

BLUE MARINE FOUNDATION
(a Company Limited by Guarantee)

REPORT AND AUDITED ACCOUNTS

YEAR ENDED 31 MARCH 2013

Company number: 07176743

BLUE MARINE FOUNDATION

I N D E X

Year ended 31 March 2013

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BLUE MARINE FOUNDATION

GENERAL INFORMATION

Year ended 31 March 2013

Directors and trustees	G L Duffield C M J Gorell Barnes C R H Clover T P S Appleby A K O Brady Lord Deben Prof C M Roberts M R Rose A Weston (appointed 30 April 2012) D C Davies (appointed 16 August 2012)
Registered office	Third Floor South Building Somerset House Strand London WC2R 1LA
Charity number	1137209
Company registration number	7176743
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 2013

The Trustees present their report and financial statements for the year ended 31 March 2013. The financial statements have been prepared in accordance with the accounting policies set out on page 10 and with 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 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 stated on page 2. The directors of the 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 2013 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 (existing Trustees to agree staggering their terms of office so that BLUE can institute retirement by rotation).

Blue Marine Foundation is governed by Memorandum and Articles of Association dated 12 February 2010. Application of income of the charity 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 charity might be exposed and adjust the charity's strategies and implementation of objects accordingly.

Objects and activities for the public benefit

The objects of the charity 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 the conservation protection and improvement of the marine environment.

Achievements and performance

Since last year's report BLUE has been working hard to both consolidate its existing projects – ensuring their effective and efficient delivery – and seize any emerging opportunities.

In respect of our project work:

- Continued progress is being made in BLUE's pioneering project in Lyme Bay, which brings together conservationists and fishermen from across the region. The Lyme Bay Working group is supporting sustainable fishing off the Jurassic Coast in a variety of ways. In a world first and with vital support from DEFRA all stakeholders have signed up to a voluntary code of conduct as a commitment to self-regulation. Such is the project's success that BLUE decided to host a national conference which brought together fishermen, conservationists, regulators and retailers to discuss managing UK Marine Protected Areas ("MPAs") and the fisheries in and around them. The conference gave fishermen from Lyme Bay the opportunity to share the successes of the project and inspire other groups to engage. The conference achieved its aim of identifying other sites from around the UK in which BLUE could help implement its model.
- BLUE has completed its first phase of work in Belize, achieving all the goals set at the beginning of the project including the designation of the area as a Marine Protected Area (after twenty years of discussion regarding its importance), the appointment of a co-management NGO to help manage the area and the agreement – and initial implementation - of a multi-faceted enforcement, conservation, financing and communications plan to enable its long-term protection. BLUE is working with the Belizean Government very closely in this project and hopes that it will become a blueprint for effective and visionary sustainable management of the country's precious marine resources. A recent assessment identified the critical need to have intervened in the Turneffe atoll. With the right management BLUE believes it can be returned to its former glory, benefitting local communities, fishing interests and the larger environment within Belize.

BLUE MARINE FOUNDATION

REPORT OF THE TRUSTEES

Year ended 31 March 2013

- BLUE has been working with the Foreign & Commonwealth Office - and partner NGOs – on the development of a plan to protect vast swathes of Britain's Overseas Territories including Antarctica. BLUE has also been working hard to consolidate the progress made in 2010 when it helped enable the creation of the world's largest No Take Zone in the Chagos Archipelago. BLUE is immersed in the process of working with its peers and partners to augment the protection and discovery of this unique area.

Further BLUE :

- o is continuing its support of the Scottish NGO, Fair Isle Marine Environment and Tourism Initiative;
- o is further developing a joint project in the Lesser Antilles with Fauna & Flora International;
- o has supported a joint project in Greece;
- o has advanced the over-fishing debate, understanding and implications of a sovereign state's right to fish within 'Maximum Sustainable Yield'.

BLUE's work to continue to raise further awareness of, and funding for, the crisis in the oceans continues with the production of three modest short films of its projects in Chagos, Belize and Lyme Bay and a global PR campaign (including thought leadership pieces within a wide range of media outlets from the BBC to the Huffington Post).

