

The Sea Fish Industry Authority

# Annual Report & Accounts 2023-24

1 April 2023 to  
31 March 2024



seafish

HC 390  
SG/2024/304

The Sea Fish Industry Authority (Seafish)

# Annual Report & Accounts 2023-24

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1 April 2023 to  
31 March 2024

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# Performance Report

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# Performance Report

## Foreword by the Chair of Seafish



Seafish took forward its new Corporate Plan in the past year. It was the first year of the five-year plan – a plan which comprises an array of activities all designed to support the UK seafood industry. Our stakeholders have given us a clear mandate on the priority areas where they need assistance, and we are committed to delivering against those expectations.

It is my job, at the helm of the Board, to ensure that the organisation continues to listen to its stakeholders and continues to deliver strongly against the priorities that have been established. The volatile, complex, and turbulent times in which we operate are still evident and we must continue to work with our partners across all four nations of the UK and throughout all elements of the seafood supply chain as the operating environment presents ever-changing challenges.

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 2024/25 we have an important task to conclude; the review of Seafish levy arrangements. 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. The Board will submit to Ministers for consideration a package of reform proposals, assembled after very careful and considered assessments, and testing through a formal consultation process.

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



## Chief Executive Statement

As our staff engage with seafood industry stakeholders throughout the supply chain and in all four nations of the UK, it is evident that times are tough for the sector. The impact of economic conditions and geopolitical changes around the world continue to have a real impact on operating costs, trade flow and consumer behaviour. Seafood consumption in the UK is in decline – down 22%<sup>1</sup> from 2006 to 2022 – and this puts real pressures on businesses in the seafood supply chain. Additional demands brought about by climate change and geopolitical conditions also pose challenges.

It is against this challenging landscape that Seafish remains committed to stepping up and supporting seafood businesses as they try to navigate the way forward. Indeed, we have seen in recent years how resilient the sector can be. It bounces back consistently, determined to find ways to responsibly source sustainable seafood and make that affordable for UK consumers.

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 91 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.

It is my hope in 2024/25 that we can successfully conclude the process of introducing reforms to the Seafish levy. Levy rates were last changed 24 years ago and our proposed reforms would ensure that Seafish is able to secure a sustainable financial future and continue to serve the UK seafood industry for the next decade.

A handwritten signature in blue ink, appearing to read 'M. Coleman', written over a white background.

**Marcus Coleman**  
Chief Executive

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1 Total Seafood in Multiple Retail (2023 Update), A market insight analysis by R. Watson, July 2023

## 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 on page 25



## Seafish Purpose

Seafish exists to give the UK seafood sector the support it needs to thrive. A thriving profitable and sustainable seafood sector delivers not only a healthy nutritious food product, it also creates long-term job opportunities; builds and sustains communities and drives business prosperity. When this sector thrives, the whole nation thrives.

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

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

Under our new five-year Corporate Plan we are focused on delivering on the seven priorities that industry had told us matter most to their business.

- Ensuring a **Safe and Skilled Workforce** (Priority 1)
- Facilitating and promoting **International Trade** (Priority 2)
- Responding to the **Climate Change** emergency (Priority 3)
- Improving **Fisheries Management** (Priority 4)
- Enabling **Supply Chain Resilience** (Priority 5)
- Improving **Data, Insight, and Innovation** to support our priority work areas and to deliver products and services directly to business (Priority 6).

Across 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** (Priority 7).

For more information on our Corporate Plan please see [www.seafish.org/corporate-plan](http://www.seafish.org/corporate-plan).

## Organisational Structure

To ensure Seafish meets the needs of the seafood sector, and delivers effectively against our seven priorities, our work is led under three divisions: Enabling Services (Finance and Human Resources), Communications & Engagement, and Operations - see below. Our performance towards delivering on our seven priorities is reported on page 15.



**Kenneth  
McIntosh**  
Finance Director

Responsible for:

- Finance
- Levy



**Lynn  
Gilmore**  
Director of  
Communications  
and Engagement

Responsible for:

- Channels
- PR and  
Communications
- International  
Trade Promotion
- Industry  
Engagement
- Reputation
- Horizon Scanning



**Aoife  
Martin**  
Director of  
Operations

Responsible for:

- Supply Chain  
Resilience
- International  
Trade Facilitation  
& Regulatory  
Affairs
- Data, Insight &  
Innovation
- Safety, Training &  
Workforce Issues
- Fisheries  
Management
- Climate Change



**Linsey  
Neill**  
Human  
Resources  
Director

Responsible for:

- Human  
Resources
- Health and Safety
- Information  
Systems

The Executive Management team are governed by the Seafish Board – please see page 38 for more details.

## Performance Analysis

Progress against our Corporate Plan is measured through detailed performance dashboards across each priority work which are then presented to the Seafish Board for review on a quarterly basis. These dashboards include a budget variance analysis, progress towards our performance indicators as detailed in our Annual Plan, and a RAG assessment of individual workstreams under each priority. In addition, the Board periodically requests a 'deep dive' review of individual priorities or specific work areas.

Each priority also has an internal oversight 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 2023/24 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 £111k in 2023/24 compared to a surplus of £86k for 2022/23. The main reasons for this £25k movement were:

	2023/24 £000	2022/23 £000	Movement £000	Reason for Movement
Levy Income	7,443	7,160	283	Levy increased by 4% due to unaccrued levy received that related to prior years.
Other Operating Income	2,435	2,014	421	New grant and other project related funding accessed, in particular within Fisheries Management which is partly-funded by Defra.
Project Expenditure	(4,045)	(2,873)	(1,172)	Project work spend increased in line with new grant and project related funding.
Staff Costs	(5,127)	(4,344)	(783)	5 new permanent employees (2 senior), benchmarking exercise and pay progression increases, one-off cost of living payment. See staff report for further information.
Actuarial Pension Gain	111	11,700	(11,589)	One-off movement due to the settlement of the Funded scheme in 2022/23.
Loss on settlement of funded pension obligation	-	(12,395)	12,395	Revaluation to exit terms on settlement in 2022/23.
Other Income and Expenditure	(706)	(1,176)	470	We hosted UK seafood pavilions in China and Japan's Seafood Expos in 2023 which we did not participate in during 2022, for which Defra funding support was received.
<b>Total</b>	<b>111</b>	<b>86</b>	<b>25</b>	

## Review of Financial Position as at 31 March 2024

After covering all our liabilities, we had net assets of £5.3m as at 31 March 2024 (2023: net assets of £5.2m). The key balance sheet movements were as follows:

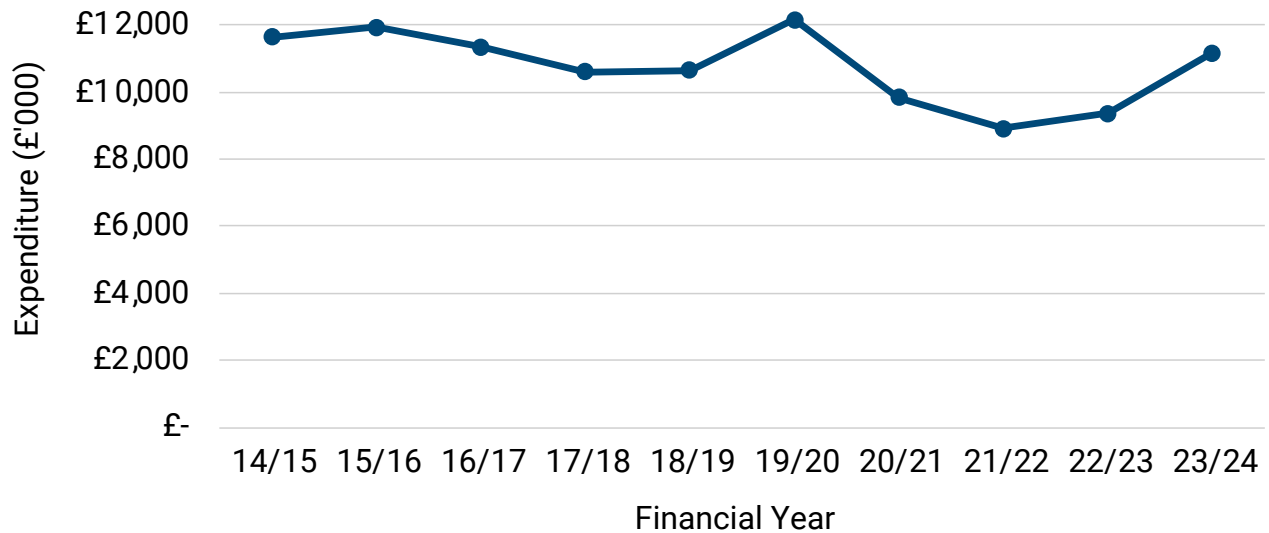
	2023/24	2022/23 £000	Movement £000	Reason for Movement
<b>Cash and cash equivalents</b>	5,492	6,313	(821)	Cash decreased mainly due to movements in payables and receivables (£0.7m), and unfunded pension contributions (£0.2m)
<b>Pension liability</b>	(2,434)	(2,652)	218	Positive movement mainly relates to actuarial gains in the unfunded section of the LGPS WYPF.
<b>Trade and other receivables</b>	3,257	2,663	594	Movement driven by an increase in year-end trade receivables with a number of high value invoices falling in period 12.
<b>Other</b>	(1,032)	(1,132)	100	Movement mainly relates to the accrual to the exit of funded section of LGPS WYPF.
<b>Total</b>	<b>5,283</b>	<b>5,192</b>	<b>91</b>	

## Levy Income

Total levy income for 2023/24 was £7.4m (2022/23 £7.2m). The increase of £0.2m can be attributed to unaccrued levy received which related to prior accounting periods. After adjusting for this, the accrued levy relating to the financial year 22/23 was broadly in line with prior year.

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. As indicated above the volumes subject to levy remained materially consistent with prior year. At the time of writing a formal consultation is in mid-process, which commenced on 15th May 2024, and relates to proposals to amend levy rates and scope, together with some proposed administrative changes.

## 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 with expenditure spend increasing by 19% in 2023/24 as normal activities resumed approaching in line with spend prior to the Covid-19 pandemic.

