true and fair view has been selected. The particular policies adopted by Seafish for its activities are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In the preparation of the financial statements, Seafish is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amount of income and expenditure. All estimates are based on knowledge of current facts and circumstances, assumptions concerning past events, and forecasts of future events.

The following areas represent significant judgements that Seafish has made in applying the accounting policies:

- Pension liabilities - independent and qualified actuaries assess the specific factors that influence the pension fund position such as mortality rates, the life expectancy and age of scheme members, prevailing interest and inflation rates, and projected returns on assets. The value of the pension exit of the Funded element of the WYPF scheme has been recognised in 2022-23 on crystallisation of the obligation as opposed to the point of cash settlement. More detailed information can be found in note 9 to the accounts.
- The useful economic lives of property, plant and equipment, and intangible assets.
- Within receivables there are accrued income balances relating to grants to be invoiced. These amounts are based on the project costs at the year end with the agreed grant percentage applied and a deduction for ineligible costs. There is a small element of judgement in assessing the ineligible costs.
- Within payables there are deferred income balances relating to amounts invoiced in advance of the work being carried out. These amounts are based on the percentage of uncompleted work against the income received, and there is an element of judgement assessing the stage of completion.
- Within receivables there is an amount in respect of levy debtors which is calculated using an estimation methodology based on historical levy debtor submissions.



1.2 Accounting convention

These accounts have been prepared on an accruals basis and amounts are measured at historic cost except where otherwise noted below, including in respect of the revaluation of certain classes of property, plant and equipment; the IFRS 16 basis of lease accounting; and the impairment of receivables under IFRS 9 principles.

1.3 Going concern

These accounts have been prepared on a going concern basis. Management’s review of Seafish as a going concern is discussed further on page 19.

1.4 Property, plant and equipment

Land and buildings: the value to Seafish of land and buildings is included at fair value.

Land and buildings are valued by independent chartered surveyors every five years. A desktop valuation was last undertaken as at 31 March 2023 and a full valuation was undertaken as at 31<sup>st</sup> March 2022. The valuation of £1.04m is incorporated in these accounts.

Other categories: due to the modest effect of revaluation and the continuing fall in the price of technology equipment, Seafish adopts a depreciated historical cost basis as a proxy for fair value.

Expenditure in excess of £1,000 in respect of plant and equipment, and £800 in respect of computer costs, are capitalised. Expenditure below these levels may be capitalised if the criteria for initial capitalisation are met, that is if it is probable that the economic benefits will flow to Seafish, and that the cost of the expenditure can be reliably measured.

1.5 Depreciation

Depreciation is calculated so as to write off the cost of those assets on a straight-line basis over the useful economic lives of the assets concerned. The principal useful economic lives of the assets are as follows:

|                             | <b>Years</b> |
|-----------------------------|--------------|
| Furniture and equipment     | 5-10         |
| Information technology      | 3-4          |
| Intangible asset – software | 3-5          |
| Intangible asset – websites | 5            |

Freehold buildings are depreciated over their estimated useful economic life. The buildings were valued in March 2023 with an estimated life of 50 years, so the buildings are scheduled to be fully depreciated by 2073. Freehold land is not depreciated.

## 1.6 Impairment

The carrying amounts of the tangible and intangible assets are reviewed at each reporting date, and the estimated recoverable amounts of the assets are compared to their carrying amounts. If the recoverable amount is less than the carrying amount, then an impairment loss is immediately recognised. The recoverable amount is the greater of the fair value, less costs to sell, and the value in use. The value in use is an estimate of the future cash flow benefits expected to derive from the asset, discounted by a rate that reflects the current market assessments of the time value for money, and the risks specific to the asset.

The carrying values of assets are reviewed for impairment if events or changes in circumstances indicate that a provision for impairment may be required. Residual values are calculated at the prices prevailing at the date of acquisition or revaluation.

## 1.7 Intangible assets

Intangible assets acquired by Seafish are stated at fair value. Due to the modest effect of revaluation and the continuing fall in the price of technology equipment, Seafish adopts an amortised historical cost basis as a proxy for fair value.

## 1.8 Operating income

Levy income is stated at gross of commission. Commission paid to agents for collecting levy income is included in other expenditure.

Revenue comprises levy income received which is raised on specified sea fish products and paid on a self-billing arrangement in arrears. Seafish recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to Seafish. In seeking to apply IFRS 15 – Revenue Recognition, Seafish recognises revenue received from customer contracts when contractual performance obligations are met. Seafish make all reasonable attempts to identify all levy receivables but acknowledge that 100% compliance is unlikely to be achievable. The income reported in these accounts does not include any estimate for levy which might be legally payable but of which Seafish has no knowledge.

More detailed information can be found in note 2 to the accounts.

## 1.9 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at 31 March 2023. Transactions in foreign currencies are translated at the rate ruling on the date of the transaction.

All foreign exchange differences are taken to the Statement of Comprehensive Income in the year in which they arise.

### 1.10 Leases

Seafish has implemented IFRS 16 with effect from 1 April 2022, using the adaptations and interpretations set out by HM Treasury in the FReM. Prior year comparatives have not been restated.

Seafish have recognised the following opening balances in 2022/23:

| <b>IAS 17 Operating Lease Commitments</b>                        | <b>Buildings</b> | <b>IT</b> | <b>Vehicles</b> | <b>Total</b> |
|--|------------------|-----------|-----------------|--------------|
| As at 31 March 2022  | 12               | -         | 9               | 21           |
| Irrecoverable VAT expensed to SOCNi                              | (2)              | -         | (2)             | (4)          |
| Less leases treated as short term on initial adoption of IFRS 16 | (10)             | -         | -               | (10)         |
| <b>IFRS 16 lease liability as at 1 April 2022</b>                | <b>-</b>         | <b>-</b>  | <b>7</b>        | <b>7</b>     |
| <b>Right of use asset value at 1 April 2022</b>                  | <b>-</b>         | <b>-</b>  | <b>7</b>        | <b>7</b>     |

For lessees, this transition has removed the separation between operating and finance leases, instead recognising leases in scope of IFRS 16 on the SoFP as Right of Use assets and corresponding lease liabilities. Seafish leases a storeroom, cars, laptops and printers which falls in scope of IFRS 16. Opening liabilities for this have been calculated using the present value of outstanding payments due at 1 April 2022 and the opening cost of the Right of Use assets have been calculated to equal lease liabilities.

Charges for the depreciation of Right of Use assets and interest on lease liabilities do not form part of the initial measurement of Right of Use assets.

This treatment has been applied to all leases except short-term leases (12 months or less), or in some cases where the underlying asset is of low value which is expensed on a straight-line basis in the SoCNI for the duration of the lease term. For leases for which the underlying asset is of low value, Seafish have adopted a £5,000 threshold unless similar assets collectively exceed the threshold. Leases which falls outwith the scope of IFRS 16 includes a workshop lease.

Where the interest rate cannot be readily determined within a lease, Seafish has calculated the lease liability using the discount rates set out in the latest HM Treasury's Public Expenditure System paper as the incremental borrowing rate which for 2023 was 3.51%.

More detailed information can be found in note 10 to the accounts.

### 1.11 Financial instruments

Seafish has no borrowings and relies primarily on levy income for its cash requirements and is therefore not exposed to liquidity risks. Seafish has material deposits, and places funds, with the exception of daily working capital, on fixed rate deposits to minimise any interest rate risk. All material assets and liabilities are denominated in Sterling so Seafish is not exposed to currency risk. Full disclosure required by IFRS 7 and IFRS 9 is shown at note 11.