BLUE's team of ambassadors and supporters grows too and now includes world famous conservationist Jonathon Porritt and actress, model and ocean evangelist Poppy Delevingne, both of whom are providing their skills and profile to help BLUE in its mission.

BLUE is continuing its work with the private sector to raise further awareness and funds for its work and diversify its income base. BLUE is currently in discussions with all the major retailers regarding supporting its 'grass roots' UK work which both addresses quality and sustainability requirements. In addition BLUE has recently launched a high-profile partnership with fashion brand KENZO following on from similar successful arrangements with other fashion brands including Orlebar Brown.

Alongside its conservation and associated funding/awareness raising activities BLUE continues to invest time and resource in its finance, governance and compliance requirements to ensure that they are 'best in class'.

Plans for the coming year continue apace. BLUE is a small but highly skilled team 'punching way above its weight'. Its links with governments in the UK, France, Belize, its partnership with world-class scientific bodies such as the British Antarctic Survey; its high-profile supporters; its sustainable funding mechanisms; and, its global awareness-raising campaigns all enable the continued success of the charity.

When BLUE first began its work, the amount of protected ocean stood at 1%. Now this figure stands at just under 3%. BLUE feels confident that it will act as a key facilitator in achieving the ambitious goal of 10% protection by 2020.

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 8 to 16.

Donations amounting to £1,781,197 (gross) (2012 - £1,195,866 (gross)) were received during the year, of these £1,130,794 (2012 - £913,829) were 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 2013 amounted to £727,619 (2012 - £351,841) and include BMF Trading Limited accumulated losses of £142,085 (2012 - accumulated losses of £98,681) and fixed assets of £23,412 (2012 - £23,465). 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.

BLUE MARINE FOUNDATION

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2013

Subsequent to the financial year end, 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 charity (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 2013 (consisting of amounts which could not be spent without disposing of fixed assets or investments and excluding designated funds), amounted to £467,659 (2012 - £328,376).

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 Charity 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

Too often conservation fails because of insufficient funding and the lack of a holistic approach to biodiversity protection, including poor governance and social demographic factors. BLUE aims to change that. By creating innovative market-based solutions and flexible, public-private partnerships and driving global awareness BLUE hopes to incentivise stakeholders and facilitate lasting marine conservation.

Despite its modest size, BLUE's ability to do this successfully is evident in the work outlined above. In the future, BLUE will continue to diversify its funding streams to ensure financial sustainability and robustness. Such funding will continue to be secured from foundations, High Net Worth individuals, corporate partnerships (through Corporate Social Responsibility activities) and government. In addition BLUE's trading subsidiary will continue to explore market and commercial mechanisms to deliver sustainable private sector funding.

BLUE's conservation objectives are clear – to address overfishing by the creation, implementation and effective management of Marine Protected Areas (10% by 2020). BLUE enjoys the best scientific advice across the globe both through its board and its NGO partners. BLUE's successes to date in Chagos, Belize, the UK and the Maldives is demonstration of both the need and effectiveness of the organisation. BLUE has recently established clear scientific guidelines and a Project Review Committee to ensure all projects embarked on are strategically appropriate. As such BLUE has an evolving portfolio of activity soon to include the Caribbean, Greece and more British Overseas Territories.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Year ended 31 March 2013

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and regulations. The Trustees are also directors for Companies Act 2006 purposes.

Company law requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

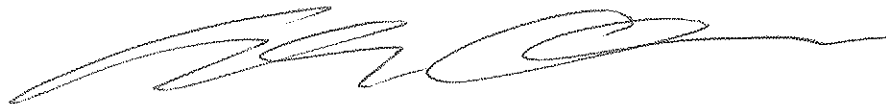
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 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 R H CLOVER

10 . 12 . 2013

BLUE MARINE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

Year ended 31 March 2013

We have audited the financial statements of Blue Marine Foundation for the year ended 31 March 2013 which comprise the Consolidated Statement of Financial Activities, the consolidated and company Balance Sheet, 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 6, 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 2013 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.

