

**BLUE MARINE FOUNDATION**  
**(a Company Limited by Guarantee)**

**REPORT AND AUDITED ACCOUNTS**

**YEAR ENDED 31 MARCH 2015**

**Company number: 07176743**

# BLUE MARINE FOUNDATION

## I N D E X

Year ended 31 March 2015

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**BLUE MARINE FOUNDATION**

**GENERAL INFORMATION**

**Year ended 31 March 2015**

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**Directors and trustees**

G L Duffield  
C M J Gorell Barnes  
C R H Clover (resigned 11 November 2015)  
T P S Appleby  
A K O Brady  
Lord J S Deben  
Prof C M Roberts  
M R Rose  
A Weston  
D C Davies

**Registered office**

Third Floor  
South Building  
Somerset House  
Strand  
London  
WC2R 1LA

**Charity number**

1137209

**Company registration number**

07176743

**Auditors**

Dixon Wilson  
22 Chancery Lane  
London  
WC2A 1LS

**Bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

**Solicitors**

Latham & Watkins LLP  
99 Bishopsgate  
London  
EC2M 3XF

## **BLUE MARINE FOUNDATION**

### **R E P O R T   O F   T H E   T R U S T E E S**

**Year ended 31 March 2015**

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The Trustees present their report and financial statements of Blue Marine Foundation (“BLUE” “the charitable company”) for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out on pages 11 and 12 and with the special provisions of Part 15 of the Companies Act 2006 relating to small entities and comply with the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

Blue Marine Foundation is a charitable company limited by guarantee and became a registered charity on 30 July 2010.

#### **Structure, governance and management**

The names of the directors who served throughout the year, unless otherwise stated, are noted on page 2. The directors of the charitable company are also charity trustees for the purposes of charity law.

The liability of each guarantor in the event of a winding up is limited to £1. At 31 March 2015 there were three guarantors: C R H Clover, G L Duffield and C M J Gorell Barnes.

New trustees are nominated by simple majority of votes at any meeting of the Trustees. New trustees are provided with guidance as to their responsibilities from existing trustees and from the trustees’ solicitors. The duration of a Trustee’s term will be three years, with annual reviews by both parties.

The charitable company is governed by Memorandum and Articles of Association dated 12 February 2010. Application of income of the charitable company is limited to the promotion of its objects. Decisions are made by simple majority of votes cast at a meeting of the trustees.

The trustees continually assess the risks to which the charitable company might be exposed and adjust the charitable company’s strategies and implementation of objects accordingly.

#### **Objects and activities for the public benefit**

The objects of the charitable company under the terms of the Memorandum of Association for this period and the future are:

- To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment by promoting marine preservation and the prevention of marine biodiversity decline.
- To advance the education of the public in conservation protection and the improvement of the marine environment.

BLUE is working to solve the crisis in the oceans through providing innovative solutions to overfishing and enabling the creation of marine reserves. BLUE’s primary aim is the active and effective protection of 10% of the world’s oceans by 2020.

#### **Achievements and performance in last five years**

The Blue Marine Foundation (BLUE) has now been in existence for five years and has already achieved a significant amount of ocean conservation, including:

- In 2010, BLUE played a key role in catalysing the creation of the world’s largest fully protected marine reserve around one of the UK Overseas Territories (UKOTs), Chagos in the Indian Ocean, doubling the amount of ocean under protection in the world at the time.
- In 2012, BLUE partnered with the government of Belize and the Bertarelli Foundation to protect the Turneffe Atoll in Belize, an area rich in biodiversity and CO<sub>2</sub> absorbing mangroves.
- In 2012, BLUE initiated a fully traceable, sustainable fishery in Lyme Bay, Dorset by forming a collective where fishermen benefit from becoming conservationists. This model is being applied to other coastal areas in the UK including the Solent where BLUE has instigated a plan to restore the native oyster.
- BLUE has partnered with local NGOs in Scotland to develop marine protected areas and promote sustainable fishing practices, and has co-funded a community support officer to help communities establish Marine Protected Areas.
- In 2014, a report commissioned by BLUE questioned the legality of over-fishing. This work gave rise to BLUE’s current campaign to curb over-fishing of vulnerable fish species around the UK, including sea bass.



