



BLUE MARINE
FOUNDATION

BLUE MARINE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

Report and consolidated financial statements

YEAR ENDED 31 MARCH 2023

Company number: 07176743





BLUE MARINE
FOUNDATION

Charity reference and administrative details

Charity registration number	1137209
Company registration number	07176743
Directors and Trustees	G L Duffield C M J Gorell Barnes Dr A K O Brady Lord J S Deben D C Davies A S Blount Dr C Herweijer L A A Lake (resigned November 2022)
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Solicitors	Latham & Watkins LLP 99 Bishopsgate London EC2M 3XF

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TRUSTEES' ANNUAL REPORT

(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

Year ended 31 March 2023

The Trustees present their report and the audited Consolidated Financial Statements of Blue Marine Foundation ("Blue Marine" "the charitable company") for the year ended 31 March 2023. The consolidated Financial Statements have been prepared in accordance with the accounting policies set out on pages 62 to 90 and with the provisions of the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities (FRS 102).

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

Blue Marine's mission

Blue Marine Foundation aims to restore the ocean to health by addressing widescale destruction of life and habitats in the ocean. Blue Marine is dedicated to creating marine reserves, tackling overfishing, restoring vital habitats and developing models of sustainable fishing. Blue Marine's mission is to see 30 per cent of the world's ocean under effective protection by 2030 and the other 70 per cent managed in a responsible way.

The ocean has undergone devastating change over the last century. Marine life is under threat from climate change, deoxygenation, acidification and many types of pollution, including noise and invasive species. But arguably the greatest threat is from overfishing. Industrial scale, destructive fishing practices have laid waste to marine life and habitats, altered coastlines and threatened the livelihoods and food supply of the billions of people who rely on fish as their main source of protein.

The ocean produces more than half of the world's oxygen, has stored around a third of our carbon dioxide and has absorbed more than 90 per cent of excess heat within the climate system, thanks to life within it. Overfishing is systematically undermining the ocean's capacity to play this crucial role through habitat destruction, disturbance of the seabed and the removal of marine animals.

We have to act now to protect and restore our ocean to health if we are to stave off the worst effects of climate change and a global food crisis.

Blue Marine's strategy

Our ocean is being harmed in many ways. We recognise that as a medium-sized yet ambitious charity, we must focus on the most serious threats and make the most impactful interventions.

By 2030 we aim to see at least 30 per cent of the ocean effectively protected and the whole ocean sustainably managed.

Blue Marine focuses on four key strategic interventions to improve the health of the ocean:



SECURING MARINE
PROTECTED AREAS

Securing effective protection of
the ocean



TACKLING
UNSUSTAINABLE
PRACTICES

Tackling overfishing, overexploitation
and other other damaging activities



DEVELOPING MODELS
OF SUSTAINABLE
FISHING

Supporting low-impact fishing and
equitable use of the sea



RESTORING MARINE
HABITATS

Restoring vital ecosystems



KEY ACHIEVEMENTS OVER THE YEAR

2023



April 2022

Interventions by the legal teams of Blue Marine and other NGOS saw trawling and dredging banned in the [Dogger Bank](#), a rich and distinctive area of the North Sea covering 12,331 sq km — more than half the size of Wales. The ruling doubled the amount of the sea around England that is closed to bottom trawling, from four to eight per cent.

June 2022

The [Sussex Kelp Restoration Project](#) of which Blue Marine is a partner found encouraging early signs of kelp recovery following Sussex Inshore Fisheries and Conservation Authority's byelaw prohibiting bottom trawling, which was enacted in 2021.

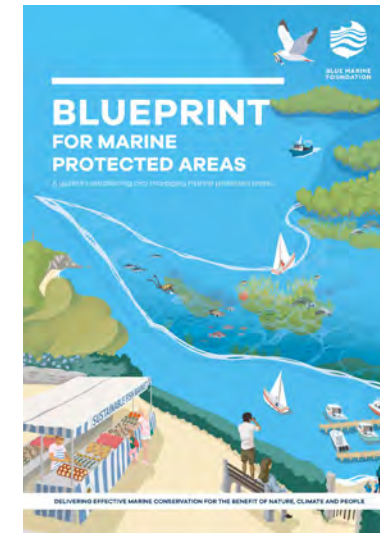


September 2022

Back on the road for the first time in three years, [London to Monaco 2022](#) saw 60 cyclists tackle five countries and 1,000 kms over eight-days, raising £320,000 for our oceans – surpassing the £250,000 target.

December 2022

At COP15, the UN biodiversity conference in Montreal a historic agreement was made to protect 30 per cent of land and sea for nature by 2030. The deal also says the vast majority of the countries in the world will halt (and proceed to reverse) biodiversity loss by 2030 by the same date.



February 2023

Blue Marine launched the [MPA BLUEprint](#) to support the creation and collaborative management of effective MPAs that benefit people, nature and climate.