## Delivering Against Our Seven Priorities

In relation to our seven Priorities, we continued to work collaboratively with stakeholders in industry and government to make positive progress. Our priorities are set out in our corporate plan which was published in April 2023 and runs from 2023 to 2028. The following is a summary of our key performance indicators and a selection of notable activities for each priority presented below. As this is the first year of the new corporate plan there are no prior year comparatives presented.

### Key Performance Indicators

	Key performance Indicator	Status
<b>Priority 1:</b>	<b>Safe and Skilled Workforce</b>	
KPI 1.1	Deliver 6,000 training places onshore and at sea	Target Met
KPI 1.2	Complete 10 audits of Seafish Approved Training Provider	Target Met
KPI 1.3	Deliver a 70% increase in personal alerts to Kingfisher Bulletin users and achieve 30% of new users creating personal alert areas	Target exceeded with a 91% increase in personal alerts
KPI 1.4	Drive real behavioural change through the Home and Dry initiative, with 70% of those who engage with the campaign taking an additional safety action	Target exceeded with 74% taking further action
<b>Priority 2:</b>	<b>International Trade</b>	
KPI 2.1 and 2.2	Support industry participation at three overseas meet-the-buyer events or missions and deliver UK seafood pavilions at three international trade shows, with a 100% increase in industry participation on the previous year.	Target met with two meet-the-buyer events and four pavilions delivered and an increase from 5 to 36 exhibitors.
KPI 2.3	Respond to 15 bespoke trade requests per month	Target exceeded with 245 responses out of a target of 180
KPI 2.4	Produce eight new (or significant updates to) regulatory guidance notes	Target Met
KPI 2.5	Produce quarterly trade reports which will profile key information on UK imports/exports and the global trading environment	Three reports delivered

	Key performance Indicator	Status
KPI 2.6	Facilitate eight import/export forums, with a minimum attendance rate of 20 per forum meeting	Seven forums held
	Key performance Indicator	Status
<b>Priority 3:</b>	<b>Climate Change</b>	
KPI 3.1	Deliver the Seafood Emissions Profile Tool	Target Met
KPI 3.2	Produce quarterly climate change newsletters	Target Met
KPI 3.3	Facilitate quarterly meetings of the Vessels of the Future Forum	One forum was held alongside five working group meetings.
<b>Priority 4:</b>	<b>Improving Fisheries Management Outcomes</b>	
KPI 4.1	Convene four meetings each of FIAG and SIAG, and their associated groups	Target Met
KPI 4.2	Secure approval of the crab and lobster, whelk and scallop FMPs for implementation <sup>2</sup>	Target Met
<b>Priority 5:</b>	<b>Supply Chain Resilience</b>	
KPI 5.1	Produce a series of codes of practice on crustacea welfare for the shellfish supply chain	Work in progress
KPI 5.2	Produce quarterly supply chain review reports detailing how the seafood supply chain in the UK is performing	Three reports delivered
KPI 5.3	Convene three Shellfish Stakeholder Working Group meetings and four subgroup meetings focused on shellfish water quality issue management	Two SSWG meetings held and two subgroup meetings.
<b>Priority 6:</b>	<b>Data, Insight and Innovation</b>	
KPI 6.1	Deliver the fleet and processing sector data collection surveys, with a response rate that ensures at least 10% of the population is surveyed	Target Met
KPI 6.2	Partner with universities/research institutes on three successful UKRI (or similar) funding bids	Target exceeded with five bids

<sup>2</sup> Seafish were commissioned to progress the crab, lobster and whelk FMPs on behalf of DEFRA.



	Key performance Indicator	Status
KPI 6.3	Produce 35 new factsheets on seafood trends in retail and foodservice	Target exceed with 36 factsheets delivered
KPI 6.4	Deliver five bespoke analysis and advice reports	Target exceeded with eleven reports delivered

	Key performance Indicator	Status
<b>Priority 7:</b>	<b>Industry Reputation</b>	
KPI 7.1	Deliver one impactful, evidence-based positive industry reputation campaign based on insight from our reputation monitoring	Target Met
KPI 7.2	Increase in positive media sentiment about the seafood industry by year end (benchmark to be established in quarter 1)	Target met-benchmark established, with an update at year end
KPI 7.3	Deliver eight online bite-size Issues Groups and four in-person Issues Groups – with at least 50 attendees at each meeting	Target Met
KPI 8.1	Deliver 10 Advisory Committee meetings throughout the year with a minimum of seven industry committee members attending each meeting	Target exceeded with 11 meetings held
KPI 8.2	Benchmark and monitor stakeholder sentiment towards Seafish and the work we do	Target met with benchmarking delivered in March 2024
KPI 8.3	Monitor engagement with our communications content and channels (with all KPIs set at levels that exceed average engagement with government comms) as follows: a. Increase our website customer satisfaction score to 60% throughout the year. b. A 4% rate of engagement across our social platforms throughout the year	Target not met, average 53% satisfaction achieved. Engagement was strong through LinkedIn but requires improvement for X (formerly Twitter)

## Priority 1: Safe and Skilled Workforce

We are passionate advocates for the opportunities that the seafood industry can provide, but we also recognise that improvements are still needed. Our ambition is that the UK seafood sector is recognised as a dynamic, safe, and attractive sector to work, and that individual businesses have the systems and processes in place to source the labour they need and to provide safe workplaces for all.

We delivered 6,000 onshore and seagoing training places and produced new course programmes for bivalve shellfish sector and food allergens management. As part of this, we secured and delivered over £700k of funding to support non mandatory safety and career development training for fishermen.

We provided secretariat and project delivery support to the Seafood Ethics Action Alliance (SEAA) and the Fishermen's Welfare Alliance. This included providing analysis on pay requirements across the fishing fleet and delivering the SEAA Change on the Water Programme which supported projects aimed at improving vessel safety and improving crew welfare standards.

To assist industry with issues accessing labour, across the catching and processing sectors, we developed comprehensive industry guidance on the Skilled Worker Visa system. We provided a triage service to help businesses address specific concerns and to support them in navigating the new requirements. We also worked with businesses across the supply chain to explore the feasibility of other visa schemes in use in the UK, including the seasonal worker scheme.

We supported the Department for Environment, Food and Rural Affairs (Defra) with the design, delivery and implementation of the Skills and Training pillar of the UK Seafood Fund.

Finally, our Kingfisher service supported the catching sector to operate safely by alerting fishing vessels to marine safety hazards such as pipelines, wind turbines and seabed cables. We delivered over 288,000 safety alerts and over 5,000 mapping updates, to ensure vessel skippers were up to date with the latest offshore infrastructure developments.

## Priority 2: International Trade

Our aspiration is to support businesses to achieve frictionless seafood trade with suppliers and markets across the world. To achieve this, we continue to deliver a comprehensive programme of work targeted at international trade facilitation and promotion support.

Working in partnership with Defra and the Department of Business and Trade (DBT), we delivered UK pavilions at four key international seafood trade shows - Seafood Expo Global (in Barcelona), the Japan International Seafood & Technology Expo, the China

Fisheries and Seafood Expo and at the Seafood Expo North America, welcoming over 1900 visitors to our pavilions and showcasing over 4000 samples of UK seafood to international buyers.

We supported 36 exhibitors to showcase their businesses on the international stage at these events and provided meeting spaces which were available to all UK seafood businesses to meet with customers. Alongside trade shows we also supported Defra and DBT to host in-market events and we assisted seafood businesses to engage in these events.

We provided guidance and support to the seafood import sector as it prepared for the implementation of the Border Target Operating Model. This included assisting government to establish the risk assessment status for key import products and species, and working with industry to resolve initial issues.

Produced extensive guidance for seafood businesses on the Extended Producer Responsibility, as part of changes to packaging and waste management. This included delivering webinars for businesses and facilitating workshops between industry and government.

We continue to analyse and assess the risks and opportunities for the seafood sector from new Free Trade Agreements, and to work directly with government to ensure that potential challenges are understood, and opportunities realised. Our work covered trade with the Maldives, Singapore, Vietnam and parties to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

We continued to track incidences of regulatory divergence between the UK and the EU, and to assess how businesses needed to respond to ensure trade continued uninterrupted. Twenty-five areas of significant divergence were identified, including new contaminant monitoring and changes to the EU fisheries control regulation which could have implications for traceability and labelling requirements.

Finally, our Regulation Team continues to provide a bespoke advice service to business to help solve complex trade and regulation queries. 245 queries were handled by the team over the period. Responses to the more complex queries were profiled in our monthly regulation newsletter to broaden the reach of this work.

### **Priority 3: Climate Change**

Our ambition over the next five years is to firmly place the seafood sector on a clear path to achieve its emissions targets, and to ensure businesses understand how they will need to adapt to the impacts of a changing climate on their daily operations.

During the period we developed and launched the Seafood Carbon Emissions Profiling Tool (SCEPT). This represents a significant milestone for Seafish and reflects our long-term investment in supporting the UK seafood supply chain to transition to Net Zero.

The tool is expected to become the primary mechanism for the sector to understand and address carbon hotspots at an individual product level. The SCEPT addresses wild capture and farmed seafood from fishing vessel/fish farm through to retail and food service. The SCEPT was part funded by the UK Fisheries and Seafood Scheme.

Over the same period Seafish established the Vessels of the Future Forum (VOTFF) which brings together the catching sector, policy makers, boat builders and surveyors, and the research community to work collectively on establishing the practical steps required to deliver the fleet of the future. As part of VOTFF, three individual working groups have been established focused on:

- Skills and training requirements to design, build, operate and maintain the vessels of the future
- Addressing shore-based infrastructure requirements and the challenges that will need to be overcome to ensure the fleet can successfully move away from diesel
- Promoting practical measures to increase performance and energy efficiency, as these relate to vessel propulsion; onboard processing; and seafood refrigeration and freezing.

In addition, we produced an online Knowledge Hub to keep VOTFF members abreast of specific updates from the fishing / aquaculture sectors and the marine sector more widely.

We produce a quarterly published Climate Change e-newsletter which summarises seafood-specific reports; research; policy; and funding updates. This is circulated to almost 950 stakeholders.

