

Oceana UK

(a company limited by guarantee)

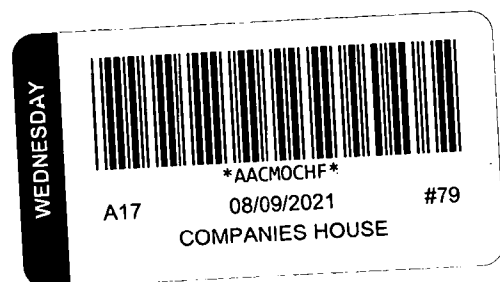
Report and Financial Statements

Year Ended

31 December 2020

Company Number 05952219

Charity Number 1119722



Oceana UK
(a company limited by guarantee)

**Report and financial statements
for the year ended 31 December 2020**

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**Statutory information
for the year ended 31 December 2020**

| | |
|----------------------------------|---|
| Directors | Adam Kushner Ana Barreira Dima Mounir Freij Sara Robinson |
| Registered company number | 05952219 |
| Registered charity number | 1119722 |
| Registered office | 10 Queen Street Place London EC4R 1BE |
| Auditor | Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD |
| Solicitors | Bates Well Braithwaite 10 Queen Street Place London EC4R 1BE |
| Bank | Bank of America Merrill Lynch Financial Centre 2 King Edward Street London EC4R 1BE |

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Directors' report
for the year ended 31 December 2020

The Trustees, who are also Directors, present their report along with the financial statements of the Charity for the year ended 31 December 2020.

Structure, Governance and Management

The Charity is a private company limited by guarantee incorporated on 2 October 2006, and is a registered charity (registered on 19 June 2007, registration number 1119722, company number 5952219). The Charity's primary governing documents includes its Memorandum and Articles of Association.

Oceana, Inc. is the sole member of the Charity, exercising its influence through its control of the composition of the Trustees of the Charity. Oceana, Inc. is a U.S.-based not for profit organisation.

The business of the Charity is managed by the Trustees, who may exercise all the powers of the Charity. The Charity is comprised of a minimum of three Trustees, appointed by a resolution of the members for a renewable term of three years.

The Trustees appointed two managers for the day to day management of the Charity on 4 October 2010:

| | |
|---------------------|--|
| Andrew F. Sharpless | Director and Chief Executive Officer, Oceana, Inc. |
| James F. Simon | President, Oceana, Inc. |

The Trustees appointed an additional manager for the Charity on 30 January 2017 as indicated below:

| | |
|------------------------|-------------------------|
| Christopher M. Sharkey | Chief Financial Officer |
|------------------------|-------------------------|

Pascale Monique Ena Moehrle was appointed as Manager and Executive Officer on 18 September 2019.

The managers manage the Charity by implementing the policies and strategies adopted by and within a budget approved by the Trustees. The managers report regularly to the Trustees on the activities undertaken in managing the Charity and provide them regularly with management accounts sufficient to explain the financial position of the Charity.

Trustees

The Trustees of the charitable company during the period of 1st January 2020 to 31st December 2020 were:

Adam Kushner
Ana Barreira
Dima Mounir Freij
Sara Robinson

Address

Bates, Wells and Braithwaite
10 Queen Street Place
London EC4R 1BE

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Directors' report
for the year ended 31 December 2020 (continued)

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the trustees are appointed by a resolution of the members for a renewable term of three years.

All trustees give their time voluntarily and receive no benefits from the charity.

Trustee Induction and Training

Most Trustees are already familiar with the work of the charity. New trustees are invited and encouraged to visit Oceana Inc.'s offices to familiarise themselves with the charity and the context within which Oceana UK operates where they are also offered any training deemed necessary to fulfil their new role.

Pay policy of senior staff

The managers of the organization are responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration and establish a pay and benefits policy broadly in line with comparable organisations.

Objectives and Activities

The principal activities of the Charity are set out in the Memorandum of Association dated 2 October 2006. Its principal objective is to protect life in the sea for public benefit through marine conservation and education of the public in all matters relating to marine conservation and the protection of life in the sea.

During the year, Oceana UK reached out to supporters of ocean conservation to describe the need to protect ocean life and the opportunities for policy reform related to fisheries and other ocean conservation issues. Oceana UK emphasized the campaigns undertaken by Oceana, Inc. and its associated organizations, especially Fundación Oceana, and provided updates on the campaigns' progress. Fundación Oceana is headquartered in Madrid, Spain and has offices in Brussels, Belgium and staff in Copenhagen, Denmark and Dublin, Ireland. It focuses on the fisheries policies of the European Union and on establishment of marine protected areas.