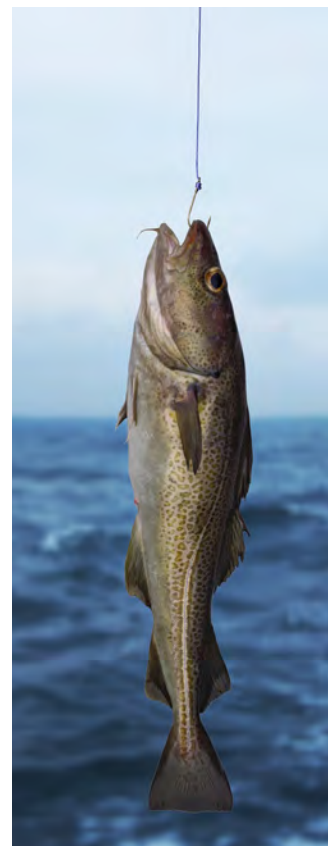
May 2022

Blue Marine's [2022 Ocean Awards](#) was viewed by 1.25 million people and brought recognition in Mexico and beyond for conservationist Mario Gómez, a leading advocate for marine conservation in the country for decades, who won a lifetime achievement award.

In the Indian Ocean, our Blue Investigations unit exposed evidence of unauthorised fishing activity on the part of EU vessels in the waters of several developing states, including India and Somalia. Some ships were also revealed to have switched off for months at a time their AIS, the system that transmits their position and is mandatory for large fishing vessels.

August 2022

Blue Marine launched [#BringBackBritishCod](#), which urged the UK government to set responsible and sustainable quotas for the five breeding populations of British cod. Supported by actor Jude Law, the campaign gained 10,000 signatures in 12 weeks and a response from government.



November 2022

Blue Marine was granted \$5m by the Endangered Landscapes Programme, managed by the Cambridge Conservation Initiative. Blue Marine and nine other organisations, including Natural England and the University of Portsmouth, will work together to restore and reconnect seagrass meadows, oyster reefs, saltmarsh and seabird nesting habitat over the next five years as part of the [Solent Seascape Project](#).

January 2023

Our award-winning education platform, [The Sea We Breathe](#), went multi-lingual and is now available in Portuguese, Spanish and Italian. This immersive experience is now travelling the world with @theoceanrace as they cross the seas to spread the message of ocean protection.



March 2023

Working closely with the River Hamble Harbour Authority and local contractors Jenkins Marine, Blue Marine finished laying the foundations for the largest oyster restoration reef in the Solent.

After nearly two decades of negotiations, an historical deal was made, and UN member states agreed on a framework which will provide protection in the High Seas- 43 per cent of the world's surface. It is the first legal mechanism ever created that can seek to do this. As part of this work Blue Marine lobbied, both on our own and as part of the [High Seas Alliance coalition](#).

OUR PROJECTS



International Projects

Blue Marine works in locations all over the world where there is an urgent conservation need, and where Blue Marine's particular combination of expertise and experience can deliver tangible change. Where possible, we work in conjunction with local partners and build capacity of local NGOs rather than inserting our own team members for any length of time.

Marine protected areas in the Mediterranean

The Mediterranean is one of the fastest degrading and least protected seas in the World. Blue Marine is working throughout the Mediterranean to create MPAs, protect carbon-storing seagrass, encourage more sustainable tourism, support small-scale, low-impact fishing and increase awareness and support for vital marine conservation.

Italy

Expenditure in year*

£312,842

Expenditure over life of project**

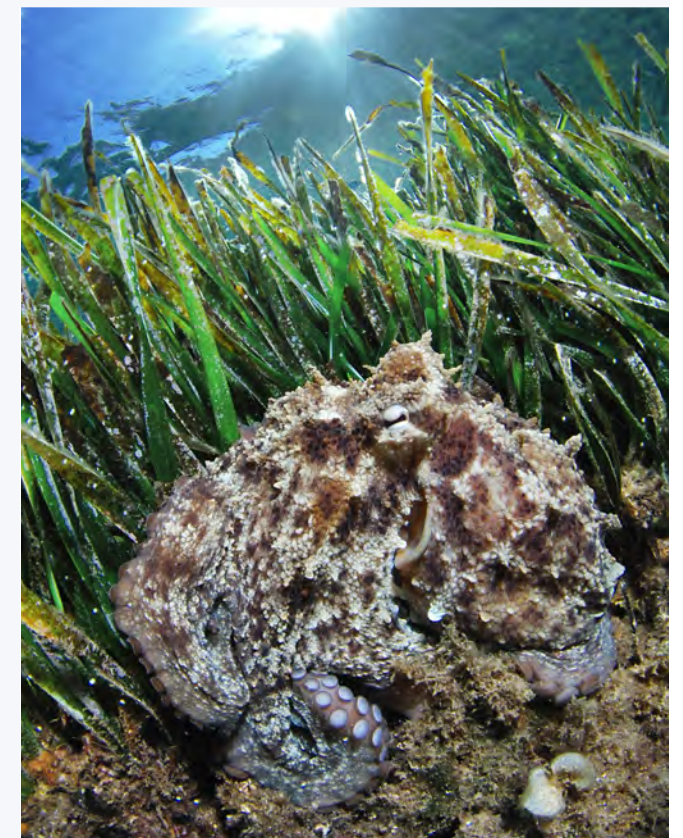
£1,082,575

*See note 18a - 'Aolians' + 'Italian Rollout'

** to 31 March 2023

The Italian seas are some of the most overfished in the world and are struggling to maintain healthy ecosystems under pressure from unsustainable tourism, lost carbon-rich seagrass meadows, invasive species and climate change. Blue Marine is working across Italy to create MPAs and promote sustainable fishing in local communities and schools.