### 1.12 Grant receivables

Grants are of a revenue nature and are recognised in line with IAS 20 for Government grants and IFRS 15 for non-Government grants. Grant revenue is recognised only when there is reasonable assurance that we comply with the conditions attached to the grant and that the grant will be received.

Grants are recognised as income over the period and are matched with the related costs, for which they are intended to compensate or when the conditions of the grant income have been met.

The European Union and United Kingdom Fisheries Departments reserve the right for grants to be repaid if during a period of six years from the date of final claim it is found that the conditions of grant were breached. Seafish has reviewed the need for a contingent liability in respect of grants receivable and does not consider this necessary.

### 1.13 Provisions

A provision is recognised where there is a legal or constructive obligation arising from past events, it is probable that Seafish will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Future estimated costs are only discounted if material. Seafish's SPLAF and funded and non-funded pension valuations have been discounted.

### 1.14 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, Seafish discloses for parliamentary reporting and accountability purposes, certain contingent liabilities where the likelihood of a transfer of economic benefit is remote – unless disclosure of those remote liabilities is itself believed likely to increase the possibility of the liability being accrued or the value of these remote liabilities is not material. At 31 March 2023, Seafish had no contingent liabilities (31 March 2022: nil).

### 1.15 Corporation tax and Value Added Tax

Under a specific agreement with the HM Revenue & Customs, the liability of Seafish for corporation tax is limited to the total of its net investment income and its chargeable gains.

Seafish is unable to recover Value Added Tax on the majority of its purchases. Expenditure shown in the accounts is therefore inclusive of this Value Added Tax.

### 1.16 Staff costs

Holiday pay accrued by employees, but not taken by 31 March is provided for and included in the costs of the period.

### 1.17 Pensions

Seafish operates both defined benefit and contribution schemes for the benefit of employees.

#### **(i) Defined Benefit Schemes**

For the defined benefit scheme, the cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full in the period to which they relate in other comprehensive income. The expected return on investment assets and the interest on liabilities are included in the finance charge and shown in the Statement of Comprehensive Net Income. The current service costs are shown as the IAS 19 pension adjustment under Expenditure in the Statement of Comprehensive Net Income.

More detailed information can be found in note 9 to the accounts.

#### **(ii) Defined Contribution Schemes**

Employees that joined Seafish after 1 April 2006 are eligible to join the defined contribution scheme administered by Legal and General Group. The amount charged as expenditure for this scheme represents the contributions payable by Seafish for the relevant accounting period.

### 1.18 Adoption of new and revised standards

Per FReM, IFRS 16 (Leases) has been adopted from 1<sup>st</sup> April 2022 which replaces IAS 17 (Leases). Detailed disclosures can be found in note 10 to the accounts.

## 2. Income

Detailed in note 2(a) below is the revenue from contracts with customers, assessed against IFRS 15. Each income stream and contract has been reviewed in line with the 5-step model. Please note that Seafish's main source of income, levy, is included within this section as IFRS 15 has been expanded by the FReM to include legislation which provides the ability for the entity to impose a charge.

Where the income has been assessed as falling outside the scope of the IFRS 15, this has been reported in note 2(b).

### (a) Analysis of revenue from contracts with customers

|   | 2022-23<br>£000 | 2021-22<br>£000 |
|---|-----------------|-----------------|
| <b>Levy Income</b>                            |                 |                 |
| Levies collected under the Fisheries Act 1981 | 7,160           | 7,641           |
|   | <b>7,160</b>    | <b>7,641</b>    |
| <b>Sale of goods and services</b>             |                 |                 |
| Project income - EU                           | -               | 3               |
| Project income - Non-EU                       | 553             | 571             |
| Commercial income                             | 417             | 376             |
|   | <b>970</b>      | <b>950</b>      |
| <b>Other income</b>                           |                 |                 |
| VAT recovery                                  | 1               | 1               |
|   | <b>1</b>        | <b>1</b>        |
| <b>Total</b>                                  | <b>8,131</b>    | <b>8,592</b>    |

## Significant Estimates and Judgements

Seafish have made estimates and judgements in two key areas; judging when the timing of performance obligations being met and estimating the transaction price once the obligation is met. For levies collected under the 1981 Fisheries Act, Seafish have looked at the legislation to support our decision making. For all other revenue from contracts with customers, the contract itself has been used to support decision making.

### (i) Judging the timing of performance obligations being met

The Fisheries Act 1981 states that Seafish is to impose a levy on “sea fish or sea fish products landed in the United Kingdom or trans-shipped within British fisheries limits”. This means that a debt is due to Seafish by the first purchaser of home landed or imported sea fish, or Seafish products, as soon as goods are purchased. Therefore, Seafish have determined the IFRS 15 payment obligation to be met on the purchase of the goods. Seafish will only be aware of the purchases after receiving the levy submission from the first purchaser.

### (ii) Transaction price once the obligation is met

Levies collected under the 1981 Fisheries Act require a significant estimate to evaluate the outstanding debt of the period between the latest submission and at the year end. The averaging of prior period submissions along with the number of days between the latest submission and at the year end is used to estimate this figure. It is included as Levy accrued income in note 7 which was £370k.

For all revenue from customer contracts aside from levy, the transaction price is the value agreed on a contract or invoice.

### (b) Analysis of other operating income

The following income, having been assessed against the criteria for IFRS 15, is deemed to be not revenue from contracts with customers, and is therefore recorded as other operating income. This would include grant income from the four Fisheries Administrations and other Foundations and charities.

|                             | 2022-23      | 2021-22      |
|-----------------------------|--------------|--------------|
|                             | £000         | £000         |
| <b>Current Grant Income</b> |              |              |
| EU Grant Income             | 125          | 283          |
| Non-EU Grant Income         | 1,889        | 1,331        |
| <b>Total</b>                | <b>2,014</b> | <b>1,614</b> |



### 3. Other expenditure

Seafish expenditure, excluding staff costs, is made up as follows:

|                                | 2022-23<br>£000 | 2021-22<br>£000 |
|--------------------------------|-----------------|-----------------|
| <b>Project Activities</b>      |                 |                 |
| EU                             | -               | 297             |
| Non-EU                         | 2,873           | 2,617           |
|                                | <b>2,873</b>    | <b>2,914</b>    |
| <b>Commercial Activities</b>   |                 |                 |
| EU                             | -               | 56              |
| Non-EU                         | 149             | 144             |
|                                | <b>149</b>      | <b>200</b>      |
| Location costs                 | 388             | 390             |
| Professional fees              | 259             | 78              |
| Motor vehicle costs            | 30              | 27              |
| Other administration costs     | 104             | 95              |
| Travel and subsistence         | 89              | 27              |
| Staff training and recruitment | 119             | 116             |
| Consultancy spend              | 20              | 2               |
| Repairs and maintenance        | 27              | 14              |
| Computing costs                | 420             | 324             |
| Increase in bad debt provision | 50              | 155             |
| Auditors' remuneration         | 79              | 57              |
| Operating lease rental         | 79              | 127             |
| Taxation                       | 23              | 1               |
|                                | <b>1,687</b>    | <b>1,413</b>    |
| <b>Non-cash items</b>          |                 |                 |
| Depreciation and amortisation  | 140             | 100             |
| Loss on disposal of assets     | 5               | -               |
|                                | <b>145</b>      | <b>100</b>      |
| <b>Total other expenditure</b> | <b>4,854</b>    | <b>4,627</b>    |

#### 4. Staff costs

Employment costs for the year, including Board Members, were as follows:

|                                   | 2022-23<br>£000 | 2021-22<br>£000 |
|-----------------------------------|-----------------|-----------------|
| Gross salaries                    | 3,410           | 3,082           |
| Social security costs             | 376             | 397             |
| Agency staff costs                | 14              | 72              |
| Defined contribution scheme costs | 315             | 213             |
| Defined benefit scheme costs      | 229             | 247             |
|                                   | <b>4,344</b>    | <b>4,011</b>    |

The salaries of the non-executive directors are paid by Defra and are not included in the table above. The amount paid by Defra during the year to 31 March 2023 amounted to £77,879 (2021/22: £73,655) as stated in the Remuneration Report on page 46.

