

Atlantic Salmon Trust Limited

**Directors' report and financial statements
for the year ended 31 March 2017**

Company registration number 904293

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Company information

Patron	HRH The Prince of Wales
President	The Duke of Westminster (deceased 09/08/16) Earl Percy (appointed 09/08/16)
Vice presidents	Col HFO Bewsher Mrs E MacDonald-Buchanan Mr A Wallace
Directors	Mr RP Douglas Miller (Chairman) Hon Mrs SV Lopes The Marquess of Hamilton Mr O Reeve Mr P Landale Mr PA Rippin Mr RHM Chaplin Mr W Browne-Swinburne Mr AW Jack Mr GT Wilson Mr RA Scott-Dempster Mrs SA Bayley Slater (appointed 09/05/16)
Company secretary	Mr AH Andrews (resigned 14/04/16) Mrs SA Bayley Slater (appointed 14/04/16)
Registered office	Fishmongers' Hall London EC4R 9EL
Principal office	11 Rutland Square Edinburgh EH1 2AS
Auditors	Henderson Loggie Chartered Accountants 34 Melville Street Edinburgh EH3 8EQ
Bankers	The Bank of Scotland 76 Atholl Road Pitlochry Perthshire PH16 5BW
Solicitors	Gillespie Macandrew 5 Atholl Crescent Edinburgh EH3 8EJ
Investment managers	Waverton Investment Management Limited 21 St James Square London SW1Y 4HB
Company registration number	904293
Registered charity number	252742
Scottish charity number	SC037902

Directors' report

The Directors have pleasure in submitting the annual report and financial statements of the company for the year ended 31 March 2017.

The company information set out on pages 1 and 2 forms part of this report. The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association of the company and the Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued 14 July 2014.

Structure, governance and management

Legal and administrative information

The SORP issued by the Charity Commissioners for England and Wales requires certain legal and other administrative information to be supplied by Directors of registered charities as part of their annual report. This information is detailed below, or is included elsewhere in the report.

- a) The full name of the charity is Atlantic Salmon Trust Limited, incorporated on 21 April 1967 under the Companies Act 1948 as a Company Limited by Guarantee and not having a share capital. The governing document is the Memorandum and Articles of Association which were amended by resolution on 20 February 2002, 19 June 2007, 8 December 2009 and on 23 November 2016.
- b) The company is registered as a charity with the Charity Commissioners for England and Wales under number 252742; the company registration number is 904293; the Scottish Charity registration number is SC037902.
- c) The management of the Trust is vested in its Board of Directors, who are the sole Trustees recognised by the Charity Commissioners. An Honorary Scientific Advisory Panel, drawn from eminent fishery biologists in the United Kingdom and the Republic of Ireland, also provides advice to the Board.
- d) The method of appointment or election of Directors is governed by the Company's Memorandum and Articles of Association which, inter alia, also provides for periodic retirement by rotation, and re-election where appropriate.

Recruitment is by invitation, dependent upon skills, talent, expertise and experience, following approval by the Board. New Directors are provided with the Charity's Memorandum and Articles of Association, and given open access to the activities and personnel of the Trust.

The names of the Directors at the date of this report are shown on page 1.

During the year and to the date of this report the following directors were appointed and resigned.

Resignations

Mr APH Andrews	14 April 2016
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Appointments

Mrs SA Bayley Slater	9 May 2016
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Mr APH Andrews resigned as secretary on 14 April 2016 and Mrs SA Bayley Slater was appointed on the same date.

Directors' report *(continued)*

Structure, governance and management *(continued)*

Legal and administrative information *(continued)*

- e) The Directors confirm that the Trust's governing document does not impose any specific restrictions on the manner in which the charity is empowered to operate.
- f) The Trust's investment powers are governed by Clause 3(L) of the Memorandum and Articles of Association, which places no restriction on the nature of the securities or property concerned. In practice, investment in shares and securities is restricted to equities and loan stocks (government and corporate) quoted on the London Stock Exchange.
- g) At 31st March 2017 the charity held reserves of £916,629, with £136,836 being designated, £53,124 being restricted and £726,669 being general reserves. The Directors have established a policy whereby the unrestricted funds not committed ('the free reserves') held by the charity should be between 3 and 6 months of the resources expended. At this level, the Directors feel that they would be able to continue the current activities of the Trust in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. The free reserves of the Trust at 31 March 2017 were £725,531.

Objectives of the Trust

As stated in the company's Memorandum and Articles, the principal objectives of Atlantic Salmon Trust are to promote the conservation and improvement of wild Atlantic salmon and sea trout stocks, in the countries bordering the North Atlantic Ocean, for the public benefit. In pursuance of this objective, the Trust promotes, encourages and directly finances practical scientific research, arranges workshops and international conferences, and publishes booklets and reports on matters of scientific interest concerning wild salmon and sea trout. It works for better fishery management at all levels, drawing particular dangers and problems to the attention of the appropriate authorities, and offering advice to Government Ministers and their Departments, to the European Union and to the inter-Governmental North Atlantic Salmon Conservation Organisation, whose meetings the Trust attends as an accredited Non-Governmental Organisation.

Duke of Westminster

It is with great sadness that AST Chairman Robbie Douglas Miller reported the death of our President, the 6th Duke of Westminster, on Tuesday 9th August 2016.

The Duke was appointed President of the Atlantic Salmon Trust on 8th Dec 2004 and, in his 12-year tenure, had been our greatest advocate and supporter. As a countryman at heart and proprietor of one of Scotland's great salmon rivers, the Laxford, he had a clear and detailed knowledge of the plight of the Atlantic salmon which helped guide the Trust and shape its policies on complex and controversial issues.

He oversaw the Trusts' strategic transition from the freshwater environment to leading the field on understanding what is happening to salmon survival at sea. His inspirational leadership, drive and support were characteristic of his determination to get to the heart of the problem and do something about it. Always keen to adopt new methods of working and a strong advocate of using science to form the basis of strategy, the Duke liked to be kept up to date with the Trust's activities and would respond (usually very early in the morning!) to the quarterly reports that we submitted with detailed questions and encouragement for our work.

Along with many others, the Atlantic Salmon Trust has benefitted from his terrific generosity, support and guidance and he will be greatly missed.

We pass on our condolences to his family.

Directors' report *(continued)*

Structure, governance and management *(continued)*

Objectives of the Trust *(continued)*

Earl George Percy

In October 2016 the Atlantic Salmon Trust were pleased to announce their new President Earl George Percy. Earl Percy will be the AST's third President since the charity was founded at Fishmongers' Hall London in 1967. Earl Percy's appointment follows the sudden death of The 6th Duke of Westminster on the 9th August 2016. His Grace had been President and a great supporter of the AST since December 2004. The appointment of the new President is endorsed by the Atlantic Salmon Trust's Patron HRH The Prince of Wales.