Blue Marine's efforts have helped to initiate the designation of new Natura 2000 Habitats Directives sites, protecting valuable Posidonia seagrass meadows and seamounts around the entire Aeolian archipelago. The EU also stipulates that effective management must be in place by end of 2023. Elsewhere, Blue Marine has removed 466m of 'ghost nets' (fishing nets that have been lost or abandoned at sea), cleaned 33,156m² of seabed, is installing anti-trawling devices around an MPA in Torre Guaceto, found incredible breeding populations of sharks and rays and ensured that existing protected areas are enlarged and managed effectively. Endangered monk seals have also been observed by cave-cameras in the Tuscan Archipelago National Park for the first time.





Greece

Blue Marine is working to address overfishing in Greece by developing a network of no-take Marine Protected Areas (MPAs) with the long-term aim to designate 10 per cent of Greece's Exclusive Economic Zone (EEZ) as no-take for fishing, and 30 per cent effectively protected.

In September 2022, Blue Marine signed a Memorandum of Understanding with the Greek Ministry of Fisheries, committing support for the designation of three no-take zones covering 1,300 hectares and trawling restrictions around Amorgos Island. Once this happens, Amorgos will be the first MPA proposed by local small-scale fishermen and designated by the Ministry of Fisheries. It is an exemplary case that we believe will inspire other island communities in Greece to follow suit.



Expenditure in year*
£308,103

Expenditure over life of project**
£385,765

* See note 18a - 'Greece'

The Balearic Islands



Expenditure in year*
£60,126

Expenditure over life of project**
£90,350

*See note 18a - 'Mallorca' + 'Menorca' + 'Ibiza'

Increasing pressure from unregulated fishing and tourism risks making existing and proposed marine protection ineffective in the Balearic Islands. Habitats such as seagrass beds, which are vital juvenile fish nurseries – and trap carbon 35 times faster than rainforests – are especially vulnerable.

Blue Marine has supported the development of a key report that creates a road map for tackling illegal, unreported and unregulated (IUU) fishing in the Balearics. 'Ending illegal fisheries and fish fraud in the Balearics (2022-24)', has been the catalyst for round-table debates, community awareness events and the creation of the Balearic Illegal Fisheries Steering Group.



Turkey

Expenditure in year*
£157,114

Expenditure over life of project**
£495,187

*See note 18a - 'Turkey'



Gökova Bay is the epicentre of the MPA network in Turkey and represents one of the few areas in the Mediterranean where women lead the small-scale fishing community. Results from 2023 have shown that the fishing income for these fishers has more than doubled thanks to increased biodiversity and abundance within the MPA, that has created an impressive spill-over effect. In fully protected areas, levels of invasive species are also 15% less than outside of these protections. These incredible results ultimately show that the MPA is working and will serve as a valuable model for sustainable fishing across the Mediterranean.

In October 2022, we also hosted the Blue Marine Mediterranean Conservation Summit in the Gökova MPA, bringing project staff and partners for the first time to co-develop a consistent Mediterranean conservation strategy leading up to 2030. The summit facilitated a new networks, collaboration and support for both people and projects, encouraging trans-boundary efforts to protect the sea and the unique biodiversity of the Mediterranean.

Cyprus

Expenditure in year*
£0

Expenditure over life of project**
£10,000

*See note 18a - 'Cyprus'

Located in south Cyprus, the marine environment of Akrotiri is characterised by carbon-trapping seagrass beds, rocky coral reefs and sandbars.

Blue Marine has recently received new funding to continue working with its partners, the Marine and Environmental Research Laboratory (MER) and the Sovereign Base Authorities (SBA) to create an MPA management plan that will enable the restoration of marine life and provide a sustainable resource for artisanal, small-scale fisheries. A consortium of stakeholders has been formed to ensure the successful implementation of the Akrotiri Marine Protected Area. The committee comprises of representatives from key local stakeholders, scientists, conservationists and local users of the area of interest. This collaborative effort demonstrates the importance of top-down and bottom-up management and collaboration to establish a strong foundation for the project's success.

Maldives

For the past five years, Blue Marine has been working on Laamu Atoll to improve coral reef resilience by supporting the establishment of MPAs. In 2022, Blue Marine, Maldives Whale Shark Research Programme and Maldives Resilient Reefs launched a campaign urging tourists to choose tour operators who have signed up to a whale shark code of conduct when visiting the Maldives’ magnificent marine wildlife. #BeGentleToGiants encourages both tourists and tour operators to protect whale sharks from the negative impacts of marine encounters.



Expenditure in year*
£155,302
Expenditure over life of project**
£736,972
<small>*See note 18a - 'Maldives'</small>



Namibia

Despite being Africa’s second largest marine reserve, the lack of management plan for the Namibian Islands’ Marine Protected Area (NIMPA) makes it a ‘paper park’. The reserve is at risk from diamond mining, overfishing, pollution, port development, untested phosphate extraction and, shockingly, live marine mammal harvesting. Blue Marine is working with Namibia Nature Foundation to improve management and protection measures of the NIMPA. A brand-new research programme investigating how sharks, rays and skates use the NIMPA has been launched. This project will generate a completely novel dataset of these incredible marine species in Namibian waters and provide evidence to support the improved protection of the area.