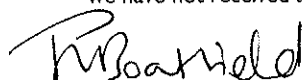
Opinion on other matter prescribed by the Companies Act 2006

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

17 / 12 / 2013

BLUE MARINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 March 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Incoming resources from generated funds					
Voluntary income	1	598,129	1,183,068	1,781,197	1,195,866
Activities for generating funds	5	32,903	-	32,903	15,484
Investment income		722	-	722	92
Total incoming resources		<u>631,754</u>	<u>1,183,068</u>	<u>1,814,822</u>	<u>1,211,442</u>
Resources expended					
Costs of generating funds	6	(153,791)	-	(153,791)	(85,350)
Charitable activities	7	(184,274)	(946,520)	(1,130,794)	(913,829)
Governance costs	9	(154,459)	-	(154,459)	(119,690)
Total resources expended		<u>(492,524)</u>	<u>(946,520)</u>	<u>(1,439,044)</u>	<u>(1,118,869)</u>
Net incoming resources before transfers		<u>139,230</u>	<u>236,548</u>	<u>375,778</u>	<u>92,573</u>
Funds brought forward		<u>351,841</u>	<u>-</u>	<u>351,841</u>	<u>259,268</u>
Funds carried forward		<u>491,071</u>	<u>236,548</u>	<u>727,619</u>	<u>351,841</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 SHEET

At 31 March 2013

	Note	2013 Group £	2012 Group £	2013 Charity £	2012 Charity £
Fixed assets					
Intangible fixed assets	10	16,971	17,945	-	-
Tangible fixed assets	11	6,441	5,520	6,441	5,520
Investments	12	-	-	200	200
		<u>23,412</u>	<u>23,465</u>	<u>6,641</u>	<u>5,720</u>
Current assets					
Debtors	13	186,816	35,880	329,858	91,486
Cash at bank and in hand		572,515	416,595	563,421	410,988
		<u>759,331</u>	<u>452,475</u>	<u>893,279</u>	<u>502,474</u>
Creditors: amounts falling due within one year	14	<u>(55,124)</u>	<u>(124,099)</u>	<u>(47,187)</u>	<u>(75,619)</u>
Net current assets		<u>704,207</u>	<u>328,376</u>	<u>846,092</u>	<u>426,855</u>
Total assets less current liabilities		<u>727,619</u>	<u>351,841</u>	<u>852,733</u>	<u>432,575</u>
Total funds (page 8)	3	<u>727,619</u>	<u>351,841</u>	<u>852,733</u>	<u>432,575</u>

Directors' statement

The accounts on pages 8 to 18 were approved by the Trustees on behalf by:

2013 and were signed on its

G L DUFFIELD
Director



BLUE MARINE FOUNDATION

ACCOUNTING POLICIES

Year ended 31 March 2013

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 applicable accounting standards.

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.

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.

Investments

Programme related investments held as fixed assets are stated at cost less provision for impairment.

Amortisation

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

Asset class	Amortisation method and rate
Goodwill on acquisition of BMF Trading Limited	Straight line over 20 years

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:

Asset class	Depreciation method and rate
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 2013

1. Incoming resources	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Corporate donations	160,193	1,070,000	1,230,193	872,706
Donations received from individuals	164,729	5,000	169,729	59,758
Donations received from Private Foundations	118,800	107,963	226,763	-
Auction income	19,401	-	19,401	163,391
BYMC Membership donations	25,000	-	25,000	-
Donations in kind	108,769	-	108,769	100,011
Other income	1,237	105	1,342	-
	<u>598,129</u>	<u>1,183,068</u>	<u>1,781,197</u>	<u>1,195,866</u>

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

	2013 £	2012 £
Latham & Watkins LLP	108,769	90,011
Dixon Wilson	-	10,000
	<u>108,769</u>	<u>100,011</u>