Achievements and Performance for the Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

2020 Workplan and Achievements

Note to Readers: For purposes of this report, unless otherwise noted "Oceana" is an inclusive term that can include work, activities and achievements of any of the Oceana organizations and legal entities, including Oceana, Inc., Fundación Oceana, and Oceana UK. Together, the Oceana international organizations form the largest international advocacy group dedicated solely to ocean conservation. We are rebuilding abundant oceans by winning science-based policies in countries that control one-third of the world's wild fish catch. With nearly 200 victories that stop overfishing, habitat destruction, pollution and the killing of threatened species, Oceana's campaigns are delivering results. Together, we can save the oceans and help feed the world. Oceana organizations have campaigners in North, South and Central America, Asia and Europe.

During 2020, Oceana has made significant advances in the following two working areas:

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Directors' report for the year ended 31 December 2020 (*continued*)

Habitat Protection: While most of the UK network of Marine Protected Areas is now designated, we shifted our resources to ensure that the network would be effectively managed, with a particular focus on bottom trawling, still the most damaging activity. Our analyses of fishing pressure inside UK MPAs and the UK legal analysis are key tools in our efforts to seek a high-level policy commitment by the UK government to prohibit bottom-trawling in its MPAs and effectively manage protected sites. Oceana started a campaign to halt bottom towed fishing gear in all Marine Protected Areas (MPAs). We undertook an analysis on the use of bottom towed fishing gear in all offshore MPAs, highlighting the fishing hours per MPA and identifying the fishing vessels and countries involved. This was especially relevant in 2020 considering the implications of Brexit and the capacity of the UK to implement management measures without having to go through the EU processes. Through our campaign, we also commissioned a detailed legal analysis of UK and international laws in order to legally challenge the Government to protect sites. We also continued advocating for 10% designation of Highly Protected Marine Areas (HPMAs).

Fisheries Management: The EU-UK negotiations on fisheries within a Trade and Co-operation Agreement (TCA), together with the UK Fisheries Bill, were critical for our success in maintaining all commercial stocks, including shared stocks, at sustainable management levels (MSY). The TCA covers more than 100 shared fish stocks and is unprecedented in its scope and importance. Yet, until late December 2020 a potential scenario of "no deal" was a real possibility, not least due to well publicised disagreements over fisheries. This would have left shared stocks without a framework for management.

Despite the difficulties highlighted above, Oceana managed to secure significant outcomes through the implementation of our new multi-year fisheries campaign. These include:

- Influencing the UK Fisheries Bill, resulting in commitments to develop Fisheries Management Plans and through its participation in the Greener UK coalition and the tabling of various sustainability amendments for debate.
- Influencing the EU-UK Agreement process and getting a commitment to fish below Maximum Sustainable Yield (MSY) as well as various other environmental commitments.
- Commissioning a UK Fisheries Audit – thought to be the UK's first, which analyses over 100 stocks and shockingly finds that of the Top 10 most important economically, six are overfished.

Financial Review

Income for the period from donations and investments was £136,878 (2019: £477,517). Expenditure was £518,684 in 2020 (2019: £494,475). This was spent on charitable activities, governance and administration costs of the Charity. Further details can be found in the statement of financial activities. Oceana, Inc. provides funding to Oceana UK for any deficits incurred.

Reserves

The Trustees review the Charity's reserve policy in light of Charity Commission guidance. Due to the fact that Oceana, Inc. funds Oceana UK's deficit spending, Oceana UK has no reserve policy.

Future Plans for the Public Benefit

To ensure continuity of our work and achievements in the UK of the last few years, Oceana has established a new multi-year campaign strategy covering 2020-2022. We will continue building on our expertise and making use of our networks and existing relationships with the scientific community, NGOs network, industry players and decision-makers on all governance levels to ensure significant improvements in marine habitats protection and fisheries management.

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Directors' report
for the year ended 31 December 2020 (continued)

Our work in 2021 will focus on the following two areas:

Habitat Protection: We will work to achieve 10% of UK seas being fully protected from bottom towed fishing gear. In order to achieve this goal, we will work to ensure that the UK Government introduces stronger fisheries management measures in MPAs and begins to designate Highly Protected Marine Areas that include a ban on bottom towed gear.