#### 5. Property, plant and equipment

|                          | Land<br>£000 | Buildings<br>Excluding<br>Dwellings<br>£000 | Furniture<br>and<br>Fittings<br>£000 | Information<br>Technology<br>£000 | Total<br>£000 |
|--------------------------|--------------|---|--------------------------------------|-----------------------------------|---------------|
| <b>Cost or valuation</b> |              |   |                                      |                                   |               |
| At 1 April 2022          | 220          | 880   | 311                                  | 250                               | 1,661         |
| Revaluations             | (10)         | (50)  | -                                    | -                                 | (60)          |
| Additions                | -            | -   | 45                                   | 11                                | 56            |
| Disposals                | -            | -   | (68)                                 | (42)                              | (110)         |
| <b>At 31 March 2023</b>  | <b>210</b>   | <b>830</b>                                  | <b>288</b>                           | <b>219</b>                        | <b>1,547</b>  |
| <b>Depreciation</b>      |              |   |                                      |                                   |               |
| At 1 April 2022          | -            | -   | 266                                  | 229                               | 495           |
| Revaluations             | -            | (18)  | -                                    | -                                 | (18)          |
| Charge for year          | -            | 18  | 11                                   | 10                                | 39            |
| Disposals                | -            | -   | (68)                                 | (42)                              | (110)         |
| <b>At 31 March 2023</b>  | <b>0</b>     | <b>0</b>                                    | <b>209</b>                           | <b>197</b>                        | <b>406</b>    |
| <b>Net book value</b>    |              |   |                                      |                                   |               |
| <b>At 31 March 2023</b>  | <b>210</b>   | <b>830</b>                                  | <b>79</b>                            | <b>22</b>                         | <b>1,141</b>  |

Seafish land and buildings are offices in Edinburgh. The office was surveyed and valued by Cushman and Wakefield, independent Chartered Surveyors as at 31 March 2023 in accordance with the RICS Appraisal and Valuation Manual. This valuation at fair value is incorporated in Seafish accounts.

Continuing annual financial commitments in respect of short leaseholds are disclosed in note 10. Improvements, which include buildings on leased sites, are capitalised and are normally written off over the life of the leases as permitted under IAS 16.

|                          | <b>Land</b><br>£000 | <b>Buildings<br/>Excluding<br/>Dwellings</b><br>£000 | <b>Furniture<br/>and<br/>Fittings</b><br>£000 | <b>Information<br/>Technology</b><br>£000 | <b>Total</b><br>£000 |
|--------------------------|---------------------|--|---|---|----------------------|
| <b>Cost or valuation</b> |                     |  |   |   |                      |
| At 1 April 2021          | 180                 | 730  | 321   | 429                                       | 1,660                |
| Revaluations             | 40                  | 150  | -   | -   | 190                  |
| Additions                | -                   | -  | 5   | 15  | 20                   |
| Disposals                | -                   | -  | (15)  | (194)                                     | (209)                |
| <b>At 31 March 2022</b>  | <b>220</b>          | <b>880</b>   | <b>311</b>                                    | <b>250</b>                                | <b>1,661</b>         |
| <b>Depreciation</b>      |                     |  |   |   |                      |
| At 1 April 2021          | -                   | -  | 270   | 415                                       | 685                  |
| Revaluations             | -                   | (15)   | -   | -   | (15)                 |
| Charge for year          | -                   | 15   | 11  | 8   | 34                   |
| Disposals                | -                   | -  | (15)  | (194)                                     | (209)                |
| <b>At 31 March 2022</b>  | <b>-</b>            | <b>-</b>   | <b>266</b>                                    | <b>229</b>                                | <b>495</b>           |
| <b>Net book value</b>    |                     |  |   |   |                      |
| <b>At 31 March 2022</b>  | <b>220</b>          | <b>880</b>   | <b>45</b>                                     | <b>21</b>                                 | <b>1,166</b>         |

## 6. Intangible assets

|  | Software<br>£000 | Websites<br>£000 | Total<br>£000 |
|--|------------------|------------------|---------------|
| <b>Cost or valuation</b>               |                  |                  |               |
| At 1 April 2022                        | 402              | 258              | 660           |
| Additions                              | -                | -                | -             |
| Disposals                              | (338)            | (12)             | (350)         |
| <b>At 31 March 2023</b>                | <b>64</b>        | <b>246</b>       | <b>310</b>    |
| <b>Amortisation</b>                    |                  |                  |               |
| At 1 April 2022                        | 402              | 87               | 489           |
| Charged in year                        | -                | 57               | 57            |
| Disposals                              | (338)            | (12)             | (350)         |
| <b>At 31 March 2023</b>                | <b>64</b>        | <b>132</b>       | <b>196</b>    |
| <b>Net book value at 31 March 2023</b> | <b>-</b>         | <b>114</b>       | <b>114</b>    |

Intangible assets comprise software licenses and intranet, all of which are owned by Seafish.

|  | Software<br>£000 | Websites<br>£000 | Total<br>£000 |
|--|------------------|------------------|---------------|
| <b>Cost or valuation</b>               |                  |                  |               |
| At 1 April 2021                        | 455              | 254              | 709           |
| Additions                              | -                | 4                | 4             |
| Disposals                              | (53)             | -                | (53)          |
| <b>At 31 March 2022</b>                | <b>402</b>       | <b>258</b>       | <b>660</b>    |
| <b>Amortisation</b>                    |                  |                  |               |
| At 1 April 2021                        | 440              | 36               | 476           |
| Charged in year                        | 15               | 51               | 66            |
| Disposals                              | (53)             | -                | (53)          |
| <b>At 31 March 2022</b>                | <b>402</b>       | <b>87</b>        | <b>489</b>    |
| <b>Net book value at 31 March 2022</b> | <b>0</b>         | <b>171</b>       | <b>171</b>    |

## 7. Trade receivables and other current assets

|  | <b>31 March<br/>2023</b> | <b>31 March<br/>2022</b> |
|--|--------------------------|--------------------------|
| <b>Amounts falling due within one year</b> | <b>£000</b>              | <b>£000</b>              |
| Trade receivables                          | 283                      | 569                      |
| Levy receivables                           | 1,183                    | 1,099                    |
| Levy accrued income                        | 370                      | 677                      |
| Expected credit losses                     | (247)                    | (234)                    |
| Prepayments                                | 237                      | 202                      |
| Other Government agencies accrued income   | 685                      | 635                      |
| Non levy accrued income                    | 93                       | -                        |
| EU grants accrued income                   | 59                       | 156                      |
|  | <b><u>2,663</u></b>      | <b><u>3,104</u></b>      |

Seafish has evaluated its exposure to credit losses of the receivables that are classified as financial instruments. Trade Receivables have the highest level of exposure; however, this exposure is deemed to be low as the majority of Seafish's larger contracts are with other government bodies leaving only a very immaterial value at risk.