2. Analysis of fund movements

	Brought forward £	Income resources £	Resources expended £	Carried forward £
Restricted				
Belize	-	20,000	20,000	-
Chagos	-	700,000	700,000	-
Chagos Filming	-	50,000	50,000	-
End of the Line	-	15,963	12,537	3,426
Fish2Fork	-	10,000	10,000	-
Lyme Bay	-	325,105	144,908	180,197
Waterloo Foundation	-	62,000	9,075	52,925
	-	<u>1,183,068</u>	<u>946,520</u>	<u>236,548</u>
Unrestricted	<u>351,841</u>	<u>631,754</u>	<u>492,524</u>	<u>491,071</u>
Total	<u>351,841</u>	<u>1,814,822</u>	<u>1,439,044</u>	<u>727,619</u>

BLUE MARINE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

3. Analysis of group assets between funds

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Fund balances at 31 March are represented by:				
Debtors	136,816	50,000	186,816	35,880
Cash at bank and in hand	372,539	199,976	572,515	416,595
Creditors	(39,227)	(15,897)	(55,124)	(124,099)
	<u>470,128</u>	<u>234,079</u>	<u>704,207</u>	<u>328,376</u>
Intangible fixed assets	16,971	-	16,971	17,945
Tangible fixed assets	3,973	2,469	6,441	5,520
Total	<u>491,072</u>	<u>236,548</u>	<u>727,619</u>	<u>351,841</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:

	2013 £	2012 £
Total incoming resources	1,781,197	1,195,866
Costs of generating funds	(82,862)	(20,772)
Charitable activities	(1,129,817)	(912,856)
Governance costs	(151,955)	(117,440)
Interest receivable	3,595	1,359
Net incoming resources	<u>420,158</u>	<u>146,157</u>
Funds brought forward	432,575	286,418
Funds carried forward	<u>852,733</u>	<u>432,575</u>

BLUE MARINE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

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.

	2013 £	2012 £
Turnover	32,903	15,484
Cost of sales and administration costs	(73,433)	(66,828)
Interest payable	(3,227)	(1,269)
Interest receivable	353	2
Net loss	<u>(43,404)</u>	<u>(52,611)</u>
Reserves brought forward	(98,681)	(46,070)
Reserves carried forward	<u>(142,085)</u>	<u>(98,681)</u>
The assets and liabilities of the subsidiary were:		
Current assets	19,006	16,221
Current liabilities	(160,891)	(114,702)
Total net liabilities	<u>(141,885)</u>	<u>(98,481)</u>
Allotted, called up and unpaid shares	<u>200</u>	<u>200</u>

6. Costs of generating funds

	Unrestricted funds 2013 £	Unrestricted funds 2012 £
Direct costs	70,928	(17,451)
Support costs (note 8)	82,863	102,801
	<u>153,791</u>	<u>85,350</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

7. Charitable activities	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Donations to support the Chagos Marine Reserve	-	700,000	700,000	700,000
Lyme Regis project costs	-	144,908	144,908	96,169
End of the line project costs	-	12,537	12,537	-
Chagos Marine Reserve Filming costs	3,333	50,000	53,333	-
Donations to support Fish2Fork.com	-	10,000	10,000	10,000
Waterloo Foundation costs	-	9,075	9,075	-
Belize project	-	20,000	20,000	-
Other donations	(4,016)	-	(4,016)	56,255
Support costs (note 8)	184,957	-	184,957	51,405
	<u>184,274</u>	<u>946,520</u>	<u>1,130,794</u>	<u>913,829</u>

8. Allocation of support costs and overheads

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

Cost type	2013 £	2012 £
Wages and salaries	141,917	56,799
Marketing and branding	38,806	-
Consultancy fees	44,979	60,000
Other direct costs	-	16,304
Travel, entertainment and subsistence	28,612	17,176
Printing, postage and stationery	6,992	3,036
Telephone and internet	4,919	832
Rent	21,545	10,125
Insurance	5,084	2,932
IT costs	1,900	666
Sundry expenses	871	34
Depreciation	2,789	208
Amortisation	974	2,602
Bank charges	1,061	621
	<u>300,449</u>	<u>171,335</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	2013 £	2012 £
Costs of generating funds	82,863	102,801
Charitable activities	184,957	51,405
Governance cost	32,629	17,129
	<u>300,449</u>	<u>171,335</u>

BLUE MARINE FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2013**

9. Governance costs	2013	2012
	£	£
Audit fees	5,203	2,550
Legal and professional fees	116,627	100,011
Support costs (note 8)	32,629	17,129
	<u>154,459</u>	<u>119,690</u>

As disclosed in note 1, Latham & Watkins provided pro bono legal advice totalling £108,769 (2012 - £90,011), which is included within legal and professional fees above.