Finally, we continued our collaborative research, with leading UK universities, on climate change adaptation and the impact that a changing climate is having and will continue to have on the UK seafood supply chain. This research looks at everything from changing species distributions and sea temperatures change, to the impact of extreme weather events, and the challenge of freighting high value and perishable seafood products across the globe, and how the seafood sector might need to respond to these issues.

#### **Priority 4: Improving Fisheries Management Outcomes**

Our ambition is that over the next ten years all commercial fisheries will be managed via Fisheries Management Plans (FMPs), that are supported by a robust evidence framework, and provide for genuine co-management between industry, government, and researchers.

We led the development of two of the frontrunner FMPs (crab/ lobster and whelk) on behalf of Defra and supported the development of the King Scallop Plan. As part of this, we delivered over forty workshops and spoke to almost 800 stakeholders from across

the supply chain, to gather their views on how these fisheries should be managed in the future. These FMPs will be key to delivering long-term sustainable fisheries management to improve the state of our fisheries, biodiversity, and the wider marine environment.

We also provided economic evidence and advice to enable effective development and monitoring of individual FMPs, as well as carrying out economic impact assessments on specific fisheries management options. This included analyses of the economic performance of the fishing fleet to inform the development of a closed season in the crawfish fishery in the southwest of England (introduced in January 2024), and changes in the fleet structure to underpin development of a bespoke fishing permit scheme in the whelk fishery.

Work is ongoing to support Scottish Government with the development and implementation of its Nephrops plans for the North Sea and west of Scotland, with first drafts of the FMPs, supporting evidence, and stakeholder engagement reports sent to the Scottish Marine Directorate in May 2024.

Our ongoing work to facilitate the shellfish industry groups (covering science and management) provides a forum that enables industry, government and the research sector to work together on improving fisheries management outcomes.

To enable processing and retail businesses to meet their responsible sourcing requirements we provided independent analysis and advice on the sustainability status of key UK species such as scallops and lobster, as well as a imported species such as Ecuadorian skipjack tuna and Moroccan sardines and anchoveta.

We established the UK Gear Forum to bring together industry, researchers enforcement agencies and governments, to drive improvements in catch selectivity and gear technology innovations. Our gear work also included supporting industry gear trials, including on the beam trawl fleet, hosting gear technology workshops at the flume tank in Denmark, and providing basic fishing methods training courses for almost 350 regulators and policy makers.

## Priority 5: Supply Chain Resilience

Our ambition is to equip seafood businesses to respond and adapt to emerging supply chain issues; by ensuring businesses have the evidence to provide reassurance or counter misinformation when issues emerge; by highlighting times where the sectoral change is necessary and supporting businesses to make the shift; and creating pre-competitive spaces for businesses to forge solutions and realise opportunities.

We have continued to support the shellfish aquaculture sector via the Shellfish Stakeholder Working Group, to assist the sector to navigate the challenges of poor water quality and, in collaboration with the Food Standards Agency, working to improve the application of the regulatory regime. We produced advice and guidance for Local Authorities on industry self-sampling and developed a training course for shellfish growers

and local authorities to ensure businesses engaged in self-sampling understood their responsibilities. To support the sector to move to a new test method, we prepared advice and guidance for businesses and local authorities and have engaged laboratories to adopt the new test methods. Alongside this, we commissioned and delivered research on optimal timeframes for depurating oysters to minimise the risk of norovirus and to support to export trade. and to assess the impacts of water treatment on E.coli levels in oysters.

In response the changes to the animal welfare legislation in 2022 we worked in collaboration with the seafood industry to develop Codes of Practice for Crustacea Welfare. Specific codes have been developed for the key points in the supply chain (catching, processing, retail etc.) and each code includes information on how a business can demonstrate they are adhering to best practice.

We continue to support the North Atlantic Pelagic Advocacy Group (NAPA) which brings together processors and retailers from across, the UK, EU and beyond to work collaboratively to use their supply chain influence to encourage improvements in the management of mackerel, herring and blue whiting caught in the North East Atlantic. Over the past twelve months, we have acted as independent Chair; assisted NAPA members to revise their strategy for 2024 to 2026; established a more targeted advocacy programme; and progressed work to extend the Fishery Improvement Projects for mackerel/herring and blue whiting.

We commenced work in collaboration with Welsh Government and the businesses across the Welsh seafood supply train, to explore how parties can work collaboratively to deliver a modern, resilient and innovative seafood supply chain in Wales. The project is considering some of the unique challenges (historic poor performance relative to other nations, a fragmented industry, lack of scale) and opportunities (quality of the product, proximity to markets, size of the sector) facing the sector, with the aim of establishing a short- to medium-term roadmap to support the sector to thrive.

Finally, we are working with the industry in the North West of England to explore how to improve supply chain cohesion between the catching sector in the North and the processing and market capacity in the South. Initiatives are focusing on improving transport link and increasing opportunities for underutilised species.

## **Priority 6: Data, Insight and Innovation**

Seafish has a long record of collecting data and providing research and analysis to support the sector; analysis on how it trades, its economic performance, and how its customers behave. In a fragmented industry, where businesses can range from single vessel operators through to multinational food companies, we consistently produce quality analysis and insights into the operation of the seafood sector at both the macro and micro level.

As in previous years, we delivered our annual fleet and processing surveys which provide the underlying data to enable Seafish to undertake economic analysis on the

performance of the UK seafood supply chain. We also commenced work to design a survey to collect the data to allow us to produce similar economic analysis for the UK aquaculture sector. We published the 2022 Economics of the UK Fishing Fleet, the 2023 Seafood Processing Industry Performance Report and our highly valued UK Seafood in Numbers report.

We have continued to use our data and expertise to deliver economic analysis, and advice on a range of topics such as fuel usage across the fleet and the impact of increases in energy prices, and to support the development of FMPs. During the period we produced an extensive Economic Impact Assessment on the changes to the Skilled Worker Visa and the implications these would have on the UK catching and seafood processing sectors.

Over the twelve-month period, we have increasingly worked to assist the sector to respond to the spatial squeeze challenge. Our focus is on ensuring that the right evidence is available to assist the seafood industry to **engage in decision making**, so that potential impacts can be mitigated from the outset, and to **assist businesses to adapt** once changes have been agreed and implemented. To assist with this, we: (1) developed a new spatial tool that assess the economic return from key fishing areas; and (2) provided industry organisations with easily accessible maps and tools that demonstrate marine usage and existing regulatory restrictions.

Finally, we have continued to provide Market Insight Analysis which charts trends in seafood consumption across retail and food service. In addition to producing generic reports on topics ranging from the fish and chip sector, trends in commercial foodservice, and the performance of different seafood segments in retail, we also provided bespoke analysis and advice to businesses. During 2023/24 we delivered 303 bespoke requests.

## Priority 7: Industry Reputation

Our ambition is to enable and empower the seafood industry to respond to reputational issues that could stop consumers choosing seafood. We make sure that accurate information is available to help tackle misinformation and improve perceptions of the industry and the seafood it produces. We provide trusted and accessible content and good news stories to help stakeholders communicate effectively on the issues that matter most.

In 2023/24 we continued to deliver our Issues Groups. These meetings focus on improving understanding and awareness of the latest issues, initiatives and research on responsible seafood sourcing. They bring people together to find solutions to shared problems, providing a space to discuss challenges and opportunities for the seafood industry in the UK. We delivered 12 meetings (9 online and 3 in person) across the year. 747 people attended these meetings, and they gave a satisfaction score of 87%. The

agendas focused on a diverse range of topics from ‘views and perspectives on current fishing practices’ to ‘the role of social audits in the seafood sector’ to ‘the digitalisation of seafood supply chains’. We also issued 80 news alerts to a mailing list of 6,750 stakeholders.

To tackle industry misrepresentation in media, we responded to a misleading campaign on the nephrops fishery and the scampi sector. We delivered activity in November and December 2023 which included a blog, media statement, and key lines for businesses to use. Alongside this we prepared a technical report to set out the evidence that underpinned our work. Our campaign secured 8 media articles, including comments in The Guardian and The Grocer. Our blog was viewed over 700 times, and it was our top performing social media post over the two-month period.

We delivered a proactive PR campaign in March 2024 with activity focused on the health aspects of seafood. It highlighted research findings on the benefits of seafood consumption and the potential economic savings on reduced health and care costs that could come from a diet rich in seafood. The activity achieved excellent traction in both mainstream media and trade press.

We also set a benchmark to help us understand media sentiment towards the seafood industry. In early 2023 we worked with a media monitoring agency to review sentiment in coverage across mainstream and social media over the previous year. This report supplied our media coverage sentiment benchmark - Positive 32%, Negative 41%, Balanced 20% and Neutral 7%. We will use this to inform reporting on progress against our Corporate Plan metrics in future years.

Finally, we created a new industry reputation campaign platform to be launched in 2024/25. In the last quarter of the year, we worked with our brand agency to develop the strategy and creative concept for our ‘Seafood for Life’ campaign. We also started work on our first campaign asset, a hero film which will launch the B2B campaign. This new campaign will enable us to promote many of the positive aspects of the UK seafood sector, from economic growth, to career opportunities, to healthy and nutritious diets.



## Key Operational Issues and Risks

The key operational issues and risks faced by Seafish in 2023/24 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 factors that may include rejected levy reforms, reducing seafood consumption, market shifts to non-levy species and rising costs.*

Careful financial monitoring is in place with regular financial updates to ARC and the Board. Cash reserves are currently sufficient and therefore provide some insulation against falling levy income in the short term, and mechanisms are in place to observe buffer levels of cash reserves. Consultations on levy reform are in process involving industry (levy payers), government ministers, and DA's. We continue to be successful in attracting funding from non-levy sources.

### 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.*

Rigorous compliance with legislation is targeted at all times, with legal advice sought where necessary. Going forward, changes to regulations that may follow from the levy review will require careful drafting of the statutory instrument to ensure no ambiguities, etc.

### 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.*

We ensure that Administrations and industry stakeholders are fully engaged and are appraised of the value that Seafish delivers in each nation of 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.*

Stakeholders are consulted and informed via bespoke Comms and Engagement plans on key topics such as Strategic Review, Levy Reform, Corporate & Annual Plans. Improvements identified in our Stakeholder Engagement (SE) Strategy are ongoing with improved up front planning, satisfaction measurement and audience needs and accessibility very much front of mind.