Earl Percy, eldest son of the Duke and Duchess of Northumberland and CEO of Hotspur Geothermal, grew up in the North East of England, and after catching his first salmon at the age of 8 and spending much of his youth (and a fair amount of his adulthood) on the North Tyne and the Coquet Rivers, his passion and interest in the sport and the salmon flourished.

Message from the new President:

"The work the AST is doing is invaluable to understanding the pressures that our wild salmon stocks are under, and the new focus on the marine environment of the salmon's lifecycle will hopefully start to provide some answers or hints to where and why our salmon are struggling. Without the empirical data from organisations like the AST that can be used to inform often sceptical decision-makers, it will be impossible to effectively contribute to positive policy formation that is desperately required to protect this incredible fish.

I am honoured to have been asked to be President of an organisation that I have supported and actively followed for many years now. I had no hesitation in accepting, and despite my relative youth, if I can help in any way to increase the AST's resonance with all stakeholders, especially the young, then I would feel that my appointment had been justified. I relish the challenge and look forward to working with the fantastic and dedicated team at the AST."

Activities of the Trust

In perusing its charitable objectives the Atlantic Salmon Trust undertook the following activities in 2016/17:

Conferences & Events

Gathering together experts to share their knowledge and latest research in workshop and conferences forums, and inform fisheries managers, owners, government bodies and anglers remains central to the work of the Atlantic Salmon Trust. Whether the Trust is organising the event or presenting at an event we see this form of communication and engagement as an important function in salmon and sea trout conservation.

The Role & Formation of River Trusts in Ireland

Feedback at the Irish International Fly Fair, in July 2015, clearly showed that many of those involved in the formation of River Trusts or other river/ stream conservation initiatives were encountering difficulties in forming appropriate conservation groups to protect our river and stream corridors. Such difficulties related to the legislative framework North and South and in defining the role and function of their Trusts, so that they fitted in seamlessly with the complicated patchwork of fisheries bodies, conservation bodies, angling clubs and angling federations in Ireland. In response, the Atlantic Salmon Trust and the Dibney River Conservation Trust decided to jointly host a comprehensive one day event to bring together the existing Trusts in Ireland, or those planning on forming Trusts, to share experiences and advice. With our partners, we set about organising such a workshop and were surprised and indeed delighted, by the level of interest in the initiative when it was first announced on social media earlier this year!

On Friday 1st July 2016 well over 60 participants gathered in the Bridge Community Centre Killyleagh, Co Down, to participate in the workshop and to hear from a wide range of speakers on all aspects of Trust formation both in the UK and in Ireland. Presentations also covered other river conservation models. Participants were given a thorough overview of the potential support services and funding currently available throughout Ireland.

Directors' report *(continued)*

Activities of the Trust *(continued)*

Salmon Assessment Workshop – Telford, 14 July 2016

This workshop examined arrangements for stock assessment and conservation limits in England. It brought together some 40 experts and representatives from other interested organisations, with the objective of identifying ways of working together to improve the current system. It was organised by the Institute of Fisheries Management, the Atlantic Salmon Trust and the Environment Agency.

The workshop heard a number of presentations explaining the origins of conservation limits, how these are implemented in England and Wales and in Ireland and the options that exist for modifying them.

Accurate information on salmon stocks is needed both to calculate conservation limits for individual rivers and to assess whether they are being met. The workshop therefore heard further presentations on how rivers trusts obtain data on such things as fry numbers, on the need and benefit of obtaining more accurate information on river habitats, on the use of novel technologies such as remote sensing and genetics in stock assessment, on the possible ways of improving data obtained from rod catches and on the issues associated with assessing smolt numbers and using fish counters to assess adult returns.

Access to the workshop programme, presentation slides and recordings of each presentation are available via the Atlantic Salmon Trust website: <http://www.atlanticsalmontrust.org/salmon-assessment-workshop-telford-july-2016/>

“From Headwater to Headland, Improving smolt survival in rivers and estuaries” Conference - Berwick-Upon-Tweed, 14th & 15th March 2017

This Conference was jointly organised by The Atlantic Salmon Trust and The Tweed Foundation

The conference addressed key issues of salmon and sea trout smolt survival during the critical early stages of their migration, in rivers and in estuaries.

With fewer salmon surviving at sea, it is vital to ensure that as many healthy wild salmon and sea trout smolts as possible leave our rivers. The Conference explored how this could best be achieved. Leading scientists outlined the results of the latest research into the factors affecting smolt numbers, such as predation, barriers to migration and pollution, in both rivers and inshore waters, and highlighted the implications of this for the management of salmon and sea trout.

Presentations were recorded, and the videos have been edited alongside the presentation slides. The whole series is available online on the Atlantic Salmon Trust's YouTube channel and via the Atlantic Salmon Trust website: <http://www.atlanticsalmontrust.org/conference-from-headwater-to-headland/>

A near complete version of the 'Atlantic Salmon - Lost at Sea' film was shown on the evening before the first day of the conference.

“Lost at Sea” Drinks Receptions – London 23rd November 2016 and Edinburgh 29th November 2016

The Atlantic Salmon Trust hosted two drinks receptions to preview clips of the forthcoming film: 'Atlantic Salmon - Lost at Sea'. The film which is produced by Castletown Productions, has been 6 years in the making. It takes the viewer on an epic journey through the oceanic kingdom of the Atlantic salmon, highlighting threats to salmon survival and the people and organisations working to protect them. The Atlantic Salmon Trust alongside salmon conservation organisations around the Atlantic helped raise funds for the completion of the film through a Kickstarter campaign. It is expected that the commissioning broadcaster RTE will air the film in the autumn of 2017.

The main purpose of the drinks receptions was to present and gain support for the current work programme of the Atlantic Salmon Trust. The programme, which includes acoustic tracking, eDNA and aquaculture related projects, focuses on the marine environment and aims to gain a greater understanding of why less than 5% of smolts leaving UK rivers are returning as adult salmon. This has declined from a survival rate of over 15% just 25 years ago.

Over 180 people attended the London drinks reception and over 100 people attended the Edinburgh drinks reception.

Directors' report *(continued)*

Activities of the Trust *(continued)*

Atlantic Salmon Federation Annual Meeting

In November 2016 AST CEO Sarah Bayley Slater and Director Peter Landale attended the annual meeting of the Atlantic Salmon Federation in New York. The purpose was to present the current work programme of the Atlantic Salmon Trust and to build partnerships with organisations across the Atlantic working to conserve wild Atlantic salmon.

London Fly Fishing Fair

The AST exhibited at the first edition of The London Fly Fishing Fair located at the Business Design Centre, Islington on the 10th and 11th March 2017. Kindly invited to attend by organiser Johnny Kelly, Executive Director Sarah Bayley Slater and Research Director, Prof. Ken Whelan were on hand to speak to anglers and fellow exhibitors to answer questions about salmon and sea trout conservation. The AST presented a number of short talks and salmon conservation films throughout the event.

