

**STICHTING AQUACULTURE STEWARDSHIP COUNCIL
FOUNDATION
AT AMSTERDAM**

Annual Report 2019

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INDEPENDENT AUDITOR'S REPORT

To the management of
Stichting Aquaculture Stewardship Council Foundation
Daalseplein 101
3511SX Utrecht

<i>Reference</i>	<i>Processed by</i>	<i>Date</i>
10150600	KH	April 23, 2021

Dear management,

We hereby send you the report regarding the financial statements for the year 2019 of the foundation.

ENGAGEMENT

In accordance with your instructions we have audited the annual account 2019 of the foundation, including the balance sheet with counts of € 414,958 and the statement of income and expenditure with a negative result of € 74,021.

For the audit opinion we refer to page 16 of this report.

MANAGEMENT REPORT

The report is available for inspection at the office of Stichting Aquaculture Stewardship Council Foundation and submitted in the consolidated annual accounts of Aquaculture Stewardship Council Limited.

Stichting Aquaculture Stewardship Council Foundation, Amsterdam

BALANCE SHEET AS AT DECEMBER 31, 2019

(after result appropriation)

	December 31, 2019		December 31, 2018	
	€	€	€	€
ASSETS				
Fixed assets				
Tangible fixed assets (1)				
Other fixed operating assets		-		8,872
Financial fixed assets (2)				
Participations in group companies		1		-
Current assets				
Receivables, prepayments and accrued income (3)				
Trade receivables	-		2,471	
Receivables from group companies	15,634		-	
Taxes and social securities	-		16,536	
Prepayments and accrued income	-		47,788	
		15,634		66,795
Cash and cash equivalents		399,323		473,510
		414,957		540,305
		<u>414,958</u>		<u>549,177</u>

	December 31, 2019		December 31, 2018	
	€	€	€	€
RESERVES AND FUNDS AND LIABILITIES				
Reserves and funds	(4)			
General reserve		149,420		223,441
Current liabilities	(5)			
Trade creditors		5,484		6,694
Accruals and deferred income		260,054		319,042
		<u>265,538</u>		<u>325,736</u>
		<u>414,958</u>		<u>549,177</u>

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR 2019

	Balance 2019	Balance 2018
	€	€
Income		
Income from joint activities	(6) 1,700,000	1,324,170
Grants from non-governmental organizations	(7) 162,036	215,313
Sum of income	1,862,036	1,539,483
Expenses		
Costs of management and accounting		
Operation fee respectively employee expenses	(8) 1,862,036	739,395
Amortisation and depreciation	(9) -	2,076
Other operating expenses	(10) 45,419	778,003
	1,907,455	1,519,474
Balance before financial income and expense	-45,419	20,009
Financial income and expenses	(11) 9	-3,513
	-45,410	16,496
Result participating interests	(12) -28,611	-
Result	-74,021	16,496
Appropriation of the results		
General reserve	-74,021	16,496

NOTES TO THE FINANCIAL STATEMENTS

GENERAL

Activities

The mission of Stichting Aquaculture Stewardship Council Foundation, statutory registered at Amsterdam, is to transform aquaculture towards environmental sustainability and social responsibility using efficient market mechanisms that create value across the chain. Activities include fostering and increasing the measurability for responsibly farmed seafood.

Registered office, legal form and registration number at the chamber of commerce

The actual address of Stichting Aquaculture Stewardship Council Foundation is Daalseplein 101 at Utrecht but has its registered office at Amsterdam and is registered at the chamber of commerce under number 34389683.

Group structure

Stichting Aquaculture Stewardship Council Foundation forms a partnership and group with Aquaculture Stewardship Council Limited in London as head of this group. The financial data of the partnership is to be included in the consolidated annual accounts of the group. As the group is managed and controlled by the Executive Board and Supervisory Board of Aquaculture Stewardship Council with its principal office in London.

Key elements such as the budget and the trustees annual report will only be submitted in the consolidated annual report prepared by Aquaculture Stewardship Council Limited.

All trading activities related to logo licensing (ASC label) are carried out by ASCI Limited, which is wholly owned by charity Aquaculture Stewardship Council, located in London. The ASC Trade Mark is owned by Stichting Aquaculture Stewardship Council Foundation at Utrecht managed and maintained by ASCI Netherlands B.V.