## 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.*

New IT security accreditation has been achieved thereby increasing levels of resilience and assurance. Higher levels of accreditation are being considered. Day to day email and communication and access to files is all now possible from any computer anywhere in the world so this risk has been significantly reduced thanks to cloud-based applications. Key Audit actions have been attended to and previously identified weaknesses are now addressed. Significant improvements to Seafish's ability to survive a Cyber-attack have been made. Cyber Security Essentials certification with improved security requirements has been secured.

These risks are monitored by the Executive team and by the Audit and Risk Committee and the Seafish Board in accordance with our Risk Strategy.

## 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.*

We continue to be agile in our thinking and approach and have scope to adapt our operating model if needed. Proposed levy reforms include spreading risk over different income categories (e.g. inclusion of canned & bottled products and looking in the future to increasing the scope of leviable aquaculture species).

## 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 our 'Anti-Fraud, Bribery and Corruption Strategy' was presented to our Audit and Risk Committee in November 2023. 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.

All staff completed online Fraud Awareness training modules during the year.

## 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.

The Fisheries Act 1981 provides for a levy to be imposed for those persons engaged in the sea fish industry to the Seafish authority. This levy is based upon purchase of fish, shellfish, sea fish products and fishmeal within the UK. Levy income was stable in 2023/24 after showing a slight decline in the previous year. There are no indications that sales and therefore levy income will substantially reduce over the next 12 months. Additionally, the Board has determined that there are sufficient cash reserves to ensure that Seafish has adequate working capital in place.

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.

## 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 is under review at this time. 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 organisation through such mechanisms as waste recycling, online video conferencing and where possible and practicable, the purchasing goods and services from more sustainable sources.

In delivering our 2023-28 Seafish Corporate Plan, we recognise that our focus on tackling the climate change challenge, is not just about the work we do to support the UK seafood sector – we also have an important responsibility to take the necessary steps to reduce our emissions' profile and to meet our net zero commitments as an organisation. Our approach here will be defined in our forthcoming corporate sustainability strategy.

Seafish is a valued member of Defra's Sustainability Leadership Group and helped to shape Defra group's sustainability vision and published sustainability strategy. In addition to obligated quarterly data reporting requirements, to comply with our Greening Government Commitments (2021-25), Seafish is committed to aligning our corporate sustainability journey with Defra group's 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.

	Year ended 31 March 2024			Year ended 31 March 2023 (Restated)		
	Expenditure £000	Measure	Tonnes CO2	Expenditure £000	Measure	Tonnes CO2
<b>Scope 1: Direct energy</b>						
Gas (kWh)	6	83,713	15	7	97,507	18
Travel by non-owned transport (miles)	77	102,052	44	64	59,947	24
<b>Scope 2: Indirect energy</b>						
Electricity (kWh)	29	61,013	13	20	60,499	13
<b>Scope 3: Other indirect emissions</b>						
Air Travel (miles) - Domestic	18	30,758	9	12	29,391	13
Air Travel (miles) - Foreign	23	74,492	24	14	56,032	20
Rail Travel (miles)	60	150,400	9	47	110,880	6
Water supply (m3)	6	25	-	5	21	-
Waste management (tonnes)	1	2	-	1	1	-
<b>Total</b>	<b>220</b>		<b>114</b>	<b>170</b>		<b>94</b>

Total reported emissions (tonnes carbon dioxide) are 21.3% higher in 2023/24 compared to the previous year, as seen in the year-on-year emissions values in the above table.

Travel emissions are overall up 37% on 2022-23, with non-owned transport (up 83%) and rail (up 50%) being the two main contributors. Air travel is now split between Domestic and Foreign, and different conversion factors used (as previously we have not split this by air travel types.) In 2023, we attended Seafood Expos exhibitions abroad in China and Japan which we did not attend in 2022.

We continue to operate a hybrid working environment and electricity and gas use remains similar to the previous year, as staff works flexibly between the office and at home.

To minimise waste, IT hardware is reused within Seafish or collected by specialist contractors who arrange the re-use, repair, recycling and eventual responsible end-of-life management. We also continue to use Microsoft's Office 365 and Azure hosting which provides Seafish with web-based messaging, video conferencing and increased online facilities, enabling internal / external stakeholders, to share and collaborate on documents, reducing face-to-face meetings and travel related emissions.

Seafish strive to decrease their paper usage, alongside the government's commitment to do so. Due to Seafish's small size and minimal paper usage, the exact year-on year change in paper volume is not material enough to be measured accurately or report consistently. As a result, any fluctuations in paper consumption are negligible and do not significantly impact our overall sustainability reporting.

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 this office cannot be disaggregated and therefore are not included. This currently also restricts the opportunity to employ more preferential waste management options aligned with the EU-waste hierarchy.
- Details of exact journey distances (miles) are not currently recorded for taxi, rail or air travel. The above mileage is an estimate based on the expenditure in these areas.
- Details of exact staff home working versus office working patterns, and associated annual aggregated commuting distances, are not currently recorded.
- Seafish's carbon footprint currently excludes the contribution from goods and services purchased. These will be reported from 2024-25 onwards.

### **Task Force on Climate-related Financial Disclosures**

New climate-related financial disclosures have been set out by HM Treasury for 2023-24 reporting. As Seafish does not fall within scope of HM Treasury's criteria for reporting on Task Force on Climate-related Financial Disclosures (TCFD), Seafish has not applied TCFD.

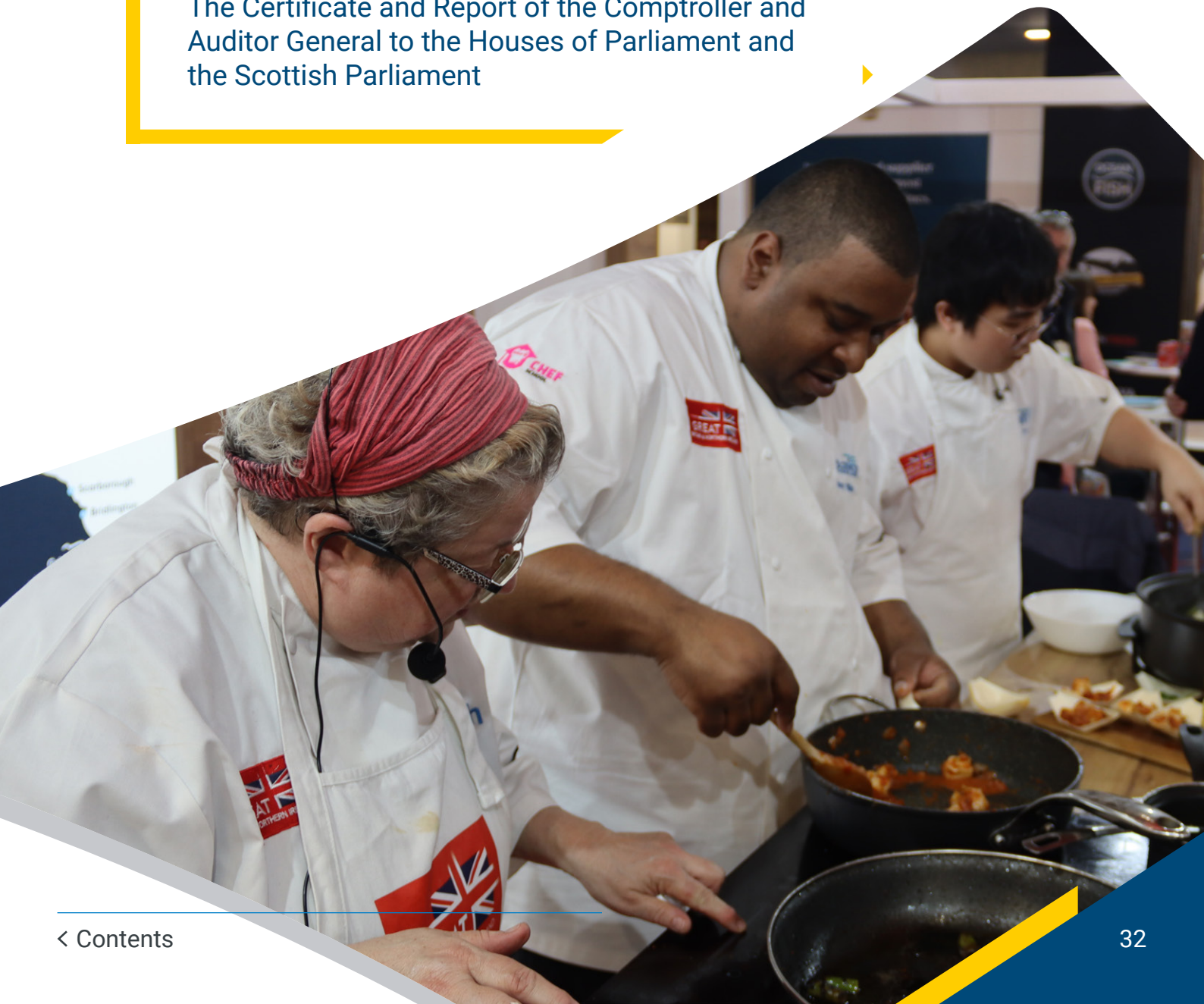


**Marcus Coleman**  
Chief Executive  
3rd December 2024

# Accountability Report

## In this section

- Corporate Governance Report ▶
- Statement of Accounting Officer's Responsibilities ▶
- Governance Statement ▶
- Remuneration and Staff Report ▶
- The Parliamentary Accountability and Audit 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 (FRM) and any other guidance issued by HM Treasury.

#### Seafish Board Members

In 2023/24, 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 2023/2024:

- 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 70 of the accounts.

The net income for the year, after taxation but prior to Other Comprehensive Income gains, amounted to £0.053m (2022/23: net expenditure £11.6m).

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 2023/24 as well as information on future developments.

## 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 2024, £0.18m was owed to trade payables representing 11 days purchases outstanding (31 March 2023 – 17 days).

## Auditors

The Comptroller and Auditor General is the statutorily appointed external auditor for Seafish. The audit fee for the statutory audit for 2023/24 is £75k (2022/23: £79k). There was no non-statutory audit work undertaken by the Comptroller and Auditor General in 2023/24 or 2022/23.