An exposure also arises from Levy Receivables. The risk is that a levy payer becomes unable to meet the obligation due to financial difficulties. This risk has increased due to the impact of the 'cost of living crisis', political and economic uncertainty.

Levy accrued income is estimated based on levy payer's historical levy submissions. This is closely monitored and reviewed monthly.

An analysis of the ageing of the unimpaired trade receivables is shown below:

|  | <b>31 March<br/>2023</b> | <b>31 March<br/>2022</b> |
|--|--------------------------|--------------------------|
|  | <b>£000</b>              | <b>£000</b>              |
| <b>Trade receivables</b>                   |                          |                          |
| Less than one month                        | 221                      | 536                      |
| More than one month less than three months | 40                       | 19                       |
| More than three months                     | 22                       | 14                       |
|  | <b><u>283</u></b>        | <b><u>569</u></b>        |

There are no trade receivables due after more than one year.

## 8. Trade payables and other current liabilities

|  | 31 March<br>2023<br>£000 | 31 March<br>2022<br>£000 |
|--|--------------------------|--------------------------|
| <b>Amounts falling due within one year</b> |                          |                          |
| Trade payables and accruals                | 935                      | 894                      |
| Deferred income                            | 375                      | 435                      |
| Other Government agencies deferred income  | 76                       | 359                      |
| VAT  | 32                       | 50                       |
| Corporation tax                            | 23                       | 1                        |
| Pension contributions payable              | -                        | 32                       |
| LGPS pension exit valuation payable        | 946                      | -                        |
|  | <b>2,387</b>             | <b>1,771</b>             |

## 9. Pension scheme arrangements

### (a) Information on the Schemes

#### West Yorkshire Pension Fund (WYPF)

Seafish was a member of a pension scheme that provided defined benefits for employees employed before 1 April 2006, based on final pensionable salary. The assets and liabilities of the scheme are held within the West Yorkshire Pension Fund, which is part of the Local Government Pension Scheme (LGPS).

The scheme was split into:

#### (i) Funded: West Yorkshire Pension Fund (WYPF)

Until 30 November 2022, Seafish maintained a Funded scheme in respect of pension obligations to employees employed before 1 April 2006, when the scheme was closed to new entrants. This was a non-scheduled LGPS scheme.

The contribution rates were advised by independent actuaries and the fund actuarially valued every three years. The total provision in respect of this part of the scheme was shown as pension liabilities, under non-current liabilities in the Statement of Financial Position.

On 30 November 2022, Seafish ceased accrual to members, triggering a scheme exit. Under IAS 19 requirements, Seafish carried out a revised IAS 19 measurement at this point of settlement. At the previous Balance Sheet date, a modest surplus had been fully constrained under IFRIC 14 to a net zero balance since this exit had been expected and it was unclear that the same surplus would be available under the different assumptions used by the administering authority, West Yorkshire Pension Fund (WYPF) to determine the exit credit values. Despite a significant decrease in the DBO liability at 30 November 2022 following an increase in the discount rate, the larger

natural IAS 19 surplus at 30 November 2022 was also fully constrained for the same reason.

As reflected in note 9 f), at the point of settlement, two accounting entries were made under IAS 19 settlement rules:

- a) a reversal of the cumulative effect of the IFRIC 14 asset ceiling comprising the creation of it in the previous year, and the remeasurement this year, totalling £11,449k
- b) a revaluation from the net deficit after that accounting entry to the expected settlement value, which has been based on correspondence from WYPF. This movement was £12,395k, leading to a final value of £946k which given the relatively high certainty of the value, this has been transferred to accruals. This movement reflects the more prudent assumptions adopted by WYPF in determining an exit credit value compared to the IAS 19 assumptions in force at 30 November 2022.

These two movements are required under IAS 19 to be presented separately, the first as an OCI movement and the second through profit or loss. This has been reflected on the SoCNI.

Terms of settlement have yet to be finally agreed but time value of money is not expected to have a significant impact, and no adjustment has been made to the liability value to reflect discounting.

## **(ii) Non-funded: West Yorkshire Pension Fund (WYPF)**

Provision is made, on actuarial advice, in respect of obligations arising from supplemental commitments and indexation thereon of certain categories of ex-employees of Seafish. The total of provision in respect of this liability is included in Pension liabilities, under non-current liabilities in the Statement of Financial Position.

The latest formal triennial actuarial valuation of Seafish's liabilities took place as at 31 March 2019. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The defined benefits obligation represents the amount of money that needs to be set aside now to meet the benefits that the employer is committed to provide for service up to the 31 March 2023 on the basis of the assumptions used.

Details of the benefits earned over the period covered by this disclosure are set out in "The Local Government Pension Scheme Regulations 2013" and "The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014". The unfunded pension arrangements relate to termination benefits made on a discretionary basis upon early retirement in respect of members of the Local Government Pension Scheme under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations [and Teachers' Pension Scheme].



## 9. Pension scheme arrangements (continued)

The Fund Administering Authority, City of Bradford Metropolitan District Council, is responsible for the governance of the Fund.

The assets shown are an estimate of Seafish's notional share of the total fund assets as at 30 November 2022. Seafish's notional share of assets is assumed to be invested in the same proportion as the Fund as a whole within the different asset classes. Seafish employs a building block approach in determining a rate of return on fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the fund at 30 November 2022.

There are no unusual, entity-specific or plan-specific risks to note, nor are there any significant concentrations of risk within the scheme.

## 9. Pension scheme arrangements (continued)

### Seafish Pension and Life Assurance Fund (SPLAF)

In addition to the WYPF, Seafish provisionally operated an independently invested and administered scheme on behalf of the former Herring Industry Board employees: the Seafish Pension and Life Assurance Fund (SPLAF). This scheme was closed to new members, was fully paid up, and was formally wound up on 31 May 1999. The annuities that had been established to cover the basic pension rights of the existing pensioners will be met by Aviva. Seafish will continue to meet the indexation costs associated with basic pension rights. The total of provision in respect of this liability is included in Pension liabilities, under non-current liabilities in the Statement of Financial Position.

The reporting of the pension adjustments below refers to the above categories as Funded, Non-funded, and SPLAF.