Promotion of Salmon and Sea Trout Conservation

New Atlantic Salmon Trust Website and Social Media

The AST launched its new website in January 2017 to share information about salmon and sea trout conservation and communicate the work of the Atlantic Salmon Trust and the projects the AST helps to fund and support. In addition to the website the AST is very active on social media, with over 11,000 friends on its Facebook page. The AST also started an Instagram account in 2017.

Catch & Release Film

In the autumn of 2016 the Atlantic Salmon Trust in partnership with Fishpal and the Angling Trust funded a series of short films to promote best practice in Catch & Release angling, focusing on salmon. The series of 3 short films, filmed over the course of two days on the River Tyne featured Sky Sports Tight Lines presenter Andy Ford and AST Research Director Ken Whelan. Filming took place on the Bywell Beat, with the kind permission of the 4th Viscount Allendale.

The series entitled "The Gift" is presented in three parts. Part 1: Tackle, Part 2: Planning the River, and Part 3: Catch and Release. The films are available for viewing on the Atlantic Salmon Trust's YouTube channel: <https://www.youtube.com/playlist?list=PLXsDg09-APY7hX9W5F8HA9FoiJg2FiSe>

Projects & Research

In 2016/17 the Atlantic Salmon Trust refocused its projects on the marine environment and smolt migration with the aim of addressing issues that could be contributing to the decline of salmon and sea trout survival during their migration and marine phase of their life cycle.

eDNA Project: Investigation of the application of eDNA technology in the assessment of pelagic by-catch of Atlantic salmon (*Salmo salar* L.)

In terms of direct protection of migrating post-smolts and young adult salmon at sea, perhaps the most practical action we can take is to quantify and manage the level of by-catch from the large pelagic fisheries taking place in the North East Atlantic. These fisheries are carried out by fleets from the EU, Iceland, the Faroe Islands, Russia and Norway. They account for the harvest of millions of tonnes of pelagic fish a year, mainly comprising mackerel, herring and blue whiting. The fisheries use a range of gear including surface trawls, pair trawls and large purse seines. Locating individual post-smolts, between 12cm and 20cm long and often squashed and descaled, amongst these vast quantities of fish is akin to searching for the proverbial needle in a haystack. What has become clear is that over the past two decades these increasingly efficient pelagic fisheries, may very well be having a direct impact on the overall survival of salmon at sea, and yet their impact has yet to be quantified.

Directors' report *(continued)*

Activities of the Trust *(continued)*

eDNA Project: Investigation of the application of eDNA technology in the assessment of pelagic by-catch of Atlantic salmon (*Salmo salar* L.) *(continued)*

The first phase of the AST Funded eDNA salmon project (2015 - 2016) focused on developing a genetic assay, probes and primers, that would allow detection of Atlantic salmon DNA in environmental (eDNA) samples (water samples or swabs of equipment used to handle Atlantic salmon). This had not been done before. The main objective was to assess if an Atlantic salmon eDNA assay could be used to test Refrigerated Sea Water (RSW) tanks on commercial fishing vessels that might encounter Atlantic salmon post-smolts in their landings.

During the first phase an eDNA assay was successfully developed for detecting the presence of Atlantic salmon DNA. The assay was tested on several eDNA samples, including: bilge water from draft net salmon boats; equipment used to handle Atlantic salmon at Marine Institute's Newport facility, Mayo, Ireland; pelagic vessel bilge water; and laboratory experiments imitating RSW tanks.

The development of the probe was a success and the UCD research team is confident that the assay can now be deployed in order to detect the presence of salmon in RSW tanks and from other on-board and in-port locations e.g. fish processing plants.

Acoustic Tracking Project

The Atlantic Salmon Trust has taken its first steps in rolling out its vision for the Acoustic Tracking project. The project was successful in securing a 3 year funding package from The Fishmongers' Company in the Spring of 2017. This enabled the AST to advertise for the Acoustic Tracking Post Coordinator. Interviews took place in March 2017. Dr. Matt Newton was recruited and started working for the AST on the 17th May 2017. See more details of this project in the **Future Plans** section.

Aquaculture

In June 2016 the AST attended the annual meeting of the North Atlantic Salmon Conservation Organisation (NASCO). A special themed based session was held at the NASCO meeting: "Addressing impacts of salmon farming on wild Atlantic salmon: Challenges to, and developments supporting, achievement of NASCO's international goals" (http://www.nasco.int/pdf/reports_other/2016ThemeBasedSession.pdf).

The AST firmly believes that ICES (the International Council for the Exploration of the Sea) has now provided convincing evidence of both direct impacts and major risks from open cage salmon aquaculture on wild salmon and sea trout stocks, in terms of both sea lice loadings and genetic introgression from escaped farmed fish.

In light of the recent scientific information on the impacts of Aquaculture the AST has revised and updated its Positioning Statement on Salmon Aquaculture in November 2016 (<http://s331874360.websitehome.co.uk/atlanticsalmontrust/wp-content/uploads/2016/11/16.11.16-AST-Aquaculture-Position-Paper.pdf>). We are looking at ways to urgently and positively move forward the dialogue with the fish farming industry and Government so as to alter fish farm management practices and improve conditions for wild salmon.

In October 2016 AST CEO Sarah Bayley Slater visited the Marine Harvest Loch Leven with HRH The Prince of Wales, on the invitation of the Prince of Wales' International Sustainability Unit. The purpose was to visit a farm which had recently received Aquaculture Stewardship Council (ASC) accreditation and was using alternative methods, such as feeder fish, to control sea lice. The meeting which took place following the visit included representatives from the Scottish Government, Aquaculture, Retailers and the industry representatives. This initial meeting has led to further engagement on the ASC process and the benefits that it has for wild salmonids if fully and correctly implemented.

Directors' report *(continued)*

Activities of the Trust *(continued)*

The Suspects Framework

One of the AST's greatest concerns is the continuing decline of marine survival. Fifty years ago about one in four smolts that swam out to sea would return to their natal rivers to breed. Today that figure is one in 20. To understand and address the issues of marine mortality the AST began development of The Likely Suspects Framework being led by Prof. Walter Crozier and Prof. Ken Whelan. Phase 1 – concept development began in 2016. The project was launched at the AST 50th Anniversary Symposium in May 2017 and was endorsed by the NASCO International Salmon Research Board in June 2017.

External Projects Funded by The Atlantic Salmon Trust

Deveron salmon Smolt Tracking Project: Investigating sources of salmon smolt mortality on the River Deveron

In 2016 The Deveron, Bogie & Isla Rivers Charitable Trust (DBIRT) smolt tracking project was conducted in partnership with the Scottish Centre for Ecology and the Natural Environment (SCENE) at Glasgow University and funded by the River Deveron District Salmon Fishery Board (DevDSFB). Using Acoustic tagging and tracking technology the project tracked 50 smolts that were tagged following capture in a rotary screw trap at Cabrach in the upper Deveron, down the entire length of the river and out into the bay at Banff, where the Deveron enters the Moray Firth. The data strongly suggests that the overall survival of tagged smolts was only 40% with an observed mortality rate of 0.77% km⁻¹. There was no further mortality as the smolts left the river and entered the sea in Banff Bay.