## Personal Data Related Incidents

No personal data related incidents requiring formal reporting to the Information

Commissioner's Office occurred during the year (2022/23: one). In 2022/23, the breach was reported to the Information Commissioner's Office who were satisfied with the process followed to address the breach.

## 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. This is further strengthened within 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.

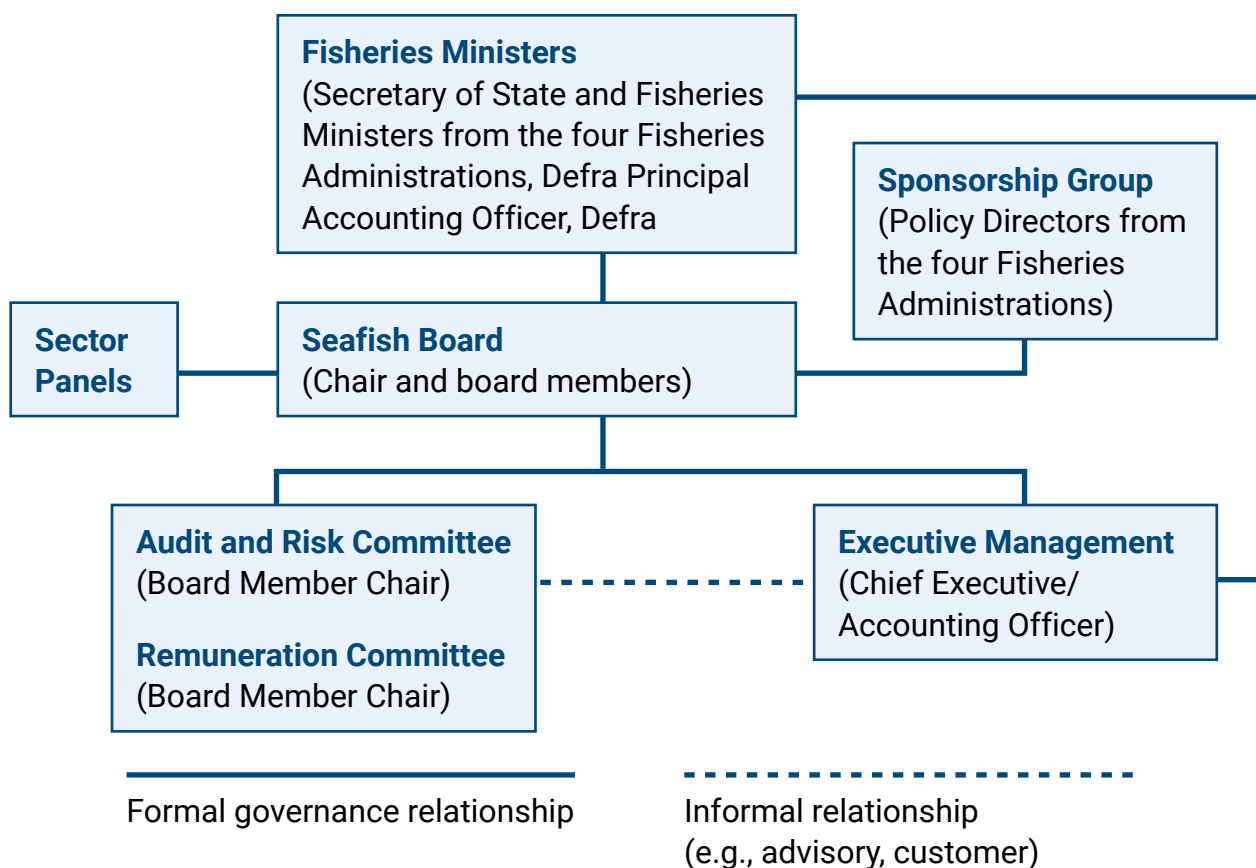
The Accounting Officer confirms that the annual report and accounts as a whole is fair, balanced and understandable and takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

## 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 2023/24 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'.

However, following a Board meeting in November 2023, the three advisory Sector Panels were reviewed. It was decided that the 'Domestic and Exporters' Sector Panel will be retained in its current format but the two other Sector Panels: 'Importers and Processors' and 'Consumers and Supply Chain' will be combined under a single Panel due to the two Sector Panels being very much connected. The 'Consumers and Supply Chain' panel was devoted to directing and advising on the 'Love Seafood' consumer marketing work which Seafish ceased work on, losing a good part of its focus.

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.

## The Board (continued)

Current Board members in 2023/24 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

Michael Mitchell and Nigel Edwards formally stood down as a Board member at the end of their term as of 31 March 2024.

The Board met four 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.

The Board has continued its support for the UK Boardroom Apprentice Programme following a successful first year in which a Board Apprentice was invited to attend all Seafish Board meetings. This was a resounding success and so a second apprentice has been invited to participate for 2023-24.



## Board Meetings

The meeting attendance records for Board members during 2023/24 are detailed in the table below:

Board Member	Possible	Attended
Michael Sheldon (Chair)	4	4
Jeffrey Halliwell (Deputy Chair)	4	4
Linda Rosborough	4	3
Graham Black	4	3
David Brooks	4	4
Michael Mitchell	4	4
Nathan de Rozarieux	4	4
Heather Jones	4	4
Nigel Edwards	4	4
Harry Wick	4	4

Executive Directors	Possible	Attended
Marcus Coleman (Chief Executive)	4	4
Kenneth McIntosh (Finance Director)	4	4
Linsey Neill (Human Resources Director)	4	2
Aoife Martin (Director of Operations)	4	4
Lynn Gilmore (Director of Communications & Engagement)	4	4

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 43.

## Conflicts of Interest

Board members are required to declare any appointments to other organisations as and when they arise. These declarations are maintained on a register and updated at every Board meeting. Board members are also 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 2024.

## Board Effectiveness

A Board Effectiveness review was undertaken in October 2023 with the findings subsequently reviewed and discussed at the Board. The process was managed and reported upon by Seafish's Internal Auditors, BDO. The exercise illustrated a high degree of consensus about the performance of the Board in November 2023.

There were seven theme areas: Objectives, Strategy & Remit; Performance Oversight, Stakeholder Relations, Awareness of Sensitive Issues, Project & Programme Updates, Risk Management and Effective Operation.

The evaluation framework used a scoring mechanism to enable comparison with previous years:

- The overall average effectiveness score increased in the current year by 0.16 points. This is due to an average increase, per theme, of 0.19 points.
- 'Effective Operations' continues to be the highest scoring theme compared to 'Project and Programme Updates' continuing to be the lowest performing theme.
- Three theme areas that showed the highest levels of improvement year on year: 'Performance Oversight', 'Awareness of Sensitive Issues' and 'Project and Programme Updates'.

It was agreed that these observations would be taken forward by the Executive and Board into 2024.

## 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 four times during the year.

During 2023/24, this committee has:

- Considered the Annual Report and Accounts for the year to 31 March 2023;
- Reviewed the NAO's Audit Completion Report for the Annual Report to 31 March 2023 and ensured any recommendations have been acted on;
- Received and commented upon several Internal Audit reports;
- Reviewed the new Anti-Fraud, Bribery and Corruption Strategy;
- Reviewed the Strategic Risk Register;
- Reviewed Levy Audit Processes and Income Recognition (including an 'in person' session) with the Levy Audit team
- Reviewed IT Security and Cyber Risks
- Reviewed policy on Cash Reserves
- Reviewed Stakeholder Satisfaction

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 2024/25 that contemplated the commencement of delivery of the Corporate Plan, showing a planned operating deficit with some associated depletion of cash reserves.

The framework of assurance in place throughout 2023/24 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 2023 using a template survey provided by the NAO.

The Committee was satisfied that the frequency of meetings and attendees is satisfactory; that the membership collectively has sufficient range of skills; that the work programme covers the areas where the Board requires the greatest level of assurance; and that there is effective communication with the Board.

The Committee discussed the importance of ensuring that assurance needs to be commensurate with the needs of a small organisation. It also discussed whether new 'non-routine' matters should be considered, whether deep dives would be useful relating to key risk areas and whether the Committee offers the appropriate level of challenge in relation to the Annual Accounts.

## Internal Audit

During 2023/24 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 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 2023/24, as follows:

- Fraud Strategy;
- Board Effectiveness (Advisory);
- Culture (Advisory); and
- Data Protection

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 majority of the areas which we examined, were found to be suitably designed to achieve the specific risk management, control and governance arrangements.*
- *We note that the Fraud Strategy review had an assurance rating of limited for both the design and operational effectiveness of the controls in place. However, Internal Audit verified in the follow up review that all actions recommended due for implementation had been implemented, addressing the control weaknesses identified within the review.*

*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."*

## Remuneration Committee

The Remuneration Committee (RemCom) is chaired by an Independent Board Member who is also the Seafish Deputy Chair and includes three 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 2023/24 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 awards and gender pay gap reporting;
- Health and safety matters and;
- Developing our Diversity and Inclusion strategy together with staff.

## RemCom Effectiveness

An effectiveness review took place during 2023/24 to ensure good practice was being followed and that committee members were content with the processes and procedures being followed, highlighting that there has been an improvement since the last review.

## Risk and Control Framework

### Risk Management Strategy

Seafish's risk management strategy is embedded throughout the organisation, with operational risks being identified through the Priority Groups and at Project or Service level. A risk reporting culture is encouraged across the organisation to enable the identification, prioritisation and escalation of key strategic and operational risks. Our risk appetite statement 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.

## Risk Management Strategy (continued)

- **Technology Risks:** We have adopted an **open stance** for technology risks, seeing technology as a key enabler of improved delivery.
- **Data and Information Management Risks:** We have adopted a **minimalist stance** for data and information management risks, accepting the need for information to 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 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. Ultimately it is the Board's responsibility to ensure the Executive maintains the corporate risk register and ARC undertakes its regular reviews. 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 25. These risks are recorded in our risk register which are reviewed and monitored as described above.

## 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. 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 2024.

## 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 is 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 2023/24.



## 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. Seafish continues to align to the needs of the seafood industry through our Sector Panels and relationships with all four Administrations are maintained. Furthermore, we ensure that our strategy is clearly aligned to the organisation's remit, external environments, and the political landscape.