Mergers and acquisitions

By deed of legal demerger dated October 28, 2019, Stichting Aquaculture Stewardship Council Foundation split off part of its assets with ASCI Netherlands B.V. With effect from January 1, 2019, the acquiring company accounts for the financial data regarding the acquired part of the assets in its annual financial statements. At the demerger Stichting Aquaculture Stewardship Council Foundation acquired all shares in the company ASCI Netherlands B.V.

In accordance with the deed the income and expenses for 2019 are included in the annual accounts of the company ASCI Netherlands B.V.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS

The annual accounts have been prepared in accordance with the Guideline for annual reporting 640 "Not-for-profit organizations" of the Dutch Accounting Standards Board.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at nominal value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Revenues from services are recognised in proportion to the services rendered. The cost price of these services is allocated to the same period.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. The exchange differences resulting from the conversion as of balance sheet date, taking into account possible hedge transactions, are recorded in the statement of income and expenditure.

ACCOUNTING PRINCIPLES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

Tangible fixed assets are presented at acquisition price less cumulative depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

Financial fixed assets

Participating interests where significant influence is exercised over the business and financial policy are valued according to the equity method on the basis of the nett asset value. Participating interests without such influence, are valued at the acquisition price, taking into account a provision for value decreases.

Participating interests with negative nett capital value are valued at zero. If the stichting fully or partly guarantees the liabilities of the participation concerned, or is effectively obliged to enable the participation to pay its (share of) liabilities, a provision is formed. Provisions for doubtful debts which are already deducted from receivables from the participation are taken into account when determining the amount for the provision.

Receivables, prepayments and accrued income

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

Cash and cash equivalents

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price.

When there are no premiums, discounts or transaction costs, the amortised cost is equal to the nominal value.

ACCOUNTING PRINCIPLES FOR THE DETERMINATION OF THE RESULT

Determination of the result

The result is determined based upon the difference between the income and the costs and other expenses taking into account the aforementioned valuation principles.

Operation fee respectively employee expenses

The amounts payable to the personnel are processed in the statement of income and expenditure on the basis of the employment-contracts.

Amortisation and depreciation

The depreciation on tangible fixed assets is calculated by using a fixed rate on the acquisition cost based on the expected life cycle. Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Financial income and expenses

Financial income and expenses comprise interest income and expenses for loans (issued and received) during the current reporting period.

Result participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to Stichting Aquaculture Stewardship Council Foundation.

Taxes

Stichting Aquaculture Stewardship Council Foundation is granted the so called ANBI status by the Dutch tax authorities, which means the organisation is not obligated to pay corporate income taxes.

NOTES TO THE BALANCE SHEET AS OF DECEMBER 31, 2019

1. Tangible fixed assets

	Other fixed operating assets
	€
Carrying amount as of January 1, 2019	8,872
Depreciation	-
Legal demerger as of January 1, 2019	-8,872
Carrying amount as of December 31, 2019	-
Purchase price	15,732
Cumulative depreciation and impairment	-15,732
Carrying amount as of December 31, 2019	-
<i>Depreciation rates</i>	%
Other fixed operating assets	20

2. Financial fixed assets

	12/31/2019	12/31/2018
	€	€
Participations in group companies		
ASCI Netherlands B.V. at Utrecht (100%)	1	-

	2019	2018
	€	€
<i>ASCI Netherlands B.V.</i>		
Carrying amount as of January 1	-	-
Legal demerger (issued shares)	3	-
Legal demerger	28,609	-
Share in result	-28,611	-
Carrying amount as of December 31	1	-

With the deed dated 28 December 2020 an earlier sale transaction of 65% of the shares in the participation has been canceled. For this reason, the basic assumption in the annual accounts is that all shares have been the property of the Stichting Aquacultural Stewardship Council Foundation since their incorporation.

3. Receivables, prepayments and accrued income

	12/31/2019	12/31/2018
	€	€
Trade receivables		
Debtors	-	2,471

Receivables from group companies

ASCI Netherlands B.V.