In 2017 the DBIRT applied to the Atlantic Salmon Trust for funding towards a project that would build on the success of the 2016 project by investigating the in river mortality in more detail. The project will not only quantify smolt survival in the river but will importantly investigate the sources and location of the observed smolt mortality.

Aims of the 2017 project:

- Quantify overall smolt mortality in the River Deveron from the Cabrach to the Bridge at Banff in 2017.
- Determine where in the river the mortality is taking place.
- Determine the causes of mortality.

Project to undertake molecular-based sexing of sea trout smolts and adults from the River Tamar - Exeter University & the Environment Agency

Project Specification: To define, using molecular methods, an accurate estimate of the sex ratio of each component of the River Tamar sea trout run over two years which will feed into sea trout Biological Reference Points.

A total of 1530 smolt and sea trout samples were collected over the two years of the project. Results were obtained for all samples.

Final report available on the Atlantic Salmon Trust website: <http://www.atlanticsalmontrust.org/genetic-analysis-projects/>

Tweed Foundation and Moray Firth Trout Initiative (MFTI) Stable Isotopes work 2016

A Background: The aim of this work is to develop a tool by which the maternal origin of trout fry, either from Sea-trout or from Brown-trout, could be identified through their ¹³C and ¹⁵N stable isotope ratios. Results were more successful in determining maternal origin for the Moray samples than for the Tweed. For the former clear indications were found that 4 sites were of brown trout origin, 3 of sea trout origin and 3 of mixed origin. For the latter, however, area of origin within the sample catchment (the Gala Water) suppressed the marine / freshwater origin signal owing to a suspected influence of catchment land-use.

Directors' report *(continued)*

Activities of the Trust *(continued)*

Tweed Foundation and Moray Firth Trout Initiative (MFTI) Stable Isotopes work 2016 *(continued)*

However, in both studies, the AST scientific panel noted that the ^{13}C stable isotope signal in some of the fry was so negative that it must be derived from methane which is a by-product of peat decay. This could potentially accentuate the signature of brown trout origin fry and conversely mask the signature of sea trout origin fry.

Report available on the Atlantic Salmon Trust website: <http://www.atlanticsalmontrust.org/using-stable-isotopes-to-identify-the-maternal-origin-of-trout-fry/>

North Norfolk Sea Trout Project: Understanding the behaviour & movement of brown and sea trout in relation to habitat, obstructions, hydrodynamic conditions and climate change in the North Norfolk chalk rivers

Overall Aim

To enhance knowledge on the significance of small streams for sea trout production, and the factors influencing the life histories and movements of anadromous and non anadromous *S. trutta* which will provide evidence for regulating commercial and sport fisheries and potential impact of climate change.

AST Contribution

Genetic analyses undertaken on brown trout from North Norfolk rivers as part of the Living North Seas project indicated that these may form a genetically distinct population. This has implications for the conservation interest of North Norfolk stocks, especially in relation to the offshore fishery and the Anglian NLO. Further samples were needed from sea trout for genetic analysis to understand the contribution of local stocks to the fishery. AST funding was awarded to undertake genetic analysis and stable isotope analysis of these samples.

Reports from this project can be found on the AST website: <http://www.atlanticsalmontrust.org/north-norfolk-sea-trout-project/>

NoWPaS - International Workshop of Phd and Post-doctoral fellows on Anadromous Salmonids

The Atlantic Salmon Trust continues its support of the NoWPaS as a sponsor of the NoWPaS Annual Workshop with an annual grant of £2,000.

NoWPaS is an international network open for membership to early stage researchers working on wild salmonids. It was initiated in Norway in 2005 with the support of the Norwegian Research Council, in order to enhance dissemination of knowledge regarding the ecologically and socially important fish species *Salmo salar* L. and *Salmo trutta* L.

The primary aims of NoWPaS are:

- To build and maintain an international network of early career salmonid researchers.
- To help promote collaboration and to knowledge exchange within the between NoWPaS members.
- To increase the current research and knowledge on anadromous salmonids through collaboration and exposure to experienced senior researchers.

Education

Small Stream Characterisation System and Training Course

In 2016 the AST completed the development of its Small Streams Characterisation System and Training Course which was piloted with the Galloway Fisheries Trust and Stranraer & District Angling Association in June 2016.

Directors' report *(continued)*

Activities of the Trust *(continued)*

Small Stream Characterisation System and Training Course *(continued)*

In recent years there has been increasing interest in the conservation and management of small streams. These constitute a major proportion of overall river length. The European Environmental Bureau has estimated that some 80% of all river systems in Europe, comprise small streams. They are the arteries of our major trout and salmon rivers, but are easily blocked by impassable culverts, farm crossings and minor land use changes and can be seriously impacted by apparently minor changes in land management practices. As identified in a previous AST Sea Trout Workshop, small streams provide important spawning habitats, but are easily blocked by impassable culverts, farm crossings and minor land use changes and can be adversely affected by very minor land management practices. The Workshop concluded that such streams are also poorly protected by existing legislation. It was clear from two subsequent workshops that the care and attention urgently required by burns and streams is most likely to come from volunteers and key catchment based interest groups. There was also much support for the role that citizen science might play in monitoring such streams.

AST, with our partners in the Annan Trust and the Strangford Lough and Lecale Partnership, commissioned Martin McGarrigle, of Limnos Consultancy, to compile a survey manual based on a small streams survey system in operation for many years in Ireland. The Atlantic Salmon Trust Small Streams Characterisation System (SSCS) was created. Teaching materials to accompany the manual were commissioned by AST from the Galloway Fisheries Trust and Donald Paterson, a consultant with extensive experience in designing and delivering technical courses to fisheries staff. Having assessed the pilot of the course, run this past summer with the enthusiastic assistance of the Stranraer & District Angling Association, the Institute of Fisheries Management has accredited the course and will issue a Certificate of Achievement to those who successfully complete the SSCS course.

The initiative is based on a simple premise: that obtaining high-quality information on the condition of our small streams is key for catchment and fishery managers to put in place plans to protect the high quality water-courses and improve the problematic areas. This citizen science based training programme covers the collection of data on fauna, flora and hydromorphology. It provides volunteers with the required skills and training to walk and monitor the small streams in their particular location, both small mountain streams and discrete coastal streams. The objective of the assessment is not to intentionally seek out pollution points but to objectively assess the current status of small streams. In many ways identifying and highlighting the presence of pristine streams that have been little impacted by agricultural or forestry practices, is as important as identifying problems in damaged or degraded streams. The SSCS is now available to River Trusts and other groups who wish to organise small stream assessment training programmes. Those running each programme will be responsible for monitoring the quality of the training provided, conducting the surveys, quality control and storage of the data collected by the volunteers. To offset the costs of developing the programme over the past two years there will be a modest fee charged by AST to access the training materials. Training materials are available to those registered on to courses via the Atlantic Salmon Trust website.