## BLUE MARINE FOUNDATION

### REPORT OF THE TRUSTEES

Year ended 31 March 2015

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- In 2015, as part of the Great British Oceans Coalition, BLUE successfully campaigned for marine protection around the UK Overseas Territories resulting in the UK government's announcement to create the world's biggest marine reserve around Pitcairn Island and to create a 'blue belt' around the UK's 14 Overseas Territories.
- In 2014 BLUE was NGO of the Year in the PEA (People Environment Achievement awards) and in 2015 won four PEA awards as part of the GB Oceans Coalition including 'Overall Champion 2015'.

#### Project focus in the year under review:

##### Protecting the UK Overseas Territories

The UK's overseas territories contain an astonishing 94% of the UK's biodiversity, and yet many are unprotected from aggressive fishing carried out by foreign fleets operating in UK waters. BLUE has been campaigning for the UK government to protect its vast, but hitherto overlooked marine estate.

BLUE, as part of the GB Oceans Campaign, achieved an unprecedented conservation win in April 2015 when the government announced its intention of designating a marine reserve around Pitcairn in the Pacific, the world's newest and largest marine reserve, and a commitment to create a 'Blue Belt' around all the UKOTs, including Ascension in the Atlantic. In the wake of this ambitious pledge, BLUE is working with the UK government, the Foreign Office and the Ascension Island Government to overcome hurdles and demonstrate the social and economic value of MPAs. With BLUE's connections, experience and determination, we are well-placed to encourage the government to deliver on what has been described as 'the greatest conservation commitment by any government ever'.

Our recent work with Ascension has involved a visit to the island by Charles Clover and the funding of a British Antarctic Survey expedition, both of which helped convince the locals of the economic and scientific merits of marine protection around the island. A successful outcome in Ascension will smooth the path for the creation of marine reserves, or the improvement of existing ones, around other UKOTs. We see the next five years as a critical time to work with this government and use current momentum to meet our target of 10% of oceans under protection by 2020.

##### Community-based models of sustainable fishing in UK inshore waters: Lyme Bay and beyond

BLUE's project in Lyme Bay has brought together fishermen, conservationists and regulators to create a new model of sustainable fishing where the fishermen are incentivised to fish less and protect the reef in return for receiving higher prices for their fish. The project has been operational for three years and is having a tangible impact on the lives of the fishermen as well as the marine ecology of the area. We are working with Plymouth University on studies which will quantify the success of Lyme Bay in terms of increase in fish populations, regeneration of the marine environment and improved livelihoods for fishermen and their communities. An educational exhibition will showcase the project to the general public.

##### The Solent

BLUE is now rolling out the Lyme Bay model round the British coast, to improve the way in which inshore fisheries are managed for the benefit of fishermen, fish stocks, marine habitats and local communities. Areas of focus include the Solent and the Blackwater Estuary in Essex. In the Solent, BLUE is embarking on a five-year project to restore the collapsed native oyster fishery. Regeneration of the Solent's oyster fishery offers multiple benefits to the environment, fishermen and the local community, creating sustainable jobs and improving the local economy. The past year has seen the establishment of the Solent Working Group to involve key stakeholders and the implementation of a management plan which will identify sites best suited to re-seed the oyster population. Working with MDL Marinas and Ben Ainslee Racing, BLUE has suspended cages containing oyster cultch under marinas as part of the re-seeding programme.

##### Tackling over-fishing in UK waters

As part of BLUE's ongoing work to influence legislation and tackle over-fishing, we have identified that European bass is particularly vulnerable and would benefit from a national and Europe-wide management plan. Having already helped to precipitate emergency measures by Brussels at the end of 2014, vital questions remain around how bass catches will be returned to maximum sustainable yield. BLUE is convening a workshop for key stakeholders to achieve a

## **BLUE MARINE FOUNDATION**

### **R E P O R T O F T H E T R U S T E E S**

**Year ended 31 March 2015**

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common understanding of the problems. A report resulting from this workshop will be presented to the EU consultations in December 2015.

#### **Scotland**

BLUE has continued to co-fund a community support officer (for £10,000 in this financial year, from a total of £35,000 spread over three years). She has been helping Scottish island communities develop proposals with the Scottish government to create marine protected areas.