Expenditure in year*
£38,588
Expenditure over life of project*
£129,215
<small>*See note 18a - 'Namibia'</small>

Walvis Ridge

The Walvis Ridge is a 3,300km long volcanic chain in the high seas off the coast of Western Africa and its vulnerable marine ecosystems. Last year, Blue Marine commissioned a report by South Atlantic Environmental Research Institute Falklands Ltd (SAERI) to examine the Walvis Ridge and its vulnerable marine ecosystems. The full report from this in-depth scoping work has now been published and found high levels of biodiversity and endemism. To fully understand the value of the area the report highlights the need for further baseline research. A wide range of stakeholders were identified in the social baseline work which demonstrates the interest that neighbours and the international community have in this region. The ridge is a valuable resource for the coastal states and international parties that use it and has the potential to be of value for emerging industries. As such, this is the time for better characterising the unknown aspects of the Walvis Ridge region so the area may be better understood, leading to better management of this globally important site.

Expenditure in year*
£9,243
Expenditure over life of project**
£39,707
<small>*See note 18a - 'part of 'RvR MPA Exploratory Fund'</small>

Patagonia

Expenditure in year*
£153,739
Expenditure over life of project*
£1,273,080
*See note 18a - 'Patagoinda' (inc Designated)

Blue Marine is supporting one of Chile’s leading scientists, Dr Vreni Haussermann to collect and publish evidence of Patagonia’s biological hotspots and propose these as priority areas for marine protection. We are also working with the new government of Chile to address the problem of salmon in protected areas, and in collaboration with our local partners, Defendamos Chiloé, stopped more than 270 industrial salmon farms from operating in ecological hotspots and destroying marine environments. This is a huge step and the first time in the history of Chile that this governmental collaboration has happened. In February, members of the Blue Marine team also scoped a new project in Argentinian Patagonia to create a huge 100,000 sq km MPA, which would protect blue carbon rich kelp forests, amazing biodiversity and ban bottom-trawling.

Expenditure in year*
£19,645

Expenditure over life of project*
£19,645

*See note 18a - 'Mexico'

Mexico

Off the state of Baja California Sur in north-west Mexico is a truly extraordinary sanctuary for marine life, which includes orcas, mobula rays and nine species of whale. Surrounding the peninsula, however, the Pacific Ocean and the Sea of Cortez are under threat from industrial fishing and the possibility of underwater mining. Blue Marine is supporting our local NGO partner, Orgcas, to actively assist fishers in a Baja California community in moving away from the inherently unsustainable practice of shark fishing. We are facilitating this transition by encouraging the uptake of eco-tourism, accomplished through investments in infrastructure, training and equipment with expertise from our Blue Economics and Education units. Fishers are beginning to see the economic advantages of this new approach and are inspiring others to follow in their footsteps. In October 2022, the Blue Marine team was invited to deliver the keynote speech at an international summit in the state capital, La Paz. We outlined our vision for sustainable MPA financing, introduced the potential of blue carbon projects for habitat protection and fund generation and explained how the Baja MPA would serve the community to garner local support for its creation.