Salmon Population Modeller

In 2016/17 the AST continued the development of the Salmon Population Modeller.

This modeller is designed to provide anglers, managers and everyone interested in salmon with a clearer understanding of how salmon populations work: i.e. the relationship between the number of spawning fish, the number of juveniles they are likely to produce, and how many of these are likely to survive, and, in their turn, spawn. The modeller also illustrates the effect that pressures at different life stages can have on salmon numbers.

The Modeller is designed to be an illustrative tool. It is not designed to represent an actual river stock, and it cannot be used as a management tool to show the short-term impact on salmon numbers of measures affecting an actual stock.

The modeller is based on a pristine (i.e. not impacted by human activity) but reasonably typical river stock with current conditions at sea. It shows the effect that impacts on the stock will have on numbers at different life stages once the stock has reached a new equilibrium after a number of generations - this is not the immediate effect in the same, or the next, generation.

Directors' report *(continued)*

Activities of the Trust *(continued)*

Proceedings of the 2nd International Sea Trout Symposium

The 2nd International Sea Trout Symposium was a two day conference held in Dundalk, Ireland on 20 – 22 October 2015. The overall objective of the symposium was '*To promote the application of the latest science to the better management of sea trout stocks and their associated fisheries*'. A comprehensive record of the Symposium is being published as a peer-review 'Book of Proceedings'. The AST contributed £5,000 towards the editing of the Proceedings. It is hoped that a large portion of this cost will be recovered by through the sale of the book when released.

Collaboration

Environment Agency 5-Point Approach

The Atlantic Salmon Trust has been a stakeholder participant of the Environment Agency (EA) initiative to deliver an ambitious 5-Point Approach to halt the dramatic decline of salmon stocks in England.

The approach aims to address five key issues affecting salmon stocks:

- improving marine survival, which has decreased by almost 50% in 20 years;
- reducing the impact of both commercial and recreational fisheries and in particular phasing out mixed stock netting;
- finding fish passage solutions to mitigate the impacts of man-made barriers to migration, improving river habitat and tackling predation from fish-eating birds;
- safeguarding sufficient flows;
- reducing agricultural pollution to improve water quality and maximise spawning success.

Pelagic Advisory Council (PELAC)

AST is an Executive Committee member of PELAC (<http://www.pelagic-ac.org/>) and attends key Working Group Meetings. This involvement with PELAC enables us to influence decision making within DG Mare and the Habitats Directorate of the European Commission to ensure that wild Atlantic salmon and sea trout are included in monitoring and conservation measures undertaken by the Commission.

The Research Director attends the meetings of the PELAC Executive Committee, usually in the Hague. Members of PELAC are currently working with AST to facilitate the testing of the new eDNA Atlantic salmon genetic probe, developed with scientists from University College Dublin, on commercial pelagic vessels.

Honorary Scientific Advisory Panel

The Honorary Scientific Advisory Panel (HASAP), is drawn from eminent fishery biologists in the United Kingdom and the Republic of Ireland. They provided advice to the Board on the scientific projects being proposed, and review the progress reports of projects which are funded or undertaken by the AST. The HASAP give their time on a voluntary basis, their travel and subsistence for attending the annual HASAP meeting are paid for by the Trust.

Fundraising

Fundraising Officer

In 2016 the AST contracted the services of Mrs. T Pettifer as Fundraising Officer of the Atlantic Salmon Trust. In particular focusing on the Lost at Sea drinks reception, the 50th Anniversary Gala Dinner and Auction (taking place in May 2017), and the Presidents Club.

Annual Online Auction

Mr. M Dawnay continued to work for the AST on a contract basis to secure lots for both the online auction, which ran from the 14th January until 14th February 2017, and the Gala auction which takes place in May 2017.

Directors' report *(continued)*

Key management personnel

During the year the Directors consider Mrs SA Bayley Slater and Mr CI Llewlyn to be the key management personnel of the Trust, in charge of directing and controlling the Trust and running and operating the Trust on a day to day basis. Details of Director's remuneration and expenses are disclosed in note 8 to the financial statements. All other directors give their time freely and no Director's remuneration or expenses were paid in the year.

Directors are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. Directors attend four Board meetings per annum. Each Director gives their time for free to the Trust and pays their own travel and associated expenses to attend Board meetings.

Director's induction and training

The Directors have considered a policy on Director induction and training prior to new Directors being approached. This includes awareness of a Director's responsibilities, the governing document, administrative procedures and the history and philosophical approach of the Trust. A new Director receives copies of the previous year's financial statements, minutes of Directors meetings and a copy of the OSCR leaflet "Guidance for Charity Trustees - acting with care and diligence", if appropriate.

Risk management

A significant risk facing the Trust is the fluctuating level of legacies and donations received which is being addressed by maintaining expenditure at a level that can be sustained by expected donations and prudent utilisation of reserves.

Another risk faced by the Trust lies in the performance of investments. The Directors consider variability of investment returns to constitute one of the Trust's major financial risks. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

Related parties

Related party transactions are identified with notes 8 and 16 of the financial statements.

Plans for the future

In 2017/2018 the AST will:

Continue to work on delivering its projects and supporting other scientific research project.

Focus on sustaining the momentum and enthusiasm which is being generated by the Gala Dinner for the benefit salmon and sea trout conversation.

Develop the projects targeted at improving our understanding of what is causing the decline in marine survival of salmonids.

Put in place strategies to secure the long term sustainability of the Atlantic Salmon Trust in order to fulfil its charitable objectives in the future.

Some specific details of future plans in 2017/18:

AST 50th Anniversary & Gala Dinner

2017 marks the 50th Anniversary of the Atlantic Salmon Trust and to Celebrate 50 years of Putting Wild Salmon First the Atlantic Salmon Trust have organised a Celebratory Dinner for 500 guests. The Dinner will follow a major international symposium on the decline of wild Atlantic salmon in the ocean. The Dinner, hosted by our President Earl Percy, takes place on Thursday 25th May 2017, in the stunning house, conservatory and gardens of Syon Park, London, which has been kindly donated for the event by the Duke of Northumberland. His Royal Highness The Prince of Wales and His Majesty The King of Norway attended the event.

Directors' report *(continued)*

Plans for the future *(continued)*

AST 50th Anniversary & Gala Dinner *(continued)*

The objectives of the symposium and dinner:

- To raise awareness of the importance of the Atlantic Salmon in our environment as a bell weather for environmental change
- To explain the importance of the work the Atlantic Salmon Trust is currently undertaking & supporting
- To raise funds for the new scientific projects
- To launch the AST Presidents club

Acoustic Tracking Project

Dr. Matt Newton started with the Trust as Acoustic Tracking Programme Coordinator on 17th May 2017 and is beginning to outline the future of acoustic tracking work within the AST.