#### (b) Amounts Charged to Net Expenditure/ Income

|  | <b>Funded</b>   | <b>Non-funded</b> | <b>SPLAF</b> | <b>Total</b>    |
|--|-----------------|-------------------|--------------|-----------------|
|  | <b>2023</b>     | <b>2023</b>       | <b>2023</b>  | <b>2023</b>     |
|  | £000            | £000              | £000         | £000            |
| Interest cost                                      | (868)           | (84)              | (4)          | (956)           |
| Interest on plan assets                            | 868             | -                 | -            | 868             |
| Financing expense on pension scheme assets         | -               | <b>(84)</b>       | <b>(4)</b>   | <b>(88)</b>     |
| Current service cost                               | (166)           | -                 | -            | (166)           |
| Past service cost                                  | -               | -                 | -            | -               |
| Loss on settlement                                 | (12,395)        | -                 | -            | (12,395)        |
| <b>Total expense recognised in net expenditure</b> | <b>(12,561)</b> | <b>(84)</b>       | <b>(4)</b>   | <b>(12,649)</b> |

|   | <b>Funded</b> | <b>Non-funded</b> | <b>SPLAF</b> | <b>Total</b> |
|---|---------------|-------------------|--------------|--------------|
|   | <b>2022</b>   | <b>2022</b>       | <b>2022</b>  | <b>2022</b>  |
|   | £000          | £000              | £000         | £000         |
| Interest cost                                 | (1,042)       | (68)              | (3)          | (1,113)      |
| Interest on plan assets                       | 972           | -                 | -            | 972          |
| Financing expense on pension scheme assets    | <b>(70)</b>   | <b>(68)</b>       | <b>(3)</b>   | <b>(141)</b> |
| Current service cost                          | (279)         | -                 | -            | (279)        |
| Past service cost                             | -             | -                 | -            | -            |
| <b>Total expense recognised in net income</b> | <b>(349)</b>  | <b>(68)</b>       | <b>(3)</b>   | <b>(420)</b> |

## 9. Pension scheme arrangements (continued)

## (c) Amounts Charged to Other Comprehensive Income

|  | <b>Funded</b> | <b>Non-<br/>funded</b> | <b>SPLAF</b> | <b>Total</b>  |
|--|---------------|------------------------|--------------|---------------|
|  | <b>2023</b>   | <b>2023</b>            | <b>2023</b>  | <b>2023</b>   |
|  | £000          | £000                   | £000         | £000          |
| Actuarial gains on liabilities                     | 9,060         | 470                    | 2            | 9,532         |
| Remeasurement losses on assets                     | (693)         | -                      | -            | (693)         |
| Asset ceiling (IFRIC 14) adjustment pre settlement | (8,588)       | -                      | -            | (8,588)       |
| Asset ceiling (IFRIC 14) adjustment at settlement  | 11,449        | -                      | -            | 11,449        |
|  | <b>11,228</b> | <b>470</b>             | <b>2</b>     | <b>11,700</b> |

|  | <b>Funded</b> | <b>Non-<br/>funded</b> | <b>SPLAF</b> | <b>Total</b> |
|--|---------------|------------------------|--------------|--------------|
|  | <b>2022</b>   | <b>2022</b>            | <b>2022</b>  | <b>2022</b>  |
|  | £000          | £000                   | £000         | £000         |
| Actuarial gains/(losses) on liabilities      | 2,682         | 119                    | (5)          | 2,796        |
| Remeasurement gain on assets                 | 3,620         | -                      | -            | 3,620        |
| IFRIC 14 adjustment                          | (1,148)       | -                      | -            | (1,148)      |
| Adjustment to write down Funded asset to nil | (1,713)       | -                      | -            | (1,713)      |
|  | <b>3,441</b>  | <b>119</b>             | <b>(5)</b>   | <b>3,555</b> |

## 9. Pension scheme arrangements (continued)

## (d) Movements in the Fair Value of Scheme Assets

|   | <b>Funded</b> | <b>Non-</b>   | <b>SPLAF</b> | <b>Total</b>  |
|---|---------------|---------------|--------------|---------------|
|   | <b>2023</b>   | <b>funded</b> | <b>2023</b>  | <b>2023</b>   |
|   | £000          | £000          | £000         | £000          |
| <b>At 1 April 2022</b>                                  | <b>47,262</b> | -             | -            | <b>47,262</b> |
| Interest on plan assets                                 | 868           | -             | -            | 868           |
| Contributions by the employer                           | 387           | 193           | 18           | 598           |
| Contributions by participants                           | 38            | -             | -            | 38            |
| Remeasurement losses on assets                          | (693)         | -             | -            | (693)         |
| Benefits/transfers paid                                 | (1,432)       | (193)         | (18)         | (1,643)       |
| Remeasurement of asset ceiling (IFRIC 14)               | (8,588)       | -             | -            | (8,588)       |
| <b>At 30 November 2022 (IAS 19)</b>                     | <b>37,842</b> | -             | -            | <b>37,842</b> |
| Remeasurement of asset ceiling on settlement (IFRIC 14) | 11,449        | -             | -            | 11,449        |
| <b>At 30 November 2022 (settlement)</b>                 | <b>49,291</b> | -             | -            | <b>49,291</b> |
| Value transferred to accruals at settlement             | (49,291)      | -             | -            | (49,291)      |
| <b>At 31 March 2023</b>                                 | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b>      |

|  | <b>Funded</b> | <b>Non-</b>   | <b>SPLAF</b> | <b>Total</b>  |
|--|---------------|---------------|--------------|---------------|
|  | <b>2022</b>   | <b>funded</b> | <b>2022</b>  | <b>2022</b>   |
|  | £000          | £000          | £000         | £000          |
| <b>At 1 April 2021</b>                       | <b>46,986</b> | -             | -            | <b>46,986</b> |
| Interest on plan assets                      | 972           | -             | -            | 972           |
| Contributions by the employer                | 547           | 203           | 17           | 767           |
| Contributions by participants                | 57            | -             | -            | 57            |
| Remeasurement gain on assets                 | 3,620         | -             | -            | 3,620         |
| IFRIC 14 adjustment                          | (1,148)       | -             | -            | (1,148)       |
| Adjustment to write down Funded asset to nil | (1,713)       | -             | -            | (1,713)       |
| Benefits/transfers paid                      | (2,059)       | (203)         | (17)         | (2,279)       |
| <b>At 31 March 2022</b>                      | <b>47,262</b> | <b>0</b>      | <b>0</b>     | <b>47,262</b> |

## 9. Pension scheme arrangements (continued)

## (e) Movements in the Present Value of Defined Benefit Obligation

|  | <b>Funded</b> | <b>Non-<br/>funded</b> | <b>SPLAF</b> | <b>Total</b>  |
|--|---------------|------------------------|--------------|---------------|
|  | <b>2023</b>   | <b>2023</b>            | <b>2023</b>  | <b>2023</b>   |
|  | £000          | £000                   | £000         | £000          |
| <b>At 1 April 2022</b>                   | <b>47,262</b> | <b>3,082</b>           | <b>165</b>   | <b>50,509</b> |
| Current service cost                     | 166           | -                      | -            | 166           |
| Past service cost                        | -             | -                      | -            | -             |
| Interest cost                            | 868           | 84                     | 4            | 956           |
| Contributions by participants            | 38            | -                      | -            | 38            |
| Actuarial losses on experience           | 3,343         | 66                     | 22           | 3,431         |
| Actuarial gains on financial assumptions | (12,403)      | (590)                  | (27)         | (13,020)      |
| Actuarial losses on demographics         | -             | 54                     | 3            | 57            |
| Benefits/transfers paid                  | (1,432)       | (193)                  | (18)         | (1,643)       |
| <b>At 30 November 2022</b>               | <b>37,842</b> | <b>-</b>               | <b>-</b>     | <b>37,842</b> |
| (Gain)/ loss on settlement               | 12,395        | -                      | -            | 12,395        |
| <b>At 30 November 2022 (settlement)</b>  | <b>50,237</b> | <b>-</b>               | <b>-</b>     | <b>50,237</b> |
| Value transferred to settlement          | (50,237)      | -                      | -            | (50,237)      |
| <b>At 31 March 2023</b>                  | <b>-</b>      | <b>2,503</b>           | <b>149</b>   | <b>2,652</b>  |