The Dutch Caribbean

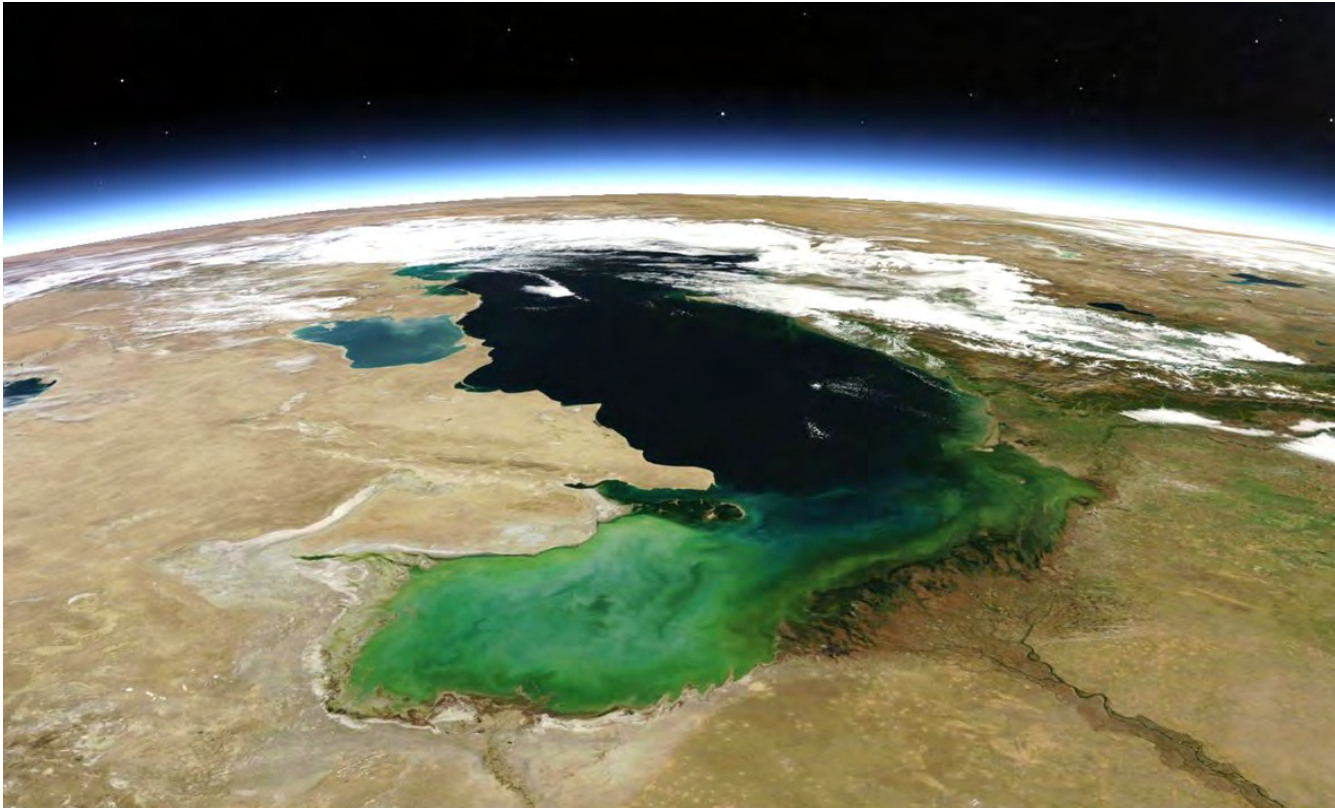
Expenditure in year*
£377,147

Expenditure over life of project*
£427,611

*See note 18a - 'Dutch Caribbean'

The islands of the Dutch Caribbean are home to unique ecosystems and incredible biodiversity, including hawksbill turtles, parrotfish, tarpon and sharks. These species and the biodiversity in the region are incredibly vulnerable to threats such as overfishing, climate change, coastal development and build-up of harmful algae caused by wastewater.

Over the last year, Blue Marine has made considerable progress in its political advocacy efforts, both in the Netherlands and with local island governments. Senior policy advisors for the Caribbean region have met with Dutch Ministries to discuss the importance of the Dutch Caribbean’s environment, the potential impacts of climate change on the region and the need for funding for nature foundation parks on all six islands. We have supported local conservation projects on all six islands, including cetacean monitoring and training, blue carbon sampling, youth ranger education and training, establishment of a climate change monitoring lab, coral monitoring, and turtle conservation work.



Caspian Sea

Expenditure in year*
£2,736

Expenditure over life of project*
£53,125

*See note 18a - 'Caspian'

The unique ecosystem of the Caspian Sea is under increasing pressure from overfishing, pollution, hydrocarbon extraction, melting ice fields and degradation of river systems. Working in Azerbaijan with local conservation organisation IDEA, Blue Marine has campaigned successfully for a ban on the use of gillnets, plastic nets designed to entangle fish’s gills. In 2022, we worked with the Azerbaijani ministry of environment to designate a second MPA of 60 sq km around the Absheron peninsula, north of the capital Baku, an important migration route for sturgeon. Blue Marine has also teamed up with the University of Leeds to identify projects in Kazakhstan and Turkmenistan. In Kazakhstan we are building relations with local conservationists to create MPAs and try to save the Caspian seal from extinction.

St Vincent & the Grenadines

Blue Marine has been working at the request of the government in St. Vincent and the Grenadines (SVG) to help them develop sustainable fisheries management. In December 2022, Dr Judith Brown (Blue Marine’s Projects Director) visited SVG to present our findings: ‘Sustainable fisheries management advice for the Government of St. Vincent and the Grenadines’. It was well attended by SVG political representatives, including the Minister of Agriculture, Forestry and Fisheries, Saboto Caesar, the Government Fisheries Department and Union and Bequia island fishers. The multi-level stakeholder participation went well, and the stakeholder feedback presented to the Minister was successfully incorporated into policy recommendations, which are now being taken forward, including a closed season for conch. Conch is a commercially and culturally important species across The Caribbean but is heavily overfished and free divers who go in search of conch are currently putting themselves at risk by going too deep and without rest days. A season would therefore save both marine life and divers’ lives.

Expenditure in year*
£19,385

Expenditure over life of project*
£54,891

*See note 18a - part of 'RvR MPA
Exploratory Fund'

The UK overseas Territories

Overseas Territories

Over four million square kilometres of ocean are protected around the UK Overseas Territories. Blue Marine, individually and as part of the Great Blue Oceans Coalition, works to ensure that the British Government upholds its commitment to the 'blue belt', that increasing numbers of territories are included in the programme of protection and that the protected areas bring benefits to the overseas territories themselves.

The UK Overseas Territories where Blue Marine particularly focused its efforts over the year ending March 2023 were Ascension and St Helena.

Ascension

Straddling the Mid-Atlantic Ridge, the waters of Ascension Island harbour globally significant marine biodiversity and are a hotspot for large predators, including sharks, tuna, swordfish and some of the largest recorded Atlantic blue marlin. After the designation of 443,000 square kilometres of no-take zone, Blue Marine was keen to ensure that the Ascension Island community were rewarded for their vision and commitment to protecting the world's ocean. To this end, Blue Marine established the Ascension Island MPA Community Trust fund (AIMPACT), a £2 million endowment fund donated by long-term supporter Peter Lürssen, for the benefit of on-island projects that support community, education, environment and heritage. To help build on island support for the MPA, Blue Marine has been working on Media, education and outreach work to highlight its benefits and importance. A particular highlight has been the launch of the turtle naming competition and rehearsals being underway for the Deep-Sea Adventure play.