#### **Capacity building at BLUE**

This year, BLUE has significantly increased its capacity to deliver on projects recruiting a Head of Conservation, a Project Officer and a Technical Expert. BLUE is now in a stronger position than it has ever been to apply its expertise to meaningful ocean conservation and is delivering a wealth of tangible results.

BLUE aims to achieve impactful ocean conservation that benefits both communities and the marine environment. We are looking not just to find sticking plaster solutions to the oceans crisis, but to deliver systemic and lasting change through the creation of marine reserves and the establishment of sustainable fishing practices.

#### **Public benefit**

The Trustees, having regard to the Public Benefit Guidance published by the Charity Commission in accordance with section 17 of The Charities Act 2011, consider that the purpose and activities of Blue Marine Foundation satisfy the requirements of the public benefit test set out in section 4 of the same Act.

#### **Financial review**

The accounts are set out on pages 9 to 20.

Donations amounting to £1,920,988 (gross) (2014 - £1,802,824 (gross)) were received during the year, and £2,068,888 (2014 - £1,944,495) was distributed during the year. The subsidiary company, BMF Trading Ltd, provided marketing and branding services in order to generate funds for Blue Marine Foundation. Total funds held at 31 March 2015 amounted to £541,457 (2014 - £652,967) and include BMF Trading Limited accumulated losses of £108,952 (2014 - accumulated losses of £121,103) and fixed assets of £15,865 (2014 - £18,414). The Trustees are confident that reserves will not prove to be excessive when future activities, currently under review, are initiated.

#### **Reserves policy**

Any funds generated during a financial period which are not needed to meet day to day unrestricted expenditure requirements are placed in a savings account until required.

The Trustees have agreed a policy in respect of reserves that address the following financial objectives:

- After taking account of any unrestricted funds designated to potential projects, at least six months operating and governance costs should be available within unrestricted funds (held in instant access deposit accounts) to enable the charity to sustain its operations and cover any short-term funding requirements should any unforeseen circumstances arise.
- To ensure the continued success of the charitable company (and to enable it to have continuing support for the visionary thinking it has so far demonstrated) where funders are sought for specific (restricted fund) projects, they will also be requested to contribute/ donate a proportion of their overall giving to help cover ongoing unrestricted expenditure.
- On a regular basis, and on the provision of considered proposals (reviewed against BLUE's proposed project criteria) by the executive team, specific consideration will be given by the Trustees as to whether any unrestricted funds should be set aside and designated for use to explore potential project opportunities. Such designations of unrestricted funds will ordinarily only be considered if, in the opinion of the Trustees, the first objective above is met though this is subject to Trustees' discretion.

"Free reserves" held at 31 March 2015 (consisting of amounts which could be spent without disposing of fixed assets or investments and excluding designated funds), amounted to £326,112 (2014 - £468,499).



## **BLUE MARINE FOUNDATION**

### **R E P O R T   O F   T H E   T R U S T E E S**

**Year ended 31 March 2015**

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These reserves are available for expenditure on further charitable opportunities which may arise, and also provide financial stability which is vital given the uncertain nature of future income streams. The Trustees are confident that reserves will not prove to be excessive in light of the level of future activity anticipated.

#### **Risk management**

The Trustees have identified the major risks to which the charitable company is exposed and have established systems and procedures to mitigate those risks. The Trustees review all financial, operational and reputational risks at each Board meeting and take any necessary steps to reduce/remove them. Risk and risk management is periodically reviewed to ensure that procedures meet the needs of the Trust and comply with best practice.

#### **Future developments**

BLUE will continue to work with the UK government and its coalition partners to secure more of the UK overseas territories under protection. Particular areas of focus will include St Helena, Tristan da Cunha and Bermuda.

In addition, BLUE is hoping to expand its overseas work with a number of new projects, including restoring the Beluga sturgeon in the Caspian Sea and its tributaries, restoring grouper populations in the Maldives and working with the Aeolian Preservation Fund to create a network of marine reserves around the Aeolian Islands to the north of Sicily.