Fisheries Management: We will continue to protect and expand the gains achieved in sustainable fisheries management ensuring that the current Article 2.2 of the Common Fisheries Policy is further implemented including stocks shared with the UK. We will also ensure through advocacy work and meeting with key decision makers that the primary goal of the UK Fisheries Statement and the Secretary of State Fisheries Statement is sustainable fisheries, including a commitment to fish at or below MSY. We will also ensure that the fisheries objectives of the UK Fisheries Bill, especially the sustainability objectives, are being implemented. In this sense, we will follow up the implementation of the Bill, regularly meet with Government officials, disseminate our position through papers and reports and coordinate with other NGOs.

In 2020, Oceana carried out a UK Feasibility Study to explore the opportunities for strengthening its operations and campaign work in the United Kingdom. Given the uncertainty resulting from the Covid-19 pandemic and ensuing political and financial upheaval, we will reassess the situation in late 2021 with the intention of hiring additional capacity in 2022 and if financial and public health conditions allow.

Risk Management

The Trustees are aware of their responsibility to identify, consider and manage material financial and non-financial risk facing the charitable company. They have considered and put into place systems and procedures to manage such risks. To that effect a Risk Register was introduced in 2018 and is discussed at Trustee meetings and updated annually.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. This is achieved by:

- Regular consideration of financial results, variances from budgets, non-financial performance indicators and benchmarking review;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

As well as the financial control systems, the Trustees continually review and monitor the workings of the Charity throughout the period.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements of the Charity in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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**Directors' report
for the year ended 31 December 2020**

Company law requires the Trustees (who are Directors of the Charity) to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period. In preparing these financial statements, the Trustees are required:

- To select suitable accounting policies and then apply them consistently;
- To make judgements and estimates that are reasonable and prudent; and
- To prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accounts

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

Provision of information to auditor

Each of the persons who are directors at the time when the directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that the director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing his report and to establish that the company's auditor is aware of that information.

Signed on behalf of the board,



Trustee

July 9, 2021

Date

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Independent Auditor's Report for the year ended 31 December 2020

Independent Auditor's Report to the Trustees of Oceana UK for the year ended 31 December 2020

Opinion

We have audited the financial statements of Oceana UK ('the company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Subsequent to the approval of the financial statements by the trustees, the charity received a letter from Oceana Inc., its ultimate parent undertaking, confirming that it will continue to provide financial support to the charity to enable it to settle its liabilities as they fall due for at least 12 months from the date of this audit report. Based on this and the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work

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**Independent Auditor's Report
for the year ended 31 December 2020 (continued)**

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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Independent Auditor's Report
for the year ended 31 December 2020 (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 charitable company'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 the charitable company to cease to continue as a going concern.

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Independent Auditor's Report
for the year ended 31 December 2020 (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charitable 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 company'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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 6 September 2021

Devonshire House
60 Goswell Road
London

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**Statement of Financial Activities
for the year ended 31 December 2020**

| | Note | Unrestricted funds £ | Total 2020 £ | Total 2019 £ Restated |
|--|------|----------------------------|--------------------|--------------------------------|
| Income from | | | | |
| Donations and legacies | 2 | 136,878 | 136,878 | 477,517 |
| Total income | | 136,878 | 136,878 | 477,517 |
| Expenditure on | | | | |
| Charitable activities | 4 | 467,546 | 467,546 | 444,475 |
| Cost of generating funds | 5 | 51,138 | 51,138 | 50,000 |
| Total expenditure | | 518,684 | 518,684 | 494,475 |
| Net expenditure | | (381,806) | (381,806) | (16,958) |
| Net movement in funds | | (381,806) | (381,806) | (16,958) |
| Reconciliation of funds | | | | |
| Total funds brought forward at 1 January 2020 | | 1,019,210 | 1,019,210 | 1,036,168 |
| Total funds carried forward at 31 December 2020 | | 637,404 | 637,404 | 1,019,210 |

The statement of financial activities includes all gains and losses recognised in the year. All the above results are derived from continuing activities.

All income and expenditure relates to unrestricted funds.

The notes on pages 13 to 19 form part of these financial statements.

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Balance Sheet
for the year ended 31 December 2020

| Company number 05952219 | Note | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|---|-------------|-------------------|-------------------|-------------------|-------------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 78,290 | | 93,353 |
| Current assets | | | | | |
| Debtors | 9 | 16,585 | | 153,514 | |
| Cash at bank and in hand | | 613,066 | | 811,451 | |
| | | 629,651 | | 964,965 | |
| Creditors: amounts falling due within one year | 10 | (70,537) | | (39,108) | |
| Net current assets | | | 559,114 | | 925,857 |
| Total assets less current liabilities | | | 637,404 | | 1,019,210 |
| Funds | | | | | |
| Unrestricted | 11 | | 637,404 | | 1,019,210 |
| Total funds | | | 637,404 | | 1,019,210 |

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102.