The two committees of the Board, ARC and RemCom, have clearly defined roles that provide effective insight and scrutiny. 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 have engaged further with all Seafish stakeholders, including all four Administrations, to develop a proposed package of Seafish levy reforms. 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 2024 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 2023/24.

#### 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 2024.

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

## 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 4% 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 2024. 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 2024. Benefits-in-kind comprise car benefit and medical insurance. Seafish bonuses are disclosed in the financial year in which they are earned. Payments related to these benefits are made in the subsequent financial year.

	Basic Salary <sup>1</sup>		Bonus		Benefits-in-kind <sup>2</sup>		Pension Benefit		Total	
	(Bands of £5,000)		(Bands of £5,000)		(Nearest £100)		(£000)		(Bands of £5,000)	
	23/24	22/23	23/24	22/23	23/24	22/23	23/24	22/23	23/24	22/23
Marcus Coleman	120-125	115-120	0-5	0-5	6,200	6,200	13	13	140-145	135-140
Linsey Neill	100-105	90-95	0-5	0-5	500	5,500	11	10	115-120	105-110
Aoife Martin	100-105	90-95	0-5	0-5	n/a	n/a	11	10	115-120	105-110
Lynn Gilmore	95-100	80-85	0-5	0-5	600	500	10	8	105-110	90-95
Kenneth McIntosh	100-105	95-100	0-5	0-5	100	n/a	11	10	115-120	105-110

## 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 2024.

	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%

1 Basic salary includes car allowance where applicable.

2 Benefits-in-kind refers to company cars and private medical care.

## 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.

## 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 2023/24 or 2022/23 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 2023/24 was £130k - £135k (2022/23: £120k - £125k), an 8.16% change compared to 2022/23.

This was:

- 3.19 times (2022/23: 3.04 times) the median remuneration of the workforce, which was £41,536 (2022/23: £40,292);
- 3.75 times (2022/23: 3.82 times) the 25th percentile of pay and benefits which was £35,373 (2022/23: £32,107); and
- 2.52 times (2022/23: 2.46 times) the 75th percentile of pay and benefits which was £52,479 (2022/23: £49,846).

The lowest annualised remuneration band paid was £20k - £25k and the highest was £130k - £135k.

Average staff salaries increased by 6.67%. This increase was comprised of a 3% alignment increase following a benchmarking exercise and a 3.5% non-consolidated pay award in combination with annual pay progression.

A one-off cost of living payment of £1,500, as approved by DEFRA, was also awarded during the year to each employee, excluding executive directors.

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

	2023-24		2022-23	
	Total salary and allowances	Bonus Payments <sup>3</sup>	Total salary and allowances	Bonus Payments
Staff average	6.67%	23.6%	2.31%	10.19%
Highest paid director	5.63%	22.23%	1.73%	-1.51%

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

	Lower quartile	Median	Upper quartile
2023-24	3.75:1	3.19:1	2.52:1
2022-23	3.82:1	3.04:1	2.46:1

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

	Lower quartile		Median		Upper quartile	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Salary	34,545	31,757	40,573	39,856	47,118	43,665
Total Pay and Benefits <sup>4</sup>	35,373	32,107	41,536	40,292	52,479	49,846

<sup>3</sup> Staff eligible for non-consolidated bonus payments based on performance assessment as noted on page 51. Seafish bonuses are disclosed in the financial year in which they are earned. Payments related to these benefits are made in the subsequent financial year.

<sup>4</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	2023-24 Salary in £5k bands £000	2022-23 Salary in £5k bands £000	Date of appointment	Appointment end date
<b>Michael Sheldon</b> Chair	15-20	15-20	01/04/2021	31/03/2027
<b>Jeffrey Halliwell</b> Deputy Chair	10-15	10-15	01/04/2021	31/03/2027
<b>Linda Rosborough</b> Independent Member	5-10	5-10	01/01/2019	27/02/2025
<b>Graham Black</b> Independent Member	5-10	5-10	01/04/2021	31/03/2026
<b>David Brooks</b> Independent Member	5-10	5-10	01/04/2021	31/03/2026
<b>Michael Mitchell</b> Industry Member	5-10	5-10	01/04/2018	31/03/2024
<b>Nathan de Rozarieux</b> Industry Member	5-10	5-10	01/04/2018	31/03/2025
<b>Heather Jones</b> Industry Member	5-10	5-10	01/04/2021	31/03/2027
<b>Nigel Edwards</b> Industry Member	5-10	5-10	01/04/2021	31/03/2024
<b>Harry Wick</b> Industry Member	5-10	5-10	01/04/2021	31/03/2027

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 £78,140 during the year to 31 March 2024.

## 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	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000	£000	£000
Gross salaries	3,797	3,024	382	400	4,179	3,424
Social security costs	389	340	33	36	422	376
Defined contribution scheme costs	501	287	25	28	526	315
Defined benefit scheme costs	-	229	-	-	-	229
<b>Total</b>	<b>4,687</b>	<b>3,880</b>	<b>440</b>	<b>464</b>	<b>5,127</b>	<b>4,344</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	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Research and project	51	48	12	12	63	60
Corporate services	19	16	-	1	19	17
Directors	5	5	-	-	5	5
Board Members	10	10	-	-	10	10
Panel Chairs	2	3	-	-	2	3
<b>Total</b>	<b>87</b>	<b>82</b>	<b>12</b>	<b>13</b>	<b>99</b>	<b>95</b>



## Staff Turnover

For 2023-24 and 2022-23 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 Permanent staff, short and fixed term appointments	2023-24	2022-23
Leavers in the year	19	13
Average staff during year	99	95
Staff turnover during the year	19%	14%

## 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. The liability for payments to deferred and pensioner members has been transferred to the WYPF so this now no longer appears on our balance sheet. All employees are now offered a defined contribution scheme administered by the Legal & General Group. Seafish will double employee contributions, up to a maximum employer contribution of 10%

As at 31 March 2024, Seafish still operates the non-funded element of the WYPF scheme which has a total liability of £2.3m (31 March 2023: liability of £2.5m).

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 2024 the liability for SPLAF was £0.1m (2023: £0.1m). The total pension liability at 31 March 2024 is therefore £2.4m (2023: £2.6m) 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 2023/24 was on average three days per person (2022/23: four 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 2024 was £64k (2022/23: £20k), as shown in note 3 to the accounts.

## Gender Profile

Our total staff as at the 31 March 2024 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	8	8
Panel Chairs	2	0
All Other Staff	35	35
<b>Total Staff</b>	<b>55</b>	<b>48</b>

## Gender Pay Gap

Our gender pay gap reporting as at the 31 March 2024 is shown below.

Average gender pay gap as a mean average	6.1%
Average gender pay gap as a median average	11.0%
Average bonus gender pay gap as a mean average	16.6%
Average bonus gender pay gap as a median average	9.8%

The proportion of males receiving a bonus payment was 45.5% and the proportion of females receiving a bonus payment was 44.4%.

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

Quartile	1	2	3	4
Female	70%	45%	27%	59%
Male	30%	55%	73%	41%

## Exit Packages (subject to audit)

There were no exit package in 2023/24 and 2022/23.

## Off-Payroll Appointments

There were no off-payroll appointments in 2023/24.

## Health and Safety at Work

As referenced on page 45, 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.

## Human Capital Management

As also referenced on page 45, during 2023/24 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 awards 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 2023/24 (2022/23: 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)

	2023-24		
	Income £000	Full Cost £000	Loss £000
Levies collected under the Fisheries Act 1981	7,443	8,346	(903)

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.

In addition to Levies collected, Seafish also receive additional income in the form of grants and contracted project income. Please see page 13 for further information.

### 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 2024.

### Government Functional Standards (not subject to audit)

The application of Government Functional Standards was mandated for all government departments and arm's length bodies from 2021–22. Work is ongoing on embedding compliance with the standards across the organisation.



Marcus Coleman  
Chief Executive  
3rd December 2024

# 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 2024 under the Fisheries Act 1981.

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

- Statement of Financial Position as at 31 March 2024;
- 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 as interpreted by HM Treasury's Government Financial Reporting Manual.

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 2024 and its net income 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.

## 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 requires 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 information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. 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 Statutory Other Information.

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;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued 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.

### **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:
  - o identifying, evaluating and complying with laws and regulations;
  - o detecting and responding to the risks of fraud; and
  - o 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:
  - o they were aware of any instances of non-compliance with laws and regulations;
  - o they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team 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 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, and law relating to employment, pensions and taxation.

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, 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;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members 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.

### Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence 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

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

4th December 2024

# 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 2024

	Note	2023-24 £000	2022-23 £000
<b>Income:</b>			
Revenue from contracts with customers – Levies	2a	7,443	7,160
Revenue from contracts with customers – other than Levies	2a	1,215	971
Other operating income	2b	2,435	2,014
<b>Total operating income</b>		<b>11,093</b>	<b>10,145</b>
<b>Expenditure:</b>			
Staff costs	4	(5,127)	(4,344)
IAS 19 pension charge	9b	-	(166)
Other operating expenditure	3	(6,043)	(4,854)
<b>Total operating expenditure</b>		<b>(11,170)</b>	<b>(9,364)</b>
<b>Net operating (expenditure)/ income</b>		<b>(77)</b>	<b>781</b>
Finance income		252	120
Financing expense on pension scheme assets and liabilities	9b	(122)	(88)
Loss on settlement of funded pension obligation	9b	-	(12,395)
<b>Net income/ (expenditure) for the year</b>		<b>53</b>	<b>(11,582)</b>
<b>Other Comprehensive Income:</b>			
Actuarial gain on pension scheme assets and obligations	9c	111	11,700
Net loss on revaluation of property, plant and equipment	5	(53)	(32)
<b>Total comprehensive net income for the year</b>		<b>111</b>	<b>86</b>

The notes on pages 74 to 104 form part of these accounts.