10. Intangible fixed assets	Goodwill	Total
	£	£
Group		
Cost		
At 1 April 2012 and 31 March 2013	<u>19,487</u>	<u>19,487</u>
Amortisation		
At 1 April 2012	1,542	1,542
Charge for the year	974	974
At 31 March 2013	<u>2,516</u>	<u>2,516</u>
Net book value		
At 31 March 2013	<u>16,971</u>	<u>16,971</u>
At 31 March 2012	<u>17,945</u>	<u>17,945</u>

BLUE MARINE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

11. Tangible fixed assets

Group and charity	Website £	Office equipment £	Total £
Cost			
At 1 April 2012	6,302	1,163	7,465
Additions	-	3,710	3,710
At 31 March 2013	6,302	4,873	11,175
Depreciation			
At 1 April 2012	1,737	208	1,945
Charge for the year	2,101	688	2,789
At 31 March 2013	3,838	896	4,734
Net book value			
At 31 March 2013	2,464	3,977	6,441
At 31 March 2012	4,565	955	5,520

12. Investments

	Subsidiary undertakings £
Charity	
Cost and net book value	
At 1 April 2012 and 31 March 2013	200

Details of the subsidiary undertakings are set out below:

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

BLUE MARINE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

13. Debtors	2013 Group	2012 Group	2013 Charity	2012 Charity
	£	£	£	£
Amounts owed by group undertakings	-	-	152,754	66,022
Trade debtors	129,887	-	121,087	-
Accrued income	50,000	-	50,000	-
Other debtors	6,929	35,880	6,017	25,464
	<u>186,816</u>	<u>35,880</u>	<u>329,858</u>	<u>91,486</u>

14. Creditors: amounts falling due within one year

Amounts owed to group undertakings – unpaid share capital	-	-	200	200
Accruals	26,542	6,960	20,092	2,700
Other creditors	28,582	117,139	26,895	72,719
	<u>55,124</u>	<u>124,099</u>	<u>47,187</u>	<u>75,619</u>

15. Trustees' remuneration and expenses

During the year, C R H Clover received £114,554 (2012 - £60,000) 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 (2012 - £nil).

During the year three (2012 - three) trustees were reimbursed £17,864 (2012 - £5,020) of travel expenditure and other direct costs.

16. Related party transactions

Other creditors include £1,687 (2012 - £24,800) due to directors in respect of the funds advanced upon incorporation of BMF Trading Limited. The balance is interest free and repayable on demand.

Other creditors also include £14,206 (2012 - £17,982) due to George Duffield, a trustee.

Planet Intelligence Limited, a company of which C R H Clover is a director, provided consultancy services to the value of £43,016 (2012 - £38,087). At the year end the amount owed to Planet Intelligence Ltd was £nil (2012 - £nil).

Fauna & Flora International, a company of which Professor C M Roberts and M Rose are directors, provided the services of a marine project officer to the value of £7,716 (2012 - £nil). At the year end an amount of £2,572 (2012 - £nil) was owed to Fauna & Flora International.

Appleby Consultancy Services Limited, a company of which T P S Appleby is a director, provided consultancy services of £3,000 (2012 - £nil). At the year end, the amount owed to Appleby Consultancy Services was £1,500 (2012 - £nil).

Adjust Your Set Limited, a company of which C M J Gorell-Barnes is a director provided information and film services of £12,075 (2012 - £nil). At the year end, the amount owed to Adjust Your Set Limited was £nil (2012 - £nil).

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

BLUE MARINE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

17. 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.

18. Controlling party

The charity is controlled by its Trustees.

19. 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 2013 there were 3 (2012 – 3) members.