An assessment of Lyme Bay will prove its social and environmental benefits. The Lyme Bay model will be applied to other sites in the UK.

The Solent project, part of the Lyme Bay roll out, will start re-seeding oysters in a bid to restore the fishery but also address wide-ranging pollution issues in the Solent.

BLUE will be holding a number of symposiums in the coming year to which members of Join BLUE and the Blue Marine Yacht Club will be invited.

#### **BLUE's strategy for the coming year**

BLUE will continue to focus on delivering practical solutions to the challenges of over-fishing. BLUE will identify sweet spots where it can exercise particular leverage in order to deliver tangible results. It intends to make the most of its strong connections with government, business and other NGOs to achieve measurable success.

In order to obtain maximum impact from its work, BLUE will concentrate on the following five strategies:

1. **Persuasion:** BLUE works to convince the UK and other governments to designate more marine protected areas. BLUE advocates changes in legislation to encourage more sustainable fishing practices.
2. **Innovation:** BLUE works at the local level to develop best-practice sustainable fisheries that demonstrate how livelihoods and ocean conservation go hand in hand.
3. **Awareness:** Through reports, films, articles, images and presentations, BLUE works tirelessly to draw attention to the crisis in the oceans and demonstrate how it can be solved.
4. **Brokering:** BLUE brings together sources of funding, governments and conservation expertise to catalyse the creation of vast marine protected areas.
5. **Partnerships:** BLUE believes in working with others to bring about change. BLUE works with national and local regulators, other NGOs, businesses and a range of stakeholders to achieve its goals.

## BLUE MARINE FOUNDATION

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

Year ended 31 March 2015

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#### Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of Blue Marine Foundation ("the charitable company") for the purposes of company law) are responsible for preparing the Trustees' Annual 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 trustees 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 trustees are required to:

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

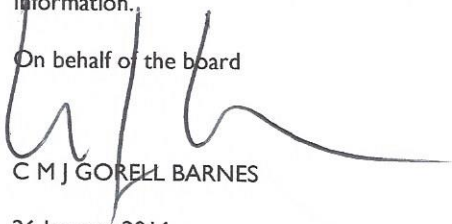
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

#### Auditors

So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware.

Each Trustee has taken all reasonable steps that he ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



C M J GORELL BARNES

26 January 2016



## **BLUE MARINE FOUNDATION**

### **I N D E P E N D E N T   A U D I T O R ' S   R E P O R T TO THE MEMBERS OF BLUE MARINE FOUNDATION Year ended 31 March 2015**

We have audited the financial statements of Blue Marine Foundation for the year ended 31 March 2015 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Auditing Practices Board's Ethical Standards for Auditors.

#### **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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. 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 group's and charitable company's affairs as at 31 March 2015 and of the group's 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Joanna Boatfield (Senior statutory auditor)  
For and on behalf of Dixon Wilson, Statutory Auditor  
22 Chancery Lane, London WC2A 1LS  
2016

**BLUE MARINE FOUNDATION****CONSOLIDATED STATEMENT OF FINANCIAL  
ACTIVITIES (INCLUDING INCOME AND EXPENDITURE  
ACCOUNT)**

Year ended 31 March 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<b>Incoming resources from generated funds</b>					
Voluntary income		745,329	1,175,659	1,920,988	1,802,824
Activities for generating funds		35,972	-	35,972	66,440
Investment income		418	-	418	579
<b>Total incoming resources</b>	1	<u>781,719</u>	<u>1,175,659</u>	<u>1,957,378</u>	<u>1,869,843</u>
<b>Resources expended</b>					
Costs of generating funds	6	(119,440)	-	(119,440)	(163,725)
Charitable activities	7	(653,513)	(1,142,638)	(1,796,151)	(1,625,474)
Governance costs	9	(153,297)	-	(153,297)	(155,296)
<b>Total resources expended</b>		<u>(926,250)</u>	<u>(1,142,638)</u>	<u>(2,068,888)</u>	<u>(1,944,495)</u>
<b>Net (outgoing)/ incoming resources</b>		<u>(144,531)</u>	<u>33,021</u>	<u>(111,510)</u>	<u>(74,652)</u>
Funds brought forward		486,508	166,459	652,967	727,619
<b>Funds carried forward</b>		<u>341,977</u>	<u>199,480</u>	<u>541,457</u>	<u>652,967</u>

The Statement of Financial Activities includes all gains and losses for the period. All incoming resources and resources expended derive from continuing activities.