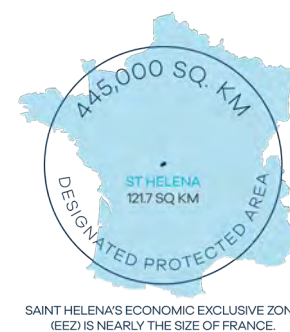


Expenditure in year*
£64,795

Expenditure over life of project**
£1,149,567

*See note 18a - 'Ascension'

St Helena



Expenditure in year*
£107,550

Expenditure over life of project**
£809,996

*See note 18a - 'St Helena'

Blue Marine has been working since 2017 with the St Helena National Trust to help build and maintain support for the marine protected area within the local 'Saint' community, while establishing St Helena as a globally recognised centre of scientific research. With the successful updating of the St Helena Fisheries Legislation, including a ban on all commercial fishing within the MPA except one-by-one, the revised Marine Management Plan is now with Ministers for final approval. Blue Marine and SHNT Marine Team successfully led their second whale shark research season encountering over 30 new (previously unrecorded) sharks, taking the total island population to 323 individuals. We have also been working to increase capacity and capability on island running multiple training courses for local staff including a marine intern. This year, the first images of potential courtship behaviour between a mature male and female whale shark have provided further evidence that the MPA serves as a breeding location. Our new Whale Shark ID app has been completed and accepted by Google Play and Apple stores, allowing anyone to upload photos of sightings to the SHNT marine team, who can identify the shark, and tell them about its history. The shark's updated profile is then fed into the international database of these striking animals.

The British Isles

Blue Marine is delivering ambitious conservation initiatives in a range of projects around the British Isles. It includes the restoration of threatened habitats and species, and the establishment of low-impact, sustainable fisheries that benefit both marine life and local communities. These local projects also inform our policy and legal interventions to urge the UK government to better protect and manage its waters.

Future of UK Seas

Our strategy to revive UK seas has five strategic aims:

1. Improve protection of UK MPAs and inshore waters.
2. Tackle overfishing and fisheries mismanagement and prove the value of low-impact fisheries.
3. Support a transition away from bottom trawling and dredging in the UK.
4. Restore seascapes and prove the blue carbon and ecosystem service value of UK marine habitats.
5. Engage people in marine conservation through outreach and marine parks.



The last year has seen strong progress in our UK work, including an area half the size of Wales protected as a result of our legal intervention, a hard-hitting campaign on the overfishing of cod and the launch of the most ambitious seascape restoration project in Europe. These interventions not only mark a significant increase in the amount of UK water protected and restored but are also creating templates for protection and restoration projects around the world. Our ambition is increasingly for the UK to be a blueprint for global marine conservation, rewilding and a just transition for fishers.

Expenditure in year*
£128,088

Expenditure over life of project**
£1,089,042

*See note 18a - 'UK Consortium'

Left Photo Credit: Henley Spiers. Cuckoo Wrass.

Above Photo Credit: Saeed Rashid. Fisherman: Jim Newton.

The Dogger Bank - Offshore Marine Reserves

Blue Marine has been working for years to protect offshore MPAs, including threatening legal action against the UK government for failing to bring in management measures, using the Dogger Bank as a test case.

After direct negotiations with the UK government, alongside the work of other organisations, the Dogger and three other sites were protected against commercial fishing in June 2022 – for the Dogger this means a complete closure of 12,331 km² from bottom-impacting fishing. This work has created an important benchmark to trigger government agencies to protect the UK's entire suite of offshore Marine Protected Areas — at 250,000 sq km, an area far larger than Great Britain. Our legal and policy teams are now deeply engaged with government officials to ensure this is done properly.

Expenditure in year*

£48,784

Expenditure over life of project**

£134,425

*See note 18a - 'Offshore Marine Reserves'

Expenditure in year*

£45,887

Expenditure over life of project**

£168,348

*See note 18a - 'HPMAs'

Highly Protected Marine Areas

One of the simplest and most effective solutions to overfishing is establishing highly protected marine areas (HPMAs). Scientific evidence shows that areas fully closed to fishing will - in under a decade - contain on average six times more biomass than totally unprotected areas.

To support the designation of a network of HPMAs, we have lobbied with Defra directly and built a network of supportive MPs and peers to ensure parliamentary support. After responding to their consultation directly and recommending specific sites, the UK government has introduced three fully protected areas in English waters. These sites are located in Allonby Bay, Dolphin Head off the South Coast and the North East Farnes Deep in the North Sea. We have begun conversations with Defra about next steps and the possible extension of the programme.

National Marine Parks

We continue to push the agenda on National Marine Parks (NMPs), acting as a catalyst for their creation. Through site scoping and a national workshop, we have empowered local stakeholders and seeded the creation of NMPs across the UK.