|  | <b>Funded</b> | <b>Non-<br/>funded</b> | <b>SPLAF</b> | <b>Total</b>  |
|--|---------------|------------------------|--------------|---------------|
|  | <b>2022</b>   | <b>2022</b>            | <b>2022</b>  | <b>2022</b>   |
|  | £000          | £000                   | £000         | £000          |
| <b>At 1 April 2021</b>                   | <b>50,625</b> | <b>3,336</b>           | <b>174</b>   | <b>54,135</b> |
| Current service cost                     | 279           | -                      | -            | 279           |
| Past service cost                        | -             | -                      | -            | -             |
| Interest cost                            | 1,042         | 68                     | 3            | 1,113         |
| Contributions by participants            | 57            | -                      | -            | 57            |
| Actuarial losses on experience           | 178           | 12                     | 10           | 200           |
| Actuarial gains on financial assumptions | (2,383)       | (89)                   | (2)          | (2,474)       |
| Actuarial gains on demographics          | (477)         | (42)                   | (3)          | (522)         |
| Benefits/transfers paid                  | (2,059)       | (203)                  | (17)         | (2,279)       |
| <b>At 31 March 2022</b>                  | <b>47,262</b> | <b>3,082</b>           | <b>165</b>   | <b>50,509</b> |

## 9. Pension scheme arrangements (continued)

## (f) Analysis of the Movement of the Deficit in the Year

|   | Note | Funded<br>2023<br>£000 | Non-<br>funded<br>2023<br>£000 | SPLAF<br>2023<br>£000 | Total<br>2023<br>£000 |
|---|------|------------------------|--------------------------------|-----------------------|-----------------------|
| Deficit at the start of the year  |      | -                      | (3,082)                        | (165)                 | (3,247)               |
| Contributions by the employers  |      | 387                    | 193                            | 18                    | 598                   |
| Current service cost  |      | (166)                  | -                              | -                     | (166)                 |
| Past service cost   |      | -                      | -                              | -                     | -                     |
| Remeasurement losses on assets  |      | (693)                  | -                              | -                     | (693)                 |
| Actuarial gains   |      | 9,060                  | 470                            | 2                     | 9,532                 |
| Interest cost   |      | (868)                  | (84)                           | (4)                   | (956)                 |
| Interest on plan assets   |      | 868                    | -                              | -                     | 868                   |
| Benefits/transfers paid   |      | -                      | -                              | -                     | -                     |
| Remeasurement of asset ceiling (IFRIC 14)                               |      | (8,588)                | -                              | -                     | (8,588)               |
| <b>At 30 November 2022</b>  |      | -                      | n/a                            | n/a                   | -                     |
| Revaluation to exit terms on settlement (contributing to gain/loss)     | 9b   | (12,395)               | n/a                            | n/a                   | (12,395)              |
| Reversal of cumulative IFRIC 14 adjustments at settlement (through OCI) | 9c   | 11,449                 | n/a                            | n/a                   | 11,449                |
| Reclassification to accrual on settlement                               |      | 946                    | n/a                            | n/a                   | 946                   |
| <b>At 31 March 2023</b>   |      | -                      | (2,503)                        | (149)                 | (2,652)               |

|                                  | Funded<br>2022<br>£000 | Non-<br>funded<br>2022<br>£000 | SPLAF<br>2022<br>£000 | Total<br>2022<br>£000 |
|----------------------------------|------------------------|--------------------------------|-----------------------|-----------------------|
| Deficit at the start of the year | (3,639)                | (3,336)                        | (174)                 | (7,149)               |
| Contributions by the employers   | 547                    | 203                            | 17                    | 767                   |
| Current service cost             | (279)                  | -                              | -                     | (279)                 |
| Past service cost                | -                      | -                              | -                     | -                     |
| Actuarial gains                  | 3,441                  | 119                            | (5)                   | 3,555                 |
| Interest cost                    | (1,042)                | (68)                           | (3)                   | (1,113)               |
| Interest on plan assets          | 972                    | -                              | -                     | 972                   |
| Benefits/transfers paid          | -                      | -                              | -                     | -                     |
| <b>Total</b>                     | -                      | (3,082)                        | (165)                 | (3,247)               |

## 9. Pension scheme arrangements (continued)

### (g) Assumptions

The adoption of the CPI rather than the RPI as the basis for calculating future pension payment increases has been used as one of the principal assumptions to calculate different scheme liabilities from 1 April 2011 onwards. This is in accordance with IAS 19 and as required by HM Treasury. The accounting treatment was adopted by all central government entities where RPI had been used for inflation indexing for many years.

The most recent actuarial valuation of the fund was to 31<sup>st</sup> March 2023. The principal assumptions used by the independent qualified actuary in updating this valuation were:

|                              | <b>Funded<br/>(30 Nov<br/>2022)</b> | <b>Non-funded</b>  | <b>SPLAF</b> |
|------------------------------|-------------------------------------|--------------------|--------------|
| <b>31 March 2023</b>         |                                     |                    |              |
| Rate of inflation (CPI)      | 2.60%                               | 2.70%              | 2.70%        |
| Rate of increase in salaries | 3.85%                               | N/A                | N/A          |
| Rate of increase in pensions | 2.60%                               | 2.70%              | 2.70%        |
| Discount rate                | 4.30%                               | 4.80%              | 4.80%        |
| Mortality tables             |                                     | 1992 (PMA and PFA) |              |
| <b>31 March 2022</b>         | <b>Funded</b>                       | <b>Non-funded</b>  | <b>SPLAF</b> |
| Rate of inflation (CPI)      | 3.10%                               | 3.10%              | 3.10%        |
| Rate of increase in salaries | 4.35%                               | N/A                | N/A          |
| Rate of increase in pensions | 3.10%                               | 3.10%              | 3.10%        |
| Discount rate                | 2.80%                               | 2.80%              | 2.80%        |
| Mortality tables             |                                     | 1992 (PMA and PFA) |              |



## 9. Pension scheme arrangements (continued)

## (g) Assumptions (continued)

**Scheme assets**

| <b>30 November 2022</b> | <b>Funded</b> | <b>Non-funded</b> | <b>SPLAF</b> | <b>Total</b> |
|-------------------------|---------------|-------------------|--------------|--------------|
| Equities                | 80.5%         | N/A               | N/A          | 80.5%        |
| Government bonds        | 6.2%          | N/A               | N/A          | 6.2%         |
| Corporate bonds         | 4.3%          | N/A               | N/A          | 4.3%         |
| Property                | 3.7%          | N/A               | N/A          | 3.7%         |
| Cash                    | 3.5%          | N/A               | N/A          | 3.5%         |
| Other                   | 1.8%          | N/A               | N/A          | 1.8%         |

**Scheme assets**

| <b>31 March 2022</b> | <b>Funded</b> | <b>Non-funded</b> | <b>SPLAF</b> | <b>Total</b> |
|----------------------|---------------|-------------------|--------------|--------------|
| Equities             | 79.8%         | N/A               | N/A          | 79.8%        |
| Government bonds     | 7.4%          | N/A               | N/A          | 7.4%         |
| Corporate bonds      | 4.8%          | N/A               | N/A          | 4.8%         |
| Property             | 4.0%          | N/A               | N/A          | 4.0%         |
| Cash                 | 2.9%          | N/A               | N/A          | 2.9%         |
| Other                | 1.1%          | N/A               | N/A          | 1.1%         |