Acoustic telemetry is able to identify the migration routes and areas of mortality within smolt migration which currently remain unknown yet widely debated. We now have the ability to track wild smolts further from shore than was previously possible. The AST will be working collaboratively with partners to establish a network of receiver arrays within the marine environment which enable the detection of migrating smolts as they leave the coast of the United Kingdom.

With Matt's appointment we are now able to offer sound advice in the field of telemetry which is not just limited to acoustic studies. We can aid in grant applications, study designing, methodologies and data analysis.

We will be planning a workshop on telemetry studies to be held in Autumn of 2017. This workshop will aim to share methods and ideas between research groups as well as generate discussion on topics currently debated within the telemetry world such as range testing and tag size.

Aquaculture

A workshop, being organised jointly by the AST and Fisheries Management Scotland, will take place in the autumn of 2017 involving wild fish stakeholders, in order to investigate and understand the ASC process and what opportunities it provides for farmed and wild fish.

The AST is also staying informed of new technology particularly closed containment. We have been pleased to see that planning has been approved for new closed containment sites in Scotland and we will encourage the government and industry to develop of systems which separate the production of farmed fish from wild fish, therefore reducing the negative impacts of sea lice and escapees.

eDNA Project

Phase 2 of the eDNA project will deploy the eDNA probe on pelagic vessels from Scotland, Denmark and Finland. Contact has been made with vessel operators and it is planned that sampling will take place between summer and autumn 2017, when these vessels are most likely to encounter salmon post-smolts or feeding adults.

The Likely Suspects Framework

As plans for new research develop, the Atlantic Salmon Trust believes it is necessary to consider how such research can be targeted and prioritised. Previous work on marine fisheries suggests it is possible to identify an overall Strategic Framework that would provide a basis for selecting key research priorities, which could potentially help to boost the overall number of smolts reaching their feeding grounds.

AST believes that a strategic approach is vitally important, as it would place candidate mortality factors within an overall spatial and temporal framework, covering the full lives of salmon at sea. Such an approach could help to quantify the potential of each factor to influence survival (i.e. the "likely suspects") and to link these dynamically in such a way that the cumulative effects of these factors could explain the variations in survival of different year classes of salmon.

Directors' report *(continued)*

Plans for the future *(continued)*

The Likely Suspects Framework *(continued)*

A particular focus would be on identifying where and how mortality factors had changed between earlier periods of higher marine survival (60's and 70's) and the more recent/current low survival phase.

The AST believes that a Suspects Framework should be developed on a collaborative basis, involving Europe and North America. Work will be ongoing to refine the Suspects Framework, with a view to sourcing partners for the initiative both at a national and international level. A workshop bringing together partners to develop the Suspects Framework is planned for the autumn of 2017.

Salmon Population Modeller

The Modeller will be completed in 2017 and will be available on the Atlantic Salmon Trust website.

Financial review

Fundraising

Total funds received by the Trust were £356,157 (2016 - £221,893). General donations and gift aided contributions increased from £135,566 last year to £233,903 which is an increase of £98,337.

The Annual Fishing Auction generated proceeds of £38,230, an 28% decrease compared to the previous year, and after costs, a net amount of £22,136 was achieved, being a 44% decrease in net income.

Investment performance

The Trust aims to maximize the total investment return within the objective of maintaining income and the real value of its invested funds, while ensuring that sufficient cash is available to meet the needs of project funding.

Financial review

- a) The net income for the year was £115,865 compared with net expenditure last year of £91,070 which includes unrealised gains on the revaluation of the investments of £51,881 (2016 – Losses of £9,048).
- b) Investment income decreased by £3,525 to £14,110 with net income from the Fishing auction having decreased by £17,654. Total donations increased to £278,903 as a result of some generous donations and support.
- c) Total resources expended were £7,945 higher than last year at £300,951 (2016 - £293,006), with an overall increase in charitable expenditure of £8,201 (Note 4). Expenditure on scientific research projects totalled £48,309, an increase of £6,958 on the previous year (Note 5).
- d) There was an unrealised gain on the investment valuation of £51,881.

Statement of disclosure of information to auditor

The Directors of the company confirm that:

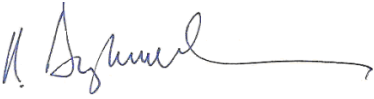
- So far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The Directors have taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report *(continued)*

Small company exemptions

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Signed on behalf of the Directors on 17th December 2017.

A handwritten signature in blue ink, appearing to read 'R. Douglas Miller', followed by a long horizontal flourish.

Mr RP Douglas Miller
Chairman

Statement of directors' responsibilities

The Directors (who are also the Trustees of Atlantic Salmon Trust Limited for purposes of charity law) are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the Directors and members of Atlantic Salmon Trust Limited

We have audited the financial statements of Atlantic Salmon Trust Limited for the year ended 31 March 2017, which comprise the statement of financial activities, the balance sheet, statement of cash flow and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with section 495 of the Companies Act 2006, and to the charity's Directors, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' responsibilities statement set out on page 16, the Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors 2016, including "FRC Ethical Standard – Provisions Available for Smaller Entities (Revised)", in the circumstances set out in note 1 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent auditor's report to the Trustees and members of Atlantic Salmon Trust Limited *(continued)*

Independent auditor's report to the Trustees and members of Atlantic Salmon Trust Limited *(continued)*

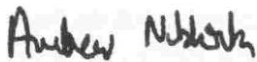
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the Directors' report and from preparing a strategic report.



Andrew Niblock CA (Senior Statutory Auditor)

For and on behalf of Henderson Loggie, Statutory Auditors
Edinburgh

Henderson Loggie is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

17th December 2017

Statement of financial activities (incorporating an income and expenditure account)

for the year ended 31 March 2017

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income:						
Donations and legacies	2	233,903	-	-	233,903	135,566
Other trading activities	2	63,144	-	-	63,144	55,830
Income from investments	2	14,110	-	-	14,110	17,635
		311,157	-	-	311,157	209,031
Income from charitable activities:						
Grants received for specific projects		-	-	45,000	45,000	12,862
Total income		311,157	-	45,000	356,157	221,893
Expenditure						
Raising funds	4	37,340	-	-	37,340	37,596
Charitable activities	4	261,348	-	2,263	263,611	255,410
Total expenditure		298,688	-	2,263	300,951	293,006
Net gain/(loss) on investments	10	60,659	-	-	60,659	(19,957)
Net income/(expenditure)		73,128	-	42,737	115,865	(91,070)
Transfers between funds	13,14	(53,841)	51,578	2,263	-	-
Net movement in funds during year		19,287	51,578	45,000	115,865	(91,070)
Fund balances brought forward at 31 March 2016		707,382	85,258	8,124	800,764	891,834
Fund balances carried forward at 31 March 2017	13,14	726,669	136,836	53,124	916,629	800,764

Notes to the statement of financial activities

- For the year ended 31 March 2017, the Statement of Financial Activities is equivalent to an Income and Expenditure Account. A separate Income and Expenditure Account has not therefore been prepared.
- None of the Trust's activities was acquired or discontinued during the above two accounting periods.
- The surplus for the year for Companies Act purposes comprises the net income for the year adjusted for any unrealised gains or losses on investments and was £63,984 (2016 - deficit £82,022).