In November 2022, we hosted an online workshop connecting national strategic thinkers and stakeholders from the scoping locations for the very first time. The workshop agenda included updates from local stakeholders on NMP interest and complementary initiatives in their location, followed by breakouts focusing on discussion and feedback on the NMP draft national framework. The workshop was well-attended and has produced rich data to inform the next draft of the national framework and guide and shape a national workshop in the Spring of 2023. Through a national strategic working group, we have agreed a national framework and released it for wider consultation.

Expenditure in year*

£132,549

Expenditure over life of project**

£381,177

*See note 18a - 'National Marine Parks'

Jersey

Expenditure in year*

£153,704

Expenditure over life of project**

£494,542

*See note 18a - 'Jersey'

With one of the largest tidal ranges in the world, Jersey's marine environment hosts an astonishing diversity of habitats. They range from seagrass and maerl (coralline algae) beds providing shelter for key commercial species to rocky reefs hosting rare pink sea fans. The marine habitats around Jersey perform crucial roles in storing and sequestering carbon and buffering the effects of climate change.

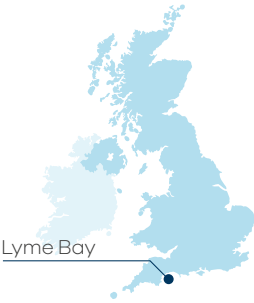
Blue Marine's campaign for a marine park closed to bottom-towed fishing in Jersey continues. States Members committed to developing a network of Marine Protected Areas (MPAs) by 2025. We expect to see further MPA designation from the end of 2023 onwards and will be advocating that the network covers a minimum of 30 per cent of Jersey waters. At the start of May 2022, the States of Jersey designated its first no take zone (NTZ) at Portelet Bay. Blue Marine has become part of an NTZ focus group, where we will support with monitoring and research. This designation takes Jersey one step further to becoming a leader in marine conservation. Alongside the designation, Blue Marine launched its first ever snorkel trail. Our education outreach programme allowed over 180 school children to learn about Jersey's marine environment and how to snorkel, fully immersing themselves in Jersey's waters.

Supporting sustainable fisheries

Lyme Bay: Road to Recovery

Lyme Bay is a Blue Marine flagship project, one that proves that sustainable fishing can co-exist with conservation. The Lyme Bay Reserve is one of the largest marine protected areas (MPAs) in the UK and has kept more than 230 sq km safe from dredging and trawling since 2008, helping to preserve rocky reefs and the largest colony of pink sea fans in the British Isles.

In 2022, Blue Marine supported the establishment of the Lyme Bay Fishermen’s Community Interest Company (CIC), which gives fishermen a voice at regional and national level to push for fisheries management that protects biodiversity and creates long-term benefits for coastal communities. The CIC has taken on the transport van, and the ports all manage the chiller stores independently, ensuring continuity of these facilities for the benefit of the fishing community. Lyme Bay is considered a model for collaborative MPA management and has formed the basis for a BLUEPrint on how to establish and manage MPAs. This guide published in February, shares Blue Marine’s experience and insights from more than a decade working with stakeholders in Lyme Bay and MPA projects around the world.



Expenditure in year*
£175,707

Expenditure over life of project**
£2,170,225

*See note 18a - 'Lyme Bay'



Berwickshire

Despite its importance for people and nature, the majority of the Berwickshire MPA is open to bottom-towed trawling and dredging, and reports of unlawful fishing by trawlers is common. To build on our long-term goal of stopping bottom trawling and dredging in Scotland’s inshore waters we have used the Berwickshire MPA as a case study site. We gathered and presented ecological evidence (including diver surveys, shipwreck ecosystem analysis and video footage) to NatureScot to make the case for greater support of Berwickshire Marine Reserve. We subsequently met with NatureScot who were interested in our findings and provided useful feedback on other information that would be useful. We will meet with them again over the next year to further discuss the findings and their implications.

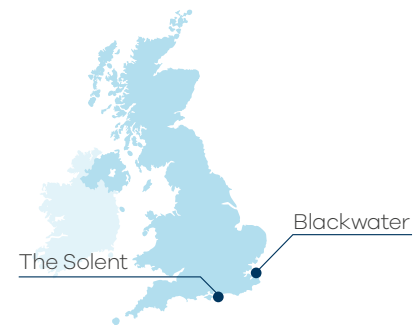
Expenditure in year*
£106,779

Expenditure over life of project**
£510,799

*See note 18a - 'Berwickshire'

Left Photo Credit: Colin Munro. Pink Seafans.
Top Photo Credit: Paul Richards

Restoration



Solent Seascape Project

The Solent was once the largest native oyster fishery in Europe, but it has since declined due to overfishing, disease, invasive species, habitat loss and poor water quality. In 2013, the fishery collapsed, and Blue Marine has been working to restore a self-sustaining population of native oysters, while demonstrating the benefits to people and nature. Oyster beds are not the only important habitat to suffer — saltmarsh, seagrass beds, and seabird nesting habitats have also declined. More than 50 per cent of the saltmarsh has been lost since the 1860s, and all 650 hectares of seagrass beds are in poor condition.

In partnership with nine other organisations, we launched our Solent Seascape Project, proving the concept of ecosystem-wide recovery through the protection and restoration of over 3,700 hectares of seagrass, saltmarsh, oysters and bird habitat. The project will act as a test bed to develop blue carbon and biodiversity credits, and create a replicable template for seascape-scale recovery and long-term financing. The work began in early 2023 and in March, our team laid the foundations for a new reef in the River Hamble, the largest in the Solent, which will serve as a new home for 30,000 oysters.