The mortality assumptions are based on the recent actual mortality experience of members within the fund and allow for expected future mortality improvements. The assumed future life expectancies are as follows:

|                          | <b>Funded WYPF</b> |                    | <b>Unfunded WYPF</b> |                    | <b>SPLAF</b>       |                    |
|--------------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|
|                          | 30-Nov-22<br>Years | 31-Mar-22<br>Years | 31-Mar-23<br>Years   | 31-Mar-22<br>Years | 31-Mar-23<br>Years | 31-Mar-22<br>Years |
| Male currently aged 65   | 21.8               | 21.9               | 21.6                 | 21.8               | 21.6               | 21.8               |
| Female currently aged 65 | 24.6               | 24.7               | 24.6                 | 24.6               | 24.6               | 24.6               |
| Male currently aged 45   | 22.5               | 22.6               | N/A                  | N/A                | N/A                | N/A                |
| Female currently aged 45 | 25.7               | 25.8               | N/A                  | N/A                | N/A                | N/A                |

## 9. Pension scheme arrangements (continued)

### h) Maturity Profile

|   | <b>Funded</b> | <b>Non-<br/>funded</b> | <b>SPLAF</b> | <b>Total</b> |
|---|---------------|------------------------|--------------|--------------|
|   | <b>£000</b>   | <b>£000</b>            | <b>£000</b>  | <b>£000</b>  |
| Expected benefit payments made during 2023/24 | -             | 198                    | 18           | 216          |
| Expected benefit payments made during 2024/25 | -             | 204                    | 19           | 223          |
| Expected benefit payments made during 2025/26 | -             | 209                    | 20           | 229          |
| Expected benefit payments made during 2026/27 | -             | 215                    | 20           | 235          |
| Expected benefit payments made during 2027/28 | -             | 221                    | 21           | 242          |
| Expected benefit payments 2028/29 to 2032/33  | -             | 1,195                  | 112          | 1,307        |

Following the exit of the Funded scheme at 30 November 2022, scheme participation in the Funded section of the scheme effectively ended as of 30 November 2022.

## 10. Right of Use Assets

### (a) Right of Use Assets

Right-of-use assets represent the right to direct the use of an underlying asset arising as a result of a lease. Seafish does not own the underlying asset but recognises the value of the right-of-use in accordance with IFRS 16 (Leases) which was effective from 1 April 2022. This was initially measured and recognised following the IFRS 16 principles and the FReM.

|   | <b>Buildings</b><br>£000 | <b>IT</b><br>£000 | <b>Vehicles</b><br>£000 | <b>Total</b><br>£000 |
|---|--------------------------|-------------------|-------------------------|----------------------|
| <b>At 31 March 2022</b>                     | -                        | -                 | -                       | -                    |
| Initial adoption of IFRS 16 on 1 April 2022 | -                        | -                 | 7                       | 7                    |
| <b>Cost or valuation</b>                    |                          |                   |                         |                      |
| At 1 April 2022                             | -                        | -                 | 7                       | 7                    |
| Additions                                   | 25                       | 63                | 21                      | 109                  |
| <b>At 31 March 2023</b>                     | <b>25</b>                | <b>63</b>         | <b>28</b>               | <b>116</b>           |
| <b>Depreciation</b>                         |                          |                   |                         |                      |
| At 1 April 2022                             | -                        | -                 | -                       | -                    |
| Charges in year                             | -                        | 25                | 24                      | 49                   |
| Disposals                                   | -                        | -                 | -                       | -                    |
| Revaluation                                 | -                        | -                 | -                       | -                    |
| <b>At 31 March 2023</b>                     | <b>-</b>                 | <b>25</b>         | <b>24</b>               | <b>49</b>            |
| <b>Net book value</b>                       |                          |                   |                         |                      |
| <b>At 31 March 2023</b>                     | <b>25</b>                | <b>38</b>         | <b>4</b>                | <b>67</b>            |

Seafish signed a new 10-year storeroom lease on 31 January 2023, with a lease commencement date of 1 February 2023. The lease has been treated as an addition in 2022/23 as it was available for immediate use. Furthermore, contracts for leased laptops, printers and cars exceeded the low value threshold of £5,000 and were treated as an addition in 2022/23.

**(b) Lease Liabilities**

|   | <b>Buildings</b><br>£000 | <b>IT</b><br>£000 | <b>Vehicles</b><br>£000 | <b>Total</b><br>£000 |
|---|--------------------------|-------------------|-------------------------|----------------------|
| At 31 March 2022                            | -                        | -                 | -                       | -                    |
| Initial adoption of IFRS 16 on 1 April 2022 | -                        | -                 | 7                       | 7                    |
| <b>Cost or valuation</b>                    |                          |                   |                         |                      |
| At 1 April 2022                             | -                        | -                 | 7                       | 7                    |
| Additions                                   | 25                       | 63                | 21                      | 109                  |
| Lease liability interest                    | -                        | (1)               | -                       | (1)                  |
| Lease liability payments                    | -                        | (24)              | (24)                    | (48)                 |
| <b>At 31 March 2023</b>                     | <b>25</b>                | <b>38</b>         | <b>4</b>                | <b>67</b>            |

Obligations under leases recognised in the SoFP:

|   | <b>31<br/>March<br/>2023<br/>£000</b> | <b>31<br/>March<br/>2022<br/>£000</b> |
|---|---------------------------------------|---------------------------------------|
| <b>Buildings:</b>                                 |                                       |                                       |
| Not later than one year                           | 3                                     | -                                     |
| Later than one year and not later than five years | 12                                    | -                                     |
| Later than five years                             | 15                                    | -                                     |
| Less interest element                             | (5)                                   | -                                     |
| <b>IT:</b>  |                                       |                                       |
| Not later than one year                           | 28                                    | -                                     |
| Later than one year and not later than five years | 12                                    | -                                     |
| Later than five years                             | -                                     | -                                     |
| Less interest element                             | (2)                                   | -                                     |
| <b>Vehicles:</b>                                  |                                       |                                       |
| Not later than one year                           | 4                                     | -                                     |
| Later than one year and not later than five years | -                                     | -                                     |
| Later than five years                             | -                                     | -                                     |
| Less interest element                             | -                                     | -                                     |
| <b>Present value of obligations</b>               | <b>67</b>                             | <b>-</b>                              |

Committed lease payments not included in lease liabilities as at 31 March 2023:

|   | <b>31<br/>March<br/>2023<br/>£000</b> | <b>31<br/>March<br/>2022<br/>£000</b> |
|---|---------------------------------------|---------------------------------------|
| <b>Buildings:</b>                                 |                                       |                                       |
| Not later than one year                           | 1                                     | 12                                    |
| Later than one year and not later than five years | -                                     | -                                     |
| Later than five years                             | -                                     | -                                     |
|   | <u><b>1</b></u>                       | <u><b>12</b></u>                      |
| <b>Motor Fleet:</b>                               |                                       |                                       |
| Not later than one year                           | -                                     | 8                                     |
| Later than one year and not later than five years | -                                     | 1                                     |
| Later than five years                             | -                                     | -                                     |
|   | <u><b>-</b></u>                       | <u><b>9</b></u>                       |

Seafish have applied the recognition and measurement exemption for short term leases (12 months or less) on our workshop lease under IFRS 16.

## 11. Financial instruments

IFRS 7 requires disclosures in the financial statements of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Seafish adopted IFRS 9 from 1 April 2018. Current year and comparative data are both presented in line with the standard. Financial instruments have been categorised appropriately and further disclosures around the associated risks are provided.