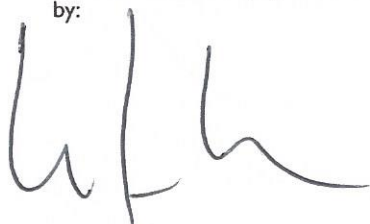
## CONSOLIDATED AND CHARITY BALANCE SHEETS

At 31 March 2015

	Note	2015 Group £	2014 Group £	2015 Charity £	2014 Charity £
<b>Fixed assets</b>					
Intangible fixed assets	11	15,372	16,668	349	671
Tangible fixed assets	12	493	1,746	493	1,746
Investments	13	-	-	200	200
<b>Total fixed assets</b>		<u>15,865</u>	<u>18,414</u>	<u>1,042</u>	<u>2,617</u>
<b>Current assets</b>					
Debtors	14	101,625	10,897	210,447	133,378
Cash at bank and in hand		492,032	724,099	485,640	714,407
		<u>593,657</u>	<u>734,996</u>	<u>696,087</u>	<u>847,785</u>
<b>Creditors: amounts falling due within one year</b>	15	(58,065)	(100,443)	(51,544)	(92,129)
<b>Net current assets</b>		<u>535,592</u>	<u>634,553</u>	<u>644,543</u>	<u>755,656</u>
<b>Creditors: amounts falling due after one year</b>	16	(10,000)	-	(10,000)	-
<b>Total net assets</b>		<u>541,457</u>	<u>652,967</u>	<u>635,585</u>	<u>758,273</u>
<b>Total funds</b>	3	<u>541,457</u>	<u>652,967</u>	<u>635,585</u>	<u>758,273</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

These accounts on pages 9 to 21 were approved by the Trustees on 26 January 2016 and were signed on its behalf by:



C M J GORELL BARNES  
Director



## **BLUE MARINE FOUNDATION**

### **A C C O U N T I N G   P O L I C I E S**

**Year ended 31 March 2015**

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#### **Accounting policies**

The financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities published in March 2005 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention.

#### **Group financial statements**

These financial statements consolidate the results of the charity and its wholly owned subsidiary BMF Trading Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself in accordance with the applicable exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP 2005.

#### **Incoming resources and resources expended**

All income is recognised in the statement of financial activities when Blue Marine Foundation has entitlement to the income. Expenditure is accounted for under the accruals basis.

Governance costs are those incurred in connection with the management of Blue Marine Foundation, organisational administration and compliance with constitutional and statutory requirements.

Donations in kind represent the cost of donated services and goods received during the year, valued at the price which the charity would pay on the open market.

#### **Funds**

Unrestricted funds are held to cover the charity against the continued financing of activities.

Restricted funds represent sums given to the charity subject to restrictions as to how the funds can be used.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

#### **Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

#### **Investments**

Investments in subsidiary undertakings are stated at cost less provision for impairment.

#### **Amortisation**

Intangible assets are capitalised and amortised in full over their useful economic lives:

##### **Asset class**

Goodwill on acquisition of BMF Trading Limited  
Trademark

##### **Amortisation method and rate**

Straight line over 20 years  
Straight line over 3 years

## **BLUE MARINE FOUNDATION**

### **A C C O U N T I N G   P O L I C I E S**

**Year ended 31 March 2015**

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#### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Website	Straight line over 3 years
Office equipment	Straight line over 3 years

#### **Allocation of support costs**

Support costs are allocated between governance, charitable activities and cost of generating funds on the basis of staff time.