## Statement of Financial Position

As at 31 March 2024

	Note	31 March 2024 £000	31 March 2023 £000
<b>Non-current assets:</b>			
Property, plant and equipment	5	1,187	1,141
RoU Assets (IFRS 16)	10a	201	67
Intangible assets	6	64	114
<b>Total non-current assets</b>		<b>1,452</b>	<b>1,322</b>
<b>Current assets:</b>			
Trade and other receivables	7	3,257	2,663
Cash and cash equivalents	12	5,492	6,313
<b>Total current assets</b>		<b>8,749</b>	<b>8,976</b>
<b>Total assets</b>		<b>10,201</b>	<b>10,298</b>
<b>Current liabilities:</b>			
Trade and other payables	8	(2,041)	(2,387)
<b>Total current liabilities</b>		<b>(2,041)</b>	<b>(2,387)</b>
<b>Total assets less current liabilities</b>		<b>8,160</b>	<b>7,911</b>
<b>Non-current liabilities:</b>			
Pension liabilities	9f	(2,434)	(2,652)
LGPS pension exit liabilities	8	(244)	-
Lease liability	10b	(199)	(67)
<b>Total non-current liabilities</b>		<b>(2,877)</b>	<b>(2,719)</b>
<b>Total assets less total liabilities</b>		<b>5,283</b>	<b>5,192</b>
<b>Taxpayers' equity and other reserves:</b>			
Revaluation reserve		174	194
General fund		5,109	4,998
<b>Total equity</b>		<b>5,283</b>	<b>5,192</b>



**Marcus Coleman**  
Chief Executive  
10th December 2024

The notes on pages 74 to 104 form part of these accounts.

## Statement of Cash Flows

For the year ended 31 March 2024

	Note	2023-24 £000	2022-23 £000
<b>Cash flows from operating activities</b>			
Net operating (expenditure)/income	SoCNI	(77)	781
Adjustments for non-cash transactions	3	156	145
(Increase)/decrease in trade and other receivables	7	(594)	441
(Decrease)/increase in trade and other payables	8	(102)	616
Use of pension provisions		-	(780)
Defined pension contributions paid	9f	(229)	(598)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(846)</b>	<b>605</b>
<b>Cash flows from investing activities</b>			
Interest received		252	120
Purchase of property, plant and equipment	5	(176)	(56)
Purchase of intangible assets	6	-	-
<b>Net cash inflow from investing activities</b>		<b>76</b>	<b>64</b>
<b>Cash flows from financing activities</b>			
Payment of lease liabilities	10b	(51)	(49)
<b>Net cash outflow from financing activities</b>		<b>(51)</b>	<b>(49)</b>
<b>Net increase in cash and cash equivalents in the period</b>		<b>(821)</b>	<b>620</b>
<b>Cash and cash equivalents at the beginning of the period</b>	12	<b>6,313</b>	<b>5,693</b>
<b>Cash and cash equivalents at the end of the period</b>	12	<b>5,492</b>	<b>6,313</b>

'Use of pension provisions' includes the removal of current service cost in 2022-23, 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 74 to 104 form part of these accounts.



## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2024

		Revaluation Reserve	General Fund	Pension Reserve	Total Reserves
	Note	£000	£000	£000	£000
Balance at 1 April 2022		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 expenditure		-	(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>
Balance at 1 April 2023		194	4,998	-	5,192
<b>Changes in taxpayers' equity for 2023/24</b>					
Transfers between reserves		-	111	(111)	-
Actuarial gain on pension scheme assets and obligations	9c	-	-	111	111
Total net income		-	53	-	53
Net loss on revaluation	5	(20)	(53)	-	(73)
<b>Balance at 31 March 2024</b>		<b>174</b>	<b>5,109</b>	<b>-</b>	<b>5,283</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 74 to 104 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 27.

## 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 2024 and a full valuation was undertaken as at 31st March 2022. The valuation of £0.95m 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:

	Years
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 2024 with an estimated life of 50 years, so the buildings are scheduled to be fully depreciated by 2074. 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 2024. 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 implemented IFRS 16 with effect from 1 April 2022, using the adaptations and interpretations set out by HM Treasury in the FReM.

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 an office, 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 provides for any expected credit losses. 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 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 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 2024, Seafish had no contingent liabilities (31 March 2023: 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

No new standards have been adopted within the year since 1st April 2023.

## 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

	2023-24	2022-23
	£000	£000
<b>Levy Income</b>		
Levies collected under the Fisheries Act 1981	7,443	7,160
	<u>7,443</u>	<u>7,160</u>
<b>Sale of goods and services</b>		
Project income - Non-EU	788	553
Commercial income	425	417
	<u>1,213</u>	<u>970</u>
<b>Other income</b>		
VAT recovery	2	1
	<u>2</u>	<u>1</u>
<b>Total</b>	<u><u>8,658</u></u>	<u><u>8,131</u></u>



## 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 £605k.

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.

	2023-24	2022-23
	£000	£000
<b>Current Grant Income</b>		
EU Grant Income	316	125
Non-EU Grant Income	2,119	1,889
<b>Total</b>	<b>2,435</b>	<b>2,014</b>

### 3. Other expenditure

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

	2023-24 £000	2022-23 £000
<b>Project Activities</b>		
Non-EU	4,045	2,873
	<u>4,045</u>	<u>2,873</u>
<b>Commercial Activities</b>		
Non-EU	170	149
	<u>170</u>	<u>149</u>
Location costs	331	388
Professional fees	335	338
Motor vehicle costs	34	30
Other administration costs	125	104
Travel and subsistence	118	89
Staff training and recruitment	164	119
Consultancy spend	64	20
Repairs and maintenance	30	27
Computing costs	402	420
Decrease/increase in bad debt provision	(23)	50
Operating lease rental	29	79
Taxation	63	23
	<u>1,672</u>	<u>1,687</u>
<b>Non-cash items</b>		
Depreciation and amortisation	156	140
Loss on disposal of assets	-	5
	<u>156</u>	<u>145</u>
<b>Total other expenditure</b>	<u>6,043</u>	<u>4,854</u>

The professional fees balance includes the audit fee for the statutory audit for 2023/24 is £75k (2022/23: £79k).

## 4. Staff costs

Employment costs for the year were as follows:

	2023-24	2022-23
	£000	£000
Gross salaries	4,170	3,410
Social security costs	422	376
Agency staff costs	9	14
Defined contribution scheme costs	526	315
Defined benefit scheme costs	-	229
	<u>5,127</u>	<u>4,344</u>

The table includes the remuneration of executive directors. Salaries of the non-executive directors (Seafish Board Members) are paid by Defra and not recharged, so are not recognised as an expense by Seafish and are not included in the table above. The amount paid by Defra during the year to 31 March 2024 under this arrangement amounted to £78,140 (2022/23: £77,879) as stated in the Remuneration Report on page 50.

## 5. Property, plant and equipment

	Land	Buildings Excluding Dwellings	Furniture and Fittings	Information Technology	Total
	£000	£000	£000	£000	£000
<b>Cost or valuation</b>					
At 1 April 2023	210	830	288	219	1,547
Revaluations	(20)	(70)	-	-	(90)
Additions	-	-	142	34	176
Disposals	-	-	(6)	-	(6)
<b>At 31 March 2024</b>	<u>190</u>	<u>760</u>	<u>424</u>	<u>253</u>	<u>1,627</u>
<b>Depreciation</b>					
At 1 April 2023	-	-	209	197	406
Revaluations	-	(17)	-	-	(17)
Charge for year	-	17	27	13	57
Disposals	-	-	(6)	-	(6)
<b>At 31 March 2024</b>	<u>-</u>	<u>-</u>	<u>230</u>	<u>210</u>	<u>440</u>
<b>Net book value</b>					
<b>At 31 March 2024</b>	<u>190</u>	<u>760</u>	<u>194</u>	<u>43</u>	<u>1,187</u>

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 2024 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.

	Land £000	Buildings Excluding Dwellings £000	Furniture and Fittings £000	Information Technology £000	Total £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>-</b>	<b>-</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>

## 6. Intangible assets

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

	Software £000	Websites £000	Total £000
<b>Cost or valuation</b>			
At 1 April 2023	64	246	310
Additions	-	-	-
Disposals	-	-	-
<b>At 31 March 2024</b>	<b>64</b>	<b>246</b>	<b>310</b>
<b>Amortisation</b>			
At 1 April 2023	64	132	196
Charged in year	-	50	50
Disposals	-	-	-
<b>At 31 March 2024</b>	<b>64</b>	<b>182</b>	<b>246</b>
<b>Net book value at 31 March 2024</b>	<b>-</b>	<b>64</b>	<b>64</b>
	Software £000	Websites £000	Total £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>

## 7. Trade receivables and other current assets

	31 March 2024	31 March 2023
	£000	£000
<b>Amounts falling due within one year</b>		
Trade receivables	647	283
Levy receivables	995	1,183
Levy accrued income	605	370
Expected credit losses	(161)	(247)
Prepayments	315	237
Other Government agencies accrued income	472	685
Non levy accrued income	94	93
EU grants accrued income	290	59
	<u>3,257</u>	<u>2,663</u>

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. A provision for bad debt against levy income receivable is recognised in full for income which is aged over 24 months or for which there is an active legal dispute recorded.

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:

	31 March 2024	31 March 2023
	£000	£000
<b>Trade receivables</b>		
Less than one month	455	221
More than one month less than three months	84	40
More than three months	108	22
	<u>647</u>	<u>283</u>

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

## 8. Trade payables and other current liabilities

	31 March 2024	31 March 2023
	£000	£000
<b>Amounts falling due within one year</b>		
Trade payables and accruals	1,030	844
Deferred income	220	375
Other Government agencies deferred income	150	76
PAYE and social security	103	91
VAT	94	32
Corporation tax	63	23
Pension contributions payable	73	-
Legal provision	65	-
LGPS pension exit payable	243	946
	<u>2,041</u>	<u>2,387</u>
<b>Amounts falling due after more than one year</b>		
LGPS pension exit payable	244	-
	<u>2,285</u>	<u>2,387</u>

## 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 has been agreed and Seafish has agreed with WYPF to spread its obligation to make the exit payment across 3 years with the final payment due October 2025.

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

Provision is made, on actuarial advice, in respect of obligations arising for 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 2022. 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 2024 on the basis of the assumptions used.



## 9. Pension scheme arrangements (continued)

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].

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.