Cash and cash equivalents, levy receivables, trade receivables and trade payables have been categorised as financial assets measured at amortised cost. The values of these as at 31<sup>st</sup> March 2023 are disclosed within note 7, 8 and 12, along with comparative data. There have been no additional financial instruments added in the year to 31 March 2023.

The exposure to credit losses for levy receivables and trade receivables is discussed under note 7 and cash and cash equivalents exposure to credit loss is considered under Exposure to Risk in this note.

## **Significant estimate and judgements**

Due to the simple nature of Seafish's financial instruments there have been few significant estimates and judgements. Categorising the financial instruments as financial assets measured at amortised cost has been decided through the IFRS 9 business model assessment, whereby it has been deemed that all instruments:

- future cash flows are considered to be solely principal, and
- that the financial instruments are being "held to collect contractual cash flows only".

Seafish's receivables are short in nature with only £22k older than three months old, as disclosed in note 7. This means that Seafish is able to adopt a simple model of estimating expected credit losses by creating a provision for individual trade debtors who may fail to meet the contractual obligations.

## **Exposure to Risk**

Because of the nature of Seafish activities and the way it is financed, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with Seafish's expected purchase and usage requirements and Seafish is therefore exposed to little credit, liquidity or market risk.

Seafish has no borrowings and relies primarily on levy for its cash requirements and is therefore not exposed to the degree of financial risk faced by business entities. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing Seafish in undertaking their activities. The following paragraphs provide an overview of the major financial risks for Seafish and how they are managed at the individual level.

### **Liquidity Risk**

Seafish has no borrowings and relies primarily on levy for its cash requirements and is therefore not exposed to any significant liquidity risks.

### **Interest Rate Risk**

Seafish has material deposits, and places funds, with the exception of daily working capital on fixed rate deposits to minimise any interest rate risk. All material assets and liabilities are denominated in Sterling so Seafish is not exposed to currency risk.

## Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to Seafish. Credit risk arises from deposits with banks as well as credit exposures to Seafish trade debtors. Surplus operating cash is only invested with banks that are rated independently with a minimum rating of A1, P1, F1 or A+. Cash assets are held with Virgin Money (who acquired Clydesdale Bank during 2020/21) and the Royal Bank of Scotland.

## Foreign Currency Risk

Seafish has no foreign currency income or foreign currency expenditure other than in very immaterial values. All material assets and liabilities are denominated in Sterling. Seafish is therefore not exposed to any significant foreign currency risk.

## 12. Cash and cash equivalents

|  | <b>31 March<br/>2023<br/>£000</b> | <b>31 March<br/>2022<br/>£000</b> |
|--|-----------------------------------|-----------------------------------|
| Balance at 1 April 2022                          | 5,693                             | 4,346                             |
| Net change in cash and cash equivalent balances  | 620                               | 1,347                             |
| <b>Balance at 31 March 2023</b>                  | <b>6,313</b>                      | <b>5,693</b>                      |
| The following balances at 31 March were held at: |                                   |                                   |
| Commercial banks and cash in hand                | 6,313                             | 3,192                             |
| Short term investments                           | -                                 | 2,501                             |
| <b>Balance at 31 March 2023</b>                  | <b>6,313</b>                      | <b>5,693</b>                      |

The short-term investments represent funds placed on fixed deposit for 95 days.



### 13. Related party transactions

Seafish is an Executive NDPB of Defra which is regarded as a related party. During the year Seafish has had a number of material transactions with other entities for which the department is regarded as the parent department, such as the Marine Management Organisation.

In addition, Seafish have had a number of transactions with other government departments and other central government bodies. Most of these transactions have been with the Scottish Government, Welsh Government and the Department of Agriculture and Rural Development (in Northern Ireland).

Seafish was involved in the following related party transactions during the year. All payments were made or received by 31 March 2023 unless otherwise stated:

**Board Member Michael Mitchell is:**

- A Trustee of Fisheries Innovation and Sustainability which was paid £25,000 by Seafish.
- A President of Shellfish Association of Great Britain which was paid £12,900 by Seafish.

**Board Member Nathan de Rozarieux is:**

- A Trustee of Fishermen's Mission which was paid £839.50 by Seafish.

**Board Member Harry Wick is:**

- A CEO and Secretary of Northern Ireland Fish Producers' Organisation which paid Seafish £600.

**Panel Chair Tom Pickerell is:**

- A Director of Tomolamola Consulting Ltd which was paid £34,320 by Seafish.<sup>7</sup>

**Chief Executive Marcus Coleman is:**

- A Director of Fisheries Innovation and Sustainability which was paid £25,000 by Seafish.

**Executive Aoife Martin is:**

- A Board Member of Sustainable Fisheries Partnership which was paid £9,682.80 by Seafish.

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<sup>7</sup> Tom Pickerell is the lead of the North Atlantic Pelagic Advocacy Group (NAPA) and Seafish facilitate the receipt and payment of consulting fees on behalf of NAPA, who represent retailers and processors across the UK. There is no levy funding towards Tomolamola Consulting Ltd and therefore no associated conflict of interest.

### 13. Related party transactions (continued)

No other Seafish board members, senior executive staff or other related parties have undertaken any material transactions with Seafish.

There are no company directorships or other significant interests that Seafish considers may conflict with management responsibilities. Transactions with the Seafish senior executive team can be found in the Remuneration and Staff Report.

### 14. Events after the reporting period

#### **Issue of Accounts**

In accordance with the requirements of IAS 10, events after 31 March 2023 are considered up to the date on which the accounts are authorised for issue. The authorised for issue date is the date of the Comptroller and Auditor General's audit certificate and report.

#### **Material Events**

Following the exit of the Funded WYPF scheme on 30 November 2022, Seafish is still finalising a 3 year settlement agreement with WYPF to pay the £0.946m exit fee, with an expected commencement date of 30 November 2022. Final settlement is expected to be 30 November 2025.

**For more information please contact:**

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**Seafish**

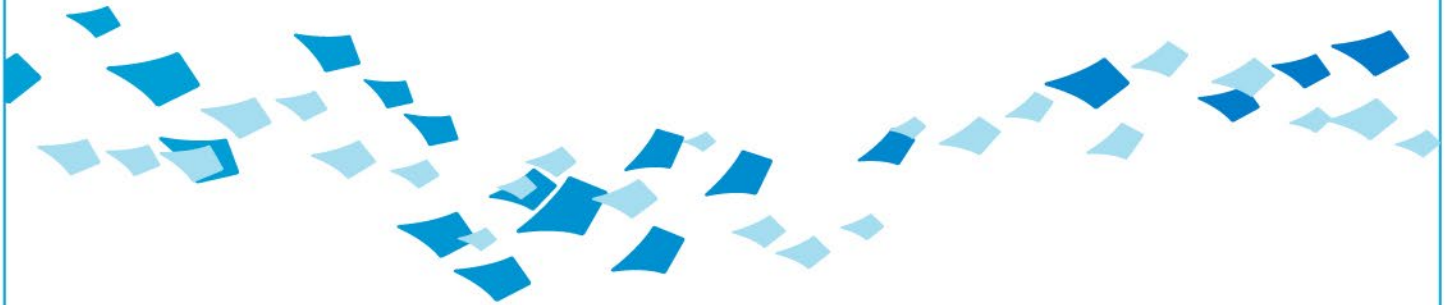
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