**BLUE MARINE FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2015

1. Incoming resources	Unrestricted Funds £	Restricted Funds £	2015 £	2014 £
<b>Voluntary income</b>				
Corporate donations	10,000	1,000,357	1,010,357	1,003,599
Donations received from individuals	197,690	44,248	241,938	94,917
Donations received from Private Foundations	118,017	123,828	241,845	293,650
Auction income	4,772	-	4,772	16,000
BMYC Membership donations	50,000	-	50,000	49,934
Donations in kind	354,215	-	354,215	70,671
Government funding	-	-	-	270,549
Other income	10,635	7,226	17,861	2,925
	<u>745,329</u>	<u>1,175,659</u>	<u>1,920,988</u>	<u>1,802,245</u>
<b>Income from activities for generating funds</b>	35,972	-	35,972	66,440
<b>Investment income</b>	418	-	418	579
<b>Total incoming resources</b>	<u>781,719</u>	<u>1,175,659</u>	<u>1,957,378</u>	<u>1,869,264</u>

The Trustees would like to thank the following companies that provided pro-bono support to BLUE:

	2015 £	2014 £
Freud Communications	250,000	-
Latham & Watkins LLP	104,215	70,671
	<u>354,215</u>	<u>70,671</u>

**2. Analysis of fund movements**

	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Carried forward £
<b>Restricted</b>					
Lurssen	-	39,248	19,992	-	19,256
Belize	36,284	159,357	168,351	-	27,290
Chagos	-	700,000	700,000	-	-
Chagos Filming	(364)	-	-	-	(364)
Lyme Bay	130,539	261,054	253,095	-	138,498
Oceans5 Campaign	-	16,000	1,200	-	14,800
	<u>166,459</u>	<u>1,175,659</u>	<u>1,142,638</u>	<u>-</u>	<u>199,480</u>
<b>Unrestricted</b>					
General	486,508	781,719	926,250	-	341,977
<b>Total</b>	<u>652,967</u>	<u>1,957,378</u>	<u>2,068,888</u>	<u>-</u>	<u>541,457</u>



**BLUE MARINE FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2015****3. Analysis of group assets between funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2015</b>	<b>Total 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Debtors	13,098	88,527	101,625	10,897
Cash at bank and in hand	372,476	119,556	492,032	724,099
Creditors	(59,462)	(8,603)	(68,065)	(100,443)
	<u>326,112</u>	<u>199,480</u>	<u>525,592</u>	<u>634,553</u>
Intangible fixed assets	15,372	-	15,372	16,668
Tangible fixed assets	493	-	493	1,746
<b>Total</b>	<u>341,977</u>	<u>199,480</u>	<u>541,457</u>	<u>652,967</u>

**4. Financial activities of the charity**

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, BMF Trading Limited.

A summary of the financial activities undertaken by the charity is set out below:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Voluntary income</b>	1,920,988	1,802,824
Costs of generating funds	(105,485)	(128,656)
Charitable activities	(1,796,151)	(1,625,474)
Governance costs	(144,944)	(146,352)
Interest receivable	2,904	3,198
<b>Net (outgoing) resources</b>	<u>(122,688)</u>	<u>(94,460)</u>
Funds brought forward	758,273	852,733
<b>Funds carried forward</b>	<u>635,585</u>	<u>758,273</u>

**BLUE MARINE FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2015

**5. Incoming resources from activities for generating funds**

The charity owns 100% share capital in BMF Trading Limited. The subsidiary provides marketing and branding services to support Blue Marine Foundation. The charity owns the entire share capital of the company of 200 ordinary shares of £1 each. A summary of the trading results is shown below.

	<b>2015</b>	<b>2014</b>
	£	£
<b>Turnover</b>	35,972	66,440
Cost of sales and administration costs	(21,335)	(43,039)
Interest payable	(2,486)	(2,620)
Interest receivable	-	1
<b>Net profit</b>	<u>12,151</u>	<u>20,782</u>
Reserves brought forward	(121,303)	(142,085)
Reserves carried forward	<u>(109,152)</u>	<u>(121,303)</u>
<b>The assets and liabilities of the subsidiary were:</b>		
Current assets	17,751	11,064
Current liabilities	(126,703)	(132,167)
<b>Total net liabilities</b>	<u>(108,952)</u>	<u>(121,103)</u>
<b>Allotted, called up and fully paid shares</b>	<u>200</u>	<u>200</u>

**6. Costs of generating funds**

	<b>Unrestricted funds 2015</b>	<b>Unrestricted funds 2014</b>
	£	£
Direct costs	12,982	34,094
Support costs (note 8)	106,458	129,631
	<u>119,440</u>	<u>163,725</u>