The financial statements were approved and authorised for issue by the board and signed onJuly 9, 2021.....


Director

The notes on pages 13 to 19 form part of these financial statements.

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**Notes to the financial statements
for the year ended 31 December 2020**

1 Accounting policies

Oceana UK is a private limited company incorporated in England and Wales under the Companies Act. It is a company limited by guarantee. The address of the registered office is 10 Queen Street Place, London, EC4R 1BE. The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis and rounded to the nearest pound.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Oceana UK meets the definitions of a public benefit entity under FRS 102.

Financial reporting standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;

This information is included in the consolidated financial statements of Oceana Inc. as at 31 December 2020 and these financial statements may be obtained from the registered office at 1350 Connecticut Ave. NW, 5th Floor, Washington, D.C. 20036, United States of America.

Going concern

The Financial Statements are prepared on the going concern basis which assumes that Oceana UK will continue in operational existence for the foreseeable future. The Board of Trustees have considered the working capital and cash flow requirements for at least 12 months from the date of approval of these financial statements. In making this assessment the trustees have considered the impact of Covid19 on the financial position of the charity. Whilst some of the charity's income comes from donations and gifts it has sufficient funds available to enable it to continue in operation for a significant period without any income at all. As a result the Trustees have continued to adopt the going concern basis in preparing the financial statements

Foreign currency

Foreign Currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the Statement of Financial Activities.

Income

Donations

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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Notes to the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Expenditure

Expenditure is recognised on an accruals basis in the period in which they are incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

| | | |
|---------------------|---|-------------------|
| Plant and Equipment | - | 10% straight line |
| Computer equipment | - | 25% straight line |

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Financial instruments

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

Fund accounting

The charity reviews incoming resources to determine whether any funds should be treated as restricted, based on the wishes of the donors.

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the directors. The directors can use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

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**Notes to the financial statements
for the year ended 31 December 2020**

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes.

Operating leases

The cost of operating leases is charged to the Statement of Financial Activities over the period to which they relate.

Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

Useful Economic Lives – The annual depreciation charge for plant and equipment and computer equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

2 Income from donations and legacies

| | Unrestricted funds £ | Restricted funds £ | 2020 £ | 2019 £ |
|----------------------------|----------------------------|--------------------------|----------------|----------------|
| Donations and gifts | 136,878 | - | 136,878 | 297,214 |
| Intercompany contributions | - | - | - | 180,303 |
| | <u>136,878</u> | <u>-</u> | <u>136,878</u> | <u>477,517</u> |

3 Expenditure

| | 2020 £ | 2019 £ |
|---------------------------------------|-----------|-----------|
| Expenditure includes: | | |
| Staff costs (note 6) | 122,535 | 244,284 |
| Auditor's remuneration - current year | 7,320 | 6,840 |
| Accountancy services | - | 2,522 |
| Depreciation of tangible fixed assets | 15,063 | 15,063 |

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Notes to the financial statements for the year ended 31 December 2020

| | | | | | |
|-----------------------------------|---------------------------|----------------------------|-------------------------------|-----------------------------|--|
| 4 Charitable activities | Direct costs £ | Support costs £ | Governance costs £ | Total 2020 £ | Total 2019 £ Restated |
| Charitable activities | 403,467 | 56,759 | 7,320 | 467,546 | 444,475 |
| 5 Cost of generating funds | Direct costs £ | Support costs £ | Governance costs £ | Total 2020 £ | Total 2019 £ Restated |
| Cost of generating funds | 51,138 | - | - | 51,138 | 50,000 |

The prior year expenditure has been restated in the year to better reflect the expenditure classification as Cost of generating funds.

- 'Direct costs' include all costs incurred in delivery of the relevant activity.
- 'Support and governance costs' comprise premises expenses and costs, postage, printing and stationery, depreciation, travel, bank charges, telephone, sundry expenses, wages relating to governance, auditor's remuneration and accounting services and bad debts.

| | | |
|-----------------------------|-------------------|--------------------------------|
| 6 Employees | 2020 £ | 2019 £ Restated |
| Staff costs | | |
| Wages and salaries | 107,488 | 214,526 |
| Social security costs | 12,420 | 26,594 |
| Pension | 2,627 | 3,164 |
| | 122,535 | 244,284 |
| Average number of employees | Number | Number |
| Charitable Activities | 1 | 2 |
| Cost of generating funds | 1 | 1 |
| | 2 | 3 |

During the year there were no employees who received employee benefits of more than £60,000 (one employee in 2019: £110,000 - £120,000).