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

### **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 Income/ Expenditure**

	Funded 2024 £000	Non-funded 2024 £000	SPLAF 2024 £000	Total 2024 £000
Interest cost	-	(115)	(7)	(122)
Interest on plan assets	-	-	-	-
Financing expense on pension scheme assets	-	(115)	(7)	(122)
Current service cost	-	-	-	-
Past service cost	-	-	-	-
Loss on settlement	-	-	-	-
<b>Total expense recognised in net income</b>	<b>-</b>	<b>(115)</b>	<b>(7)</b>	<b>(122)</b>

	Funded 2023 £000	Non-funded 2023 £000	SPLAF 2023 £000	Total 2023 £000
Interest cost	(868)	(84)	(4)	(956)
Interest on plan assets	868	-	-	868
Financing expense on pension scheme assets	-	(84)	(4)	(88)
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>

**(c) Amounts Charged to Other Comprehensive Income**

	Funded 2024 £000	Non-funded 2024 £000	SPLAF 2024 £000	Total 2024 £000
Actuarial gains on liabilities	-	62	49	111
Remeasurement losses on assets	-	-	-	-
	-	62	49	111

	Funded 2023 £000	Non-funded 2023 £000	SPLAF 2023 £000	Total 2023 £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
	11,228	470	2	11,700

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

	<b>Funded 2024 £000</b>	<b>Non-funded 2024 £000</b>	<b>SPLAF 2024 £000</b>	<b>Total 2024 £000</b>
<b>At 1 April 2023</b>	-	-	-	-
Interest on plan assets	-	-	-	-
Contributions by the employer	-	219	10	229
Contributions by participants	-	-	-	-
Remeasurement losses on assets	-	-	-	-
Benefits/transfers paid	-	(219)	(10)	(229)
<b>At 31 March 2024</b>	-	-	-	-

	<b>Funded 2023 £000</b>	<b>Non-funded 2023 £000</b>	<b>SPLAF 2023 £000</b>	<b>Total 2023 £000</b>
<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>	-	-	-	-

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

	Funded 2024 £000	Non-funded 2024 £000	SPLAF 2024 £000	Total 2024 £000
<b>At 1 April 2023</b>	-	2,503	149	2,652
Current service cost	-	-	-	166
Past service cost	-	-	-	-
Interest cost	-	115	7	122
Contributions by participants	-	-	-	-
Actuarial losses/ (gains) on experience	-	17	(45)	(28)
Actuarial gains on financial assumptions	-	(18)	(1)	(19)
Actuarial gains on demographics	-	(61)	(3)	(64)
Benefits/transfers paid	-	(219)	(10)	(229)
<b>At 31 March 2024</b>	<b>-</b>	<b>2,337</b>	<b>97</b>	<b>2,434</b>
	Funded 2023 £000	Non-funded 2023 £000	SPLAF 2023 £000	Total 2023 £000
<b>At 1 April 2022</b>	47,262	3,082	165	50,509
Current service cost	166	-	-	166
Past service cost	-	-	-	-
Interest cost	686	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>

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

		Funded	Non- funded	SPLAF	Total
	Note	2024	2024	2024	2024
		£000	£000	£000	£000
Deficit at the start of the year		-	(2,503)	(149)	(2,652)
Contributions by the employers		-	219	10	229
Current service cost		-	-	-	-
Past service cost		-	-	-	-
Remeasurement losses on assets		-	-	-	-
Actuarial gains		-	62	49	111
Interest cost		-	(115)	(7)	(122)
Interest on plan assets		-	-	-	-
Benefits/transfers paid		-	-	-	-
<b>At 31 March 2024</b>		<b>-</b>	<b>(2,337)</b>	<b>(97)</b>	<b>(2,434)</b>

		Funded	Non- funded	SPLAF	Total
		2023	2023	2023	2023
		£000	£000	£000	£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>		<b>-</b>	<b>n/a</b>	<b>n/a</b>	<b>-</b>
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>		<b>-</b>	<b>(2,503)</b>	<b>(149)</b>	<b>(2,652)</b>

**(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 31st March 2024. The principal assumptions used by the independent qualified actuary in updating this valuation were:

<b>31 March 2024</b>	<b>Funded</b>	<b>Non-funded</b>	<b>SPLAF</b>
Rate of inflation (CPI)	N/A	2.60%	2.60%
Rate of increase in salaries	N/A	N/A	N/A
Rate of increase in pensions	N/A	2.60%	2.60%
Discount rate	N/A	4.80%	4.80%
Mortality tables		2022 (PMA and PFA)	

<b>31 March 2023</b>	<b>Funded (30 Nov 2022)</b>	<b>Non-funded</b>	<b>SPLAF</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		2022 (PMA and PFA)	

## Scheme assets

31 March 2024	Funded	Non-funded	SPLAF	Total
Equities	N/A	N/A	N/A	N/A
Government bonds	N/A	N/A	N/A	N/A
Corporate bonds	N/A	N/A	N/A	N/A
Property	N/A	N/A	N/A	N/A
Cash	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A

30 November 2022	Funded	Non-funded	SPLAF	Total
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%

The mortality assumptions are based on the recent actual mortality experience of members within the fund, as analysed as part of the 2022 actuarial valuation, and allow for expected future mortality improvements. The assumed future life expectancies are as follows:

	Funded WYPF		Unfunded WYPF		SPLAF	
	31-Mar-24 Years	30-Nov-22 Years	31-Mar-24 Years	31-Mar-23 Years	31-Mar-24 Years	31-Mar-23 Years
Male currently aged 65	N/A	21.8	21.0	21.6	21.0	21.6
Female currently aged 65	N/A	24.6	24.2	24.6	24.2	24.6
Male currently aged 45	N/A	22.5	N/A	N/A	N/A	N/A
Female currently aged 45	N/A	25.7	N/A	N/A	N/A	N/A



## h) Sensitivity Analysis

IAS 1 requires the disclosure of the sensitivity of the results to the methods and assumptions used. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out on the following page. In each case, only the assumption mentioned is altered; all other assumptions remain the same.

Change in Assumption	Approximate % increase in employer liability	Approximate monetary amount (£'000)
0.1% decrease in discount rate	0.9%	21
One year increase in member life expectancy	4.5%	105
0.1% increase in pension increase rate	0.9%	21

## i) Maturity Profile

	Funded	Non- funded	SPLAF	Total
	£000	£000	£000	£000
Expected benefit payments made during 2024/25	-	225	10	235
Expected benefit payments made during 2025/26	-	231	11	242
Expected benefit payments made during 2026/27	-	237	11	248
Expected benefit payments made during 2027/28	-	243	11	254
Expected benefit payments made during 2028/29	-	249	11	260
Expected benefit payments 2028/29 to 2029/39	-	1,345	61	1,406

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.

	Buildings £000	IT £000	Vehicles £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2023	25	63	28	116
Additions	129	-	53	182
Disposals	-	-	(9)	(9)
<b>At 31 March 2024</b>	<b>154</b>	<b>63</b>	<b>72</b>	<b>289</b>
<b>Depreciation</b>				
At 1 April 2023	-	25	24	49
Charges in year	16	26	6	48
Disposals	-	-	(9)	(9)
Revaluation	-	-	-	-
<b>At 31 March 2024</b>	<b>16</b>	<b>51</b>	<b>21</b>	<b>88</b>
<b>Net book value</b>				
<b>At 31 March 2024</b>	<b>138</b>	<b>12</b>	<b>51</b>	<b>201</b>
	<b>Buildings £000</b>	<b>IT £000</b>	<b>Vehicles £000</b>	<b>Total £000</b>
<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 office lease on 29 March 2023, with a lease commencement date of 3 April 2023. The lease has been treated as an addition in 2023/24 as it was available for immediate use.

(b) Lease Liabilities

	Buildings £000	IT £000	Vehicles £000	Total £000
<b>Cost or valuation</b>				
At 31 March 2023	25	38	4	67
Additions	129	-	53	182
Lease liability interest	(1)	(1)	-	(2)
Lease liability payments	(16)	(26)	(6)	(48)
<b>At 31 March 2024</b>	<b>137</b>	<b>11</b>	<b>51</b>	<b>199</b>

	Buildings £000	IT £000	Vehicles £000	Total £000
<b>At 31 March 2022</b>	-	-	-	-
Initial adoption of IFRS 16 on 1 April 2022	-	-	7	7

	Buildings £000	IT £000	Vehicles £000	Total £000
<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:

	31 March 2024 £000	31 March 2023 £000
<b>Buildings:</b>		
Not later than one year	18	3
Later than one year and not later than five years	72	12
Later than five years	72	15
Less interest element	(25)	(5)
<b>IT:</b>		
Not later than one year	4	28
Later than one year and not later than five years	8	12
Later than five years	-	-
Less interest element	(1)	(2)
<b>Vehicles:</b>		
Not later than one year	15	4
Later than one year and not later than five years	41	-
Later than five years	-	-
Less interest element	(5)	-
<b>Present value of obligations</b>	<u>199</u>	<u>67</u>

Committed lease payments not included in lease liabilities as at 31 March 2024:

	31 March 2024 £000	31 March 2023 £000
<b>Buildings:</b>		
Not later than one year	1	1
Later than one year and not later than five years	-	-
Later than five years	-	-
	<u>1</u>	<u>1</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 31st March 2024 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 2024.

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 £108k 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.

A credit risk arises in relation to levy receivables from any potential default or delayed payment. To mitigate this risk Seafish actively monitors receivables and considers impairment provisions as necessary. See note 7 for further information.

### 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

	31 March 2024 £000	31 March 2023 £000
Balance at 1 April 2023	6,313	5,693
Net change in cash and cash equivalent balances	(821)	620
<b>Balance at 31 March 2024</b>	<b><u>5,492</u></b>	<b><u>6,313</u></b>
The following balances at 31 March were held at:		
Commercial banks and cash in hand	<u>5,492</u>	<u>6,313</u>
<b>Balance at 31 March 2024</b>	<b><u>5,492</u></b>	<b><u>6,313</u></b>

## 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 2024 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 £17,174 by Seafish.

### Board Member Nathan de Rozarieux is:

- A Trustee of Fishermen's Mission which was paid £35 by Seafish.

### 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 £4,047.59 by Seafish.

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 2024 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.



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