# BLUE MARINE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2015

7. Charitable activities	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
Belize project	-	181,913	181,913	196,598
Chagos Marine Reserve	-	700,000	700,000	700,000
Chagos Marine Reserve Filming costs	-	-	-	4,711
End of the line project costs	-	-	-	3,270
Lyme Bay	-	235,779	235,779	-
Lyme Regis project costs	-	-	-	314,758
Lursen	-	9,360	9,360	-
Waterloo Foundation costs	-	-	-	40,660
Scotland project	-	-	-	35,000
Lyme Rollout	53,002	-	53,002	-
Oceans5 Campaign	-	1,200	1,200	-
Other donations	47,011	-	47,011	42,508
Programme related pro-bono PR support	250,000	-	250,000	-
Programme related pro-bono legal support	50,000	-	50,000	-
Support costs (note 8)	253,500	14,386	267,886	287,969
	<u>653,513</u>	<u>1,142,638</u>	<u>1,796,151</u>	<u>1,625,474</u>

### 8. Allocation of support costs and overheads

The breakdown of support costs is shown in the table below:

Cost type	2015	2014
	£	£
Wages and salaries (note 10)	234,912	230,976
Marketing and branding	17,890	26,210
Consultancy fees	130,171	107,429
Travel and subsistence	25,764	40,234
Printing, postage and stationery	3,332	3,801
Telephone and internet	3,969	4,033
Rent	16,805	20,528
Insurance	5,636	4,971
IT costs	4,781	20,620
Sundry expenses	8,448	18,539
Depreciation	1,253	3,037
Amortisation	1,296	1,270
Bank charges	2,604	1,657
	<u>456,861</u>	<u>483,305</u>

Support costs are allocated between governance, charitable activities and cost of generating funds on the basis of staff time as shown in the table below:

Total costs	2015	2014
	£	£
Costs of generating funds	106,458	129,631
Charitable activities	267,886	287,969
Governance cost	82,517	65,705
	<u>456,861</u>	<u>483,305</u>



**BLUE MARINE FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2015

9. Governance costs	2015 £	2014 £
Audit fees	5,981	5,360
Legal and professional fees	64,799	84,231
Support costs (note 8)	82,517	65,705
	<u>153,297</u>	<u>155,296</u>

As disclosed in note 1, Latham & Watkins provided pro bono legal advice totalling £104,215 (2014 - £70,761) and Freud Communications provided pro bono public relations/ communications services totalling £250,000 (2014 - £nil). The Trustees consider that approximately £50,000 of the Latham & Watkins pro bono legal advice and all of the Freud Communications pro bono advice related directly to Charitable Activities and these amounts have therefore been recorded as such (see Note 7).

10. Wages and salaries	2015 £	2014 £
Salaries and wages	211,094	210,687
Employers national insurance contributions	23,818	20,290
	<u>234,912</u>	<u>230,976</u>

The average number of employees for the year ended 31 March 2015 was four (2014 – three).

One employee (2014 – one employee) had emoluments of between £100,000 and £110,000 during the year. No other employees had emoluments of greater than £60,000.

11. Intangible fixed assets	Trademark £	Goodwill £	Total £
<b>Group</b>			
<b>Cost</b>			
At 1 April 2014	967	19,487	20,454
At 31 March 2015	<u>967</u>	<u>19,487</u>	<u>20,454</u>
<b>Amortisation</b>			
At 1 April 2014	296	3,490	3,786
Charge for the year	322	974	1,296
At 31 March 2015	<u>618</u>	<u>4,464</u>	<u>5,082</u>
<b>Net book value</b>			
At 31 March 2015	<u>349</u>	<u>15,023</u>	<u>15,372</u>
At 31 March 2014	<u>671</u>	<u>15,997</u>	<u>16,668</u>