	2019	2018
	€	€
Carrying amount as of January 1	-	-
Movement	15,634	-
Carrying amount as of December 31	15,634	-

No interest has been calculated.

	12/31/2019	12/31/2018
	€	€
Taxes and social securities		
Pay-roll tax	-	16,536

Prepayments and accrued income

Rental deposits	-	11,253
Prepaid expenses	-	36,535
	-	47,788

4. Reserves and funds

	2019	2018
	€	€
General reserve		
Carrying amount as of January 1	223,441	206,945
Allocation of financial year nett result	-74,021	16,496
Carrying amount as of December 31	149,420	223,441

5. Current liabilities

	<u>12/31/2019</u>	<u>12/31/2018</u>
	€	€
Trade creditors		
Creditors	<u>5,484</u>	<u>6,694</u>
Accruals and deferred income		
Holiday allowance	-	26,930
Deferred income	239,509	271,528
Other accrued expenses	<u>20,545</u>	<u>20,584</u>
	<u>260,054</u>	<u>319,042</u>

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR 2019

	Balance 2019	Balance 2018
	€	€
6. Income from joint activities		
Aquaculture Stewardship Council Ltd, UK	1,700,000	1,324,170
7. Grants from non-governmental organizations		
New Venture	23,574	29,717
David and Lucile Packard Foundation	17,303	7,055
Swedish Lottery	-	60,449
Sillicon Valley	25,370	77,055
WWF Netherlands	12,000	34,000
ISEAL	25,977	7,037
Walton Foundation	57,812	-
	<u>162,036</u>	<u>215,313</u>
8. Operation fee respectively employee expenses		
Wages and salaries	-	605,129
Social security charges	-	92,560
Pension costs	-	41,706
Operation Fee ASCI Netherlands B.V.	1,862,036	-
	<u>1,862,036</u>	<u>739,395</u>
Staff		
During 2019, no employees were employed on a full-time basis (2018: 12).		
9. Amortisation and depreciation		
Tangible fixed assets	-	2,076
10. Other operating expenses		
Other labour costs	790	325,657
Accomodation expenses	-	72,392
Office expenses	1,170	32,554
Selling and distribution expenses	-1,332	191,517
General expenses	44,791	155,883
	<u>45,419</u>	<u>778,003</u>
<i>Other labour costs</i>		
Temporary workers	-	178,881
Travelling expenses	790	145,885
Canteen costs	-	792
Education allowance and training costs	-	99
	<u>790</u>	<u>325,657</u>

	<u>Balance 2019</u>	<u>Balance 2018</u>
	€	€
11. Financial income and expenses		
Interest and similar income	9	95
Interest and similar expenses	-	-3,608
	<u>9</u>	<u>-3,513</u>
12. Result participating interests		
Share in result of ASCI Netherlands B.V.	<u>-28,611</u>	<u>-</u>
Signing of the financial statements		

Utrecht, April 23, 2021

Mr. C.H. Ninnes, Chief Executive Officer

To: supervisory board of
Stichting Aquaculture Stewardship Council Foundation
Daalseplein 101
3511 SX Utrecht

INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements 2019 included in the annual report

Our opinion

We have audited the financial statements 2019 of Stichting Aquaculture Stewardship Council Foundation based in Utrecht, The Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Aquaculture Stewardship Council Foundation as at 31 December 2019 and of its result for 2019 in accordance with RJ 640 'Not-for-profit organisations'.

The financial statements comprise:

1. the balance sheet as at 31 December 2019
2. the statement of income and expenditure for 2019; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including RJ 640 'Not-for-profit organisations'. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Aquaculture Stewardship Council Foundation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of the management report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with RJ 640 'Not-for-profit organisations'.

C. Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with RJ 640 'Not-for-profit organisations'. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the foundation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with RJ 640 'Not-for-profit organisations', ethical requirements and independence requirements. Our audit included among others:

1. identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
2. obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control;
3. evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

4. concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a foundation to cease to continue as a going concern.
5. evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
6. evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Zeist, April 23rd, 2021

VDGC accountants en belastingadviseurs

Drs. J.W.A. van Dijk
Registeraccountant/MGA