The charity considers its key management personnel to be the trustees and the appointed managers, none of these have received any remuneration nor benefits during the year 2020 (2019: £ nil).

Directors

None of the directors received any remuneration (2019: £ nil). No director expenses have been incurred by the Charity in the year (2019: £ nil).

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**Notes to the financial statements
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7 Taxation

Oceana UK is a registered charity and has no liability to taxation on its income for the year.

8 Tangible assets

| | Plant and equipment £ | Computer Equipment £ | Total £ |
|---|-----------------------------|----------------------------|----------------|
| <i>Cost</i> | | | |
| As at 1 January 2020 and 31 December 2020 | 136,887 | 3,053 | 139,940 |
| <i>Depreciation</i> | | | |
| At 1 January 2020 | 45,506 | 1,081 | 46,587 |
| Charge for the year | 14,300 | 763 | 15,063 |
| At 31 December 2020 | 59,806 | 1,844 | 61,650 |
| <i>Net book value</i> | | | |
| At 31 December 2020 | 77,081 | 1,209 | 78,290 |
| At 31 December 2019 | 91,381 | 1,972 | 93,353 |

9 Debtors

| | 2020 £ | 2019 £ |
|---------------------------------|---------------|-----------|
| Prepayments and accrued income | - | 1,652 |
| Amounts owed by related parties | - | 144,875 |
| Other debtors | 16,585 | 6,987 |
| | 16,585 | 153,514 |

Included within other debtors in both years is an amount of £6,585 relating to a rental deposit. In 2019, this was due in more than one year's time but is a current debtor in 2020.

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**Notes to the financial statements
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10 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|---------------|---------------|
| Trade creditors | 8,488 | 385 |
| Other creditors | 510 | 1,913 |
| Amounts owed to related parties | 50,801 | 25,308 |
| Other taxation and social security | 3,359 | 2,417 |
| Accruals | 7,379 | 9,085 |
| | <u>70,537</u> | <u>39,108</u> |

Included in Other creditors above is £510 relating to pensions (2019: £378).

11 Analysis of charitable funds

| | At 1 January 2020 £ | Income £ | Expenditure £ | Transfers £ | At 31 December 2020 £ |
|---------------|------------------------------|-------------|------------------|----------------|--------------------------------|
| General funds | 1,019,210 | 136,878 | (518,684) | - | <u>637,404</u> |

12 Analysis of net assets between funds

| | Tangible fixed assets £ | Current assets £ | Current liabilities £ | Current Total £ |
|---------------|----------------------------------|------------------------|-----------------------------|-----------------------|
| General funds | 78,290 | 629,651 | (70,537) | <u>637,404</u> |

13 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before they cease to be a member and for the costs of winding up.

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Notes to the financial statements for the year ended 31 December 2020

14 Analysis of cash and cash equivalents

| | 2020 £ | 2019 £ |
|--------------|-----------|-----------|
| Cash at bank | 613,066 | 811,451 |

15 Related party transactions

As at the year-end Oceana UK owed a balance of £50,455 (2019: £25,308) to Fundacion Oceana. This balance is comprised of £49,356 charged to Oceana UK for the agreement signed between both parties for expenses incurred by Fundacion Oceana on behalf of Oceana UK and invoices paid by Fundacion Oceana on behalf of Oceana UK for a value of £1,099. Oceana UK also owed a balance of £313 to Oceana Inc. for invoices paid on behalf of Oceana UK, net of expenses corresponding to Oceana Inc. paid by Oceana UK. These amounts are included within note 10.

As at the year-end Oceana Inc. owed a balance of £nil (2019: £144,875) to Oceana UK. This balance is due to expenses corresponding to Oceana Inc. paid by Oceana UK. This amount is included within note 9.

16 Ultimate controlling party

The Charity is a wholly owned subsidiary of Oceana, Inc. which is the ultimate parent company incorporated in the District of Columbia. The registered office of Oceana, Inc. is 1025 Connecticut Ave. NW, Suite 200, Washington, D.C. 20036, United States of America.

The principal purpose and activities of the parent company is the protection of the world's oceans to sustain the circle of life.

17 Operating leases

The cost of operating leases is charged to the Statement of Financial Activities over the period to which they relate. The total amount payable over the lease term is shown below:

| | 2020 £ | 2019 £ |
|-----------------|-----------|-----------|
| Within one year | 2,880 | 21,072 |