Balance sheet

at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible fixed assets	9		1,138		1,698
Investments	10		475,937		368,929
Total fixed assets			477,075		370,627
Current assets					
Debtors	11	30,171		2,306	
Cash at bank and in hand		500,762		447,723	
			530,933	450,029	
Creditors					
Amounts falling due within one year	12	(91,379)		(19,892)	
Net current assets			439,554		430,137
Total net assets			916,629		800,764
Funds					
Unrestricted funds					
General reserves	13		726,669		707,382
Designated funds	13		136,836		85,258
Restricted funds	14		53,124		8,124
Members funds			916,629		800,764

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Directors on 17th December 2017 and signed on their behalf by



Mr RP Douglas Miller
Chairman

The notes on pages 22 to 31 form part of these financial statements.

Statement of cash flows
for the year ended at 31 March 2017

	Note	£	2017 £	£	2016 £
Net cash gained in operating activities	17		85,278		290,540
Cash flows from investing activities					
Interest and dividends		14,110		17,635	
Payments to acquire investments		(97,392)		(427)	
Receipts on disposal of investments		51,043		95,801	
Payments to acquire assets		-		(1,158)	
Net cash (used in)/provided by investing activities			(32,239)		111,851
Change in cash and cash equivalents in the reporting period			53,039		402,391
Cash and cash equivalents at the beginning of the reporting period			447,723		45,332
Cash and cash equivalents at the end of the reporting period			500,762		447,723

Notes to the financial statements

1 Accounting policies

Status of trust

Atlantic Salmon Trust is a company limited by guarantee and does not have a share capital. Every member, being the company directors, undertakes to contribute to its assets in the event of its being wound up for payment of any debts and liabilities contracted prior thereto of such an amount as may be required, but not exceeding £5 per member.

Atlantic Salmon Trust is a charity registered in Scotland and England & Wales the principal address is Fishmongers' Hall, London, EC4R 9EL.

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of the investments at fair value. The financial statements incorporate the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 the Charities Act 2011 and (Scotland) Regulations 2006 (as amended).

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

As common with many businesses of a similar size, the company uses its auditors to assist in the preparation of its financial statements.

The following is a summary of the significant accounting policies adopted by the Trust in the preparation of the financial statements.

Income

All incoming resources are included in the Statement of Financial Activities 'SOFA' when the Trust is legally entitled to the income, it is probable that the income will be received and the amount of income can be measured reliably, and the amount can be quantified with reasonable accuracy.

Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that a settlement will be required and the amount of the obligation can be measured reliably.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Resources expended are included in the financial statements on an accruals basis. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

- Raising funds are those incurred in attracting voluntary income, and those incurred in activities that raise funds.
- Charitable activities include expenditure associated with promotion of salmon conservation and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated on a basis consistent with the use of resources.

Operating leases

Rentals are included in the financial statements on a straight line basis over the period of the lease.

Pensions

The Trust makes contributions to a personal pension scheme on behalf of its employees, contributions to this fund are charged to the profit and loss account as incurred.

Tangible fixed assets

Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets over their estimated future lives of four years. Items purchased exceeding £200 are capitalised.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of investment risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitudes of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Any unrealised net gains accumulated in the investment reserve account are regarded by the Directors as part of the permanent capital of the Trust and therefore not available to finance either the administrative expenditure of the charity, or scientific research costs.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised as transaction value and subsequently measured at their settlement value.

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank

Cash at bank includes cash held in a deposit or held by the investment managers.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Funds

With the adoption of the FRS 102 SORP, all income and expenditure is dealt with through the Statement of Financial Activities. Funds are classified as restricted, unrestricted or designated funds, defined as follows:

Restricted funds are funds subject to specific purposes, which may be declared by the donors or with their authority (e.g. by restrictive wording or resulting from a specific appeal).

Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of Atlantic Salmon Trust Limited.

Designated funds comprise unrestricted funds that have been set aside by the Directors, which is the excess of value of assets above their original cost.

If required, a transfer will be made from unrestricted funds to restricted funds to compensate fully all funds which would otherwise be in deficit at the accounting date.

Notes to the financial statements *(continued)*

2 Incoming resources

	2017 £	2016 £
Donations		
Gift Aid donations including tax recoverable	8,337	4,834
General, pledged donations and legacies	225,566	130,732
	<hr/> 233,903	<hr/> 135,566
Grants from specific projects (note 14)	<hr/> 45,000	<hr/> 12,862
Investment income	14,110	17,635
Other trading activities		
Gross proceeds from auction	38,230	53,676
Publications and promotional items income	-	332
Rental income	-	1,362
Seminar income	5,000	460
2 nd International Sea Trout income	3,000	-
Merchandise sales	399	-
Miscellaneous income	730	-
Smolt Conference income	15,785	-
	<hr/> 63,144	<hr/> 55,830
Total income	<hr/> <hr/> 356,157	<hr/> <hr/> 221,893

Notes to the financial statements *(continued)*

3 Allocation of support

The trust allocates its support costs as shown in the table below. Support costs are allocated on a basis consistent with the use of resources.

	Raising Funds £	Promotion of salmon conservation £	Governance £	Total 2017 £	Total 2016 £
Support costs					
Staff salaries	9,913	95,300	13,479	118,692	111,232
Pension	-	-	-	-	9,049
Office costs	-	19,481	-	19,481	14,617
Travel	-	-	1,281	1,281	-
Bank charges	-	680	-	680	-
Depreciation	-	560	-	560	270
Audit	-	-	6,277	6,277	4,970
Professional fees	-	-	822	822	839
Legal fees	-	-	1,530	1,530	1,129
Board and committee meetings	-	-	5,327	5,327	4,452
Subscriptions and fees	-	1,201	-	1,201	-
IT and website costs	-	9,544	-	9,544	11,687
	9,913	126,766	28,716	165,395	158,245
Total					

4 Expenditure including support costs

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Raising funds				
Staff costs	9,913	-	9,913	20,024
Annual fishing auction	16,094	-	16,094	13,886
Investment managers costs	2,949	-	2,949	3,686
Fundraiser costs	8,384	-	8,384	-
	37,340	-	37,340	37,596
Direct charitable expenditure on promotion of salmon conservation				
Scientific research expenditure (Note 5)	46,046	2,263	48,309	41,351
Other direct charitable expenditure	51,321	-	51,321	71,678
London Chapter and AST events	2,651	-	2,651	4,160
Atlantic Salmon Federation	5,848	-	5,848	-
	105,866	2,263	108,129	117,189
Support costs (Note 3)	126,766	-	126,766	116,222
Governance costs (Note 3)	28,716	-	28,716	21,999
Total direct charitable expenditure on promotion of salmon conservation	261,348	2,263	263,611	255,410
Total expenditure	298,688	2,263	300,951	293,006