**BLUE MARINE FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2015

**12. Tangible fixed assets**

Group and charity	Website £	Office equipment £	Total £
<b>Cost</b>			
At 1 April 2014	6,302	3,168	9,470
At 31 March 2015	<u>6,302</u>	<u>3,168</u>	<u>9,470</u>
<b>Depreciation</b>			
At 1 April 2014	5,897	1,827	7,724
Charge for the year	405	848	1,253
At 31 March 2015	<u>6,302</u>	<u>2,675</u>	<u>8,977</u>
<b>Net book value</b>			
At 31 March 2015	<u>-</u>	<u>493</u>	<u>493</u>
At 31 March 2014	<u>405</u>	<u>1,341</u>	<u>1,746</u>

**13. Investments**

Charity	Subsidiary undertakings £
<b>Cost and net book value</b>	
At 1 April 2014 and 31 March 2015	<u>200</u>

Details of the subsidiary undertakings are set out below:

	Country of incorporation	% held	Activity
BMF Trading Limited 200 Ordinary shares of £1 each	England	100	Providing support to activities of Blue Marine Foundation

**14. Debtors**

	2015 Group £	2014 Group £	2015 Charity £	2014 Charity £
Amounts owed by group undertakings	-	-	120,181	123,852
Trade debtors	91,482	165	82,226	165
Other debtors	10,143	10,732	8,040	9,361
	<u>101,625</u>	<u>10,897</u>	<u>210,447</u>	<u>133,378</u>

**BLUE MARINE FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2015**

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<b>15. Creditors: amounts falling due within one year</b>	<b>2015 Group</b>	<b>2014 Group</b>	<b>2015 Charity</b>	<b>2014 Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accruals	32,044	44,665	28,644	39,450
Other creditors	26,021	55,778	22,900	52,679
	<u>58,065</u>	<u>100,443</u>	<u>51,544</u>	<u>92,129</u>

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**16. Creditors: amounts falling due after one year**

Accruals	10,000	-	10,000	-
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>

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**17. Commitments****Operating lease commitments**

As at 31 March 2015 the entity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	<b>2015 £</b>	<b>2014 £</b>
Within two and five years	<u>4,546</u>	<u>3,008</u>

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**18. Trustees' remuneration and expenses**

During the year, C R H Clover received £nil (2014 - £42,000) for providing consultancy services to the charity in respect of project development. At the year end the amount owed to C R H Clover was £nil (2014 - £nil).

During the year three (2014 - three) trustees were reimbursed £2,512 (2014 - £15,920) in respect of travel expenditure and other direct costs.

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## **BLUE MARINE FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2015**

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#### **19. Related party transactions**

Other creditors include £1,687 (2014 - £1,687) due to directors in respect of the funds advanced upon incorporation of BMF Trading Limited. The balance is interest free and repayable on demand.

Fauna & Flora International, a registered charity of which Professor C M Roberts is a Trustee and M Rose is Chief Executive Officer, provided the services of a marine project officer to the value of £10,416 (2014 - £24,826).

Appleby Consultancy Services Limited, a company of which T P S Appleby is a director, provided consultancy services of £5,035 (2014 - £12,500). At the year end, the amount owed to Appleby Consultancy Services Limited was £1,750 (2014 - £nil).

Rawlinson & Hunter, a partnership in which D C Davies is a partner, provided accounting services to the charity and its subsidiary amounting to £11,569 (2014 - £11,489). At the year end, the amount due to Rawlinson & Hunter was £3,025 (2014 - £3,761).

Adjust Your Set Limited, a company of which C M J Gorell-Barnes is a director provided information and film services of £nil (2014 - £126).

Trifolia Limited, a company of which C R H Clover is a director, provided consultancy and project development services amounting to £141,628 (2014 - £49,853). At the year end, the amount due to Trifolia Limited was £12,960 (2014 - £nil).

All the above related party transactions were entered into at arms' length rates, subjected to appropriate benchmarking and were approved by the Board of Trustees in accordance with the charity's constitution.

The charity has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

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#### **20. Taxation**

Blue Marine Foundation is a registered charity and as such is exempt from tax on its income to the extent this is applied for charitable purposes.

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#### **21. Controlling party**

The charity is controlled by its Trustees.

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#### **22. Liability of members**

The company is limited by guarantee and has no share capital. The Memorandum of Association provides that every member, as defined by Clause 8 of the Articles of Association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while he or she is a member. At 31 March 2015 there were three (2014 - three) members.

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