Notes to the financial statements *(continued)*

5 Scientific project expenditure financed directly by Atlantic Salmon Trust

	2017 £	2016 £
Anadromy Research in the Tweed Tributaries	-	2,000
Rivers Trust Autumn Awards	-	1,000
2 nd International Sea Trout Symposium	5,000	-
NowPas	2,000	2,000
Freshwater Biological Association - Archiving	-	1,110
University of Glasgow - Why does "brown trout" become "sea trout"	-	2,000
Acoustic Tracking Projects	2,675	-
NASCO costs	923	-
PELAC	82	-
Small Streams Manual	3,470	2,800
University of Exeter – Sea Trout sex ratios in the River Tamar	5,000	5,500
– Shetland Sea Trout	-	7,500
Online Integrity – Salmon Population Modeller	-	2,580
eDNA Technology in the Assessment of Pelagic by catch	2,493	7,868
Zoological Society – Management of genetic studies of the North Norfolk Sea Trout	5,000	5,000
Marine Institute position of salmonids in the Carbon Cycle of Peatland Lake	-	1,993
Smolt Conference	11,912	-
Telford stock assessment	687	-
River Trust Workshop	1,213	-
Catch and Release Video	2,854	-
Tweed Foundation and Moray Firth Trout Initiative (MFTI) Stable Isotopes	5,000	-
Total scientific projects financed by Atlantic Salmon Trust	48,309	41,351

6 Net income/(expenditure)

	2017 £	2016 £
Net income/(expenditure) is stated after charging:		
Depreciation of tangible fixed assets	560	270
Auditor's remuneration – audit fee	5,230	4,970
– other services	1,722	839

7 Staff costs

	2017 £	2016 £
Salaries	109,804	104,166
Social security costs	8,888	7,066
Pension costs	-	9,049
Total staff costs	118,692	120,281

No employees earned more than £60,000 per annum (2016 - same).

The average monthly number of persons employed by the Trust during the year ended 31 March 2017 was 3 (2016 - 3).

Notes to the financial statements *(continued)*

8 Key management personnel

As allowed by the Trust's Memorandum and Articles of Association, the Trust paid remuneration to 2 directors (2016 - 2) totalling £86,712 (2016 - £81,666) as detailed below:

	2017 £	2016 £
Mr APH Andrews	-	49,736
Mr CI Llewelyn	31,930	31,930
Mrs SAB Slater	54,782	-
	<hr/> 86,712 <hr/>	<hr/> 81,666 <hr/>

Employer's National Insurance for these individuals was £9,813 (2016: £9,031).

Travel and subsistence expenses totalling £2,872 (2016 - £4,030) were repaid to 1 director during the year for work outwith normal board meeting attendance.

During the year scientific fees were paid to Dr K Whelan (a former director who resigned 22/2/2016) of £46,764 (2016 - £50,622). At the year end £Nil (2016 - £4,015) was outstanding and included in other creditors and accrued expenses.

9 Tangible fixed assets

	Office Equipment £
Cost or valuation	
At 1 April 2016	8,081
Disposals	(5,374)
	<hr/>
At 31 March 2017	2,707 <hr/>
Depreciation	
At 1 April 2016	6,383
Charge for year	560
On disposals	(5,374)
	<hr/>
At 31 March 2017	1,569 <hr/>
Net book values	
At 31 March 2017	1,138 <hr/> <hr/>
At 31 March 2016	1,698 <hr/> <hr/>

Notes to the financial statements *(continued)*

10 Quoted shares and securities

Investments	£
Historical cost at 31 March 2016	283,671
Unrealised appreciation	85,258
 Fair value at 31 March 2016	 368,929
Movements during year:	
Purchases in year	97,392
Sale proceeds	(51,043)
Gain on sale in year at fair value	8,778
Increase in unrealised appreciation	51,881
 Fair value at 31 March 2017	 475,937
 Historical cost at 31 March 2017	 339,101
Unrealised appreciation	136,836
	 475,937

The quoted shares and securities are valued at mid-market prices, based on a report dated 31 March 2017 by the investment managers to the Trust.

11 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Accrued income	8,337	-
Prepayments	18,791	2,306
Other debtors	3,043	-
	<hr/> 30,171 <hr/>	<hr/> 2,306 <hr/>

12 Creditors	2017	2016
	£	£
Amounts falling due within one year:		
Other creditors and accrued expenses	22,155	16,835
Other taxes and social security costs	123	3,057
Deferred income	69,101	-
	<hr/> 91,379 <hr/>	<hr/> 19,892 <hr/>

Notes to the financial statements *(continued)*

13 Unrestricted funds

	Unrestricted funds £	Designated funds £	Total Unrestricted funds £
At 31 March 2016	707,382	85,258	792,640
Net movement in funds during the year	73,128	-	73,128
Transfers	(53,841)	51,578	(2,263)
At 31 March 2017	726,669	136,836	863,505

14 Restricted funds

	Balance at 31 March 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
(a) Lost at Sea	2,285	-	-	-	2,285
(b) Pelagic by-catch	-	-	(2,263)	2,263	-
(c) Track Salmon	5,839	45,000	-	-	50,839
	8,124	45,000	(2,263)	2,263	53,124

- a) Lost at Sea – Donations to be used to fund video being produced externally
b) Project to establish a model to measure the extent of accidental by-catch by pelagic trawlers
c) Project to track Atlantic salmon to and from native rivers to ocean feeding areas

15 Analysis of net assets between funds

	General reserves £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	1,138	-	-	1,138
Investments	339,101	136,836		475,937
Net current assets	477,809		53,124	530,933
Creditors	(91,379)	-	-	(91,379)
	<u>726,669</u>	<u>136,836</u>	<u>53,124</u>	<u>916,629</u>

Notes to the financial statements *(continued)*

16 Related party transactions

During the year the company incurred costs amounting to £7,930 (2016 - £1,253) from Gillespie MacAndrew LLP, an LLP in which Mr RA Scott-Dempster is a member.

During the year the company received income amounting to £Nil (2016- £1,362) from Countryside Learning Scotland of which Mr APH Andrews is a member.

During the year the company incurred costs for consultancy work amounting to £Nil (2016: £8,868) from Active Fusion SARL of which Mrs SA Bayley Slater is a director.

17 Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	115,865	(91,070)
Adjustments for:		
Investment income shown in investing activities	(14,110)	(17,635)
Depreciation charges	560	270
(Gain)/loss on investments	(60,659)	19,957
(Increase)/decrease in debtors	(27,865)	378,415
Increase in creditors	71,487	603
	<hr/> 85,278 <hr/>	<hr/> 290,540 <hr/>