Expenditure in year*

£889,869

Expenditure over life of project**

£2,176,141

*See note 18a - 'Solent' + 'Integrated Ecosystem Restoration'

Blackwater

Blue Marine is working with the Essex Native Oyster Restoration Initiative (ENORI) to restore vital native oyster populations and the habitat they provide. Blue Marine and ENORI partners have significantly scaled up restoration and outreach efforts. This year, over 7,200m² of new native oyster habitat has been created through cultch deployments, building on to an area of restored habitat already spanning over 15,000m².

Expenditure in year*

£8,302

Expenditure over life of project**

£148,739

*See note 18a - 'Blackwater'

The Wild Oyster Project

An expansion of Blue Marine's successful oyster restoration work, this project is a collaboration between Blue Marine, the Zoological Society of London, British Marine and local project partners. Blue Marine has helped to set up new native oyster nurseries in the Firth of Clyde, Conway Bay and Tyne and Wear as part of a major community restoration effort. In each of the sites native oysters are either extinct or denuded, and human intervention is essential to recover these populations. Each hub will provide a model for community restoration using Blue Marine's oyster nursery design and our experience of seabed restoration.

Expenditure in year*

£107,492

Expenditure over life of project**

£209,840

*See note 18a - 'Wild Oysters'

Oyster nurseries provide a larval source to seabed restoration sites, where we will begin the restoration process by improving the habitat and deploying native oysters. So far, 141 oyster nurseries, holding more than 4,000 adult oysters, have been installed into marinas and ports. They have released millions of larvae into the local water systems to kickstart the restoration of native oysters. In our outreach programme, we have reached over 16,800 students through education and learning modules, trained 185 citizen scientists and engaged with 45,250 members of the public through general outreach.

Windfarms

The five-fold increase in offshore wind in the UK planned by 2030 presents a significant opportunity to combine habitat restoration and nature enhancement while achieving net zero. Blue Marine has built a pioneering, evidence-based online system that enables developers to identify opportunities to boost biodiversity and actively support marine life within their offshore wind farms.

In March 2023, Blue Marine led a workshop with leading offshore wind developers, government representatives, engineers and regulatory bodies to demonstrate this innovative approach for a net-zero strategy and nature-inclusive design. Offshore wind developers showed significant interest, stating this approach would help pin down ideal locations for supporting biodiversity. Government representatives were keen to see a roll-out of this tool, saying that it could create ecologically meaningful outputs within one of the fastest growing energy sectors in the world.

Expenditure in year*

£70,112

Expenditure over life of project**

£130,952

*See note 18a - 'Windfarms'

Species at risk

Sussex's kelp forests

To mark the second anniversary of the Nearshore Trawling Byelaw which protects Sussex coast's kelp beds, Blue Marine and the Sussex Kelp Recovery Project launched the comprehensive progress and impact report. Sussex divers and fishers have observed an increasing diversity of species, and vast, expanding blue-lipped mussel beds forming. Meanwhile underwater cameras, diver surveys and fisheries studies are recording changes in the ecosystem.

Expenditure in year*

£166,621

Expenditure over life of project**

£274,801

*See note 18a - 'Kelp'

The return at scale of the once historic kelp beds is not yet evident - but it is still early days. Critically, we know that precious remaining areas of kelp remain in good condition. Every year these release fresh spores into the water column, and it is these spores that will create our future kelp beds. A new SKRP website was created to communicate the research, citizen science and public engagement activities being led by Blue Marine and other SKRP partners, and a short video produced for social media. The launch was covered in international media outlets including Sky News and Oceanographic Magazine, as well as regional TV and radio. The project continues to gain recognition as a pioneering collaborative initiative to monitor and support natural recovery of over 170km² of kelp beds that had been lost since the 1980s.

Safeguarding at Risk Fisheries

Expenditure in year*

£41,015

Expenditure over life of project**

£139,573

*See note 18a - 'Species at Risk'

Safeguarding At-Risk Fisheries is a forum for everyone in small-scale inshore fishing. Its ideas will be used to lobby government to protect non-quota species like cuttlefish and crab.

Over the past year, Blue Marine has run a series of symposiums that have brought together more than 300 stakeholders to share knowledge, research and ideas for ways to manage these at-risk fisheries. The Cuttlefish Symposium in November 2021, and the Whelk Symposium in June 2022 brought together attendees including fishermen, fisheries managers, government agencies, conservation groups and citizen scientists. Together they shared information about current stocks, trends in fisheries and the range of management measures in place or needed to reverse the current declines. The Crab and Lobster Symposium in November 2022 saw an attendance of 255. In the spring of 2023, the Proceedings and recommendations from all three events will be published and input to the government's Fisheries Management Plans.

European Sturgeon



Expenditure in year*

£38,171

Expenditure over life of project**

£169,888

*See note 18a - 'Sturgeon'



The European sturgeon, once abundant across Europe and the largest migratory fish species to previously occupy UK rivers, has suffered a long history of decline. Blue Marine is aiming to raise awareness of this iconic species and begin to restore populations in the UK. Over the last year Blue Marine has worked closely with the UK Sturgeon Alliance to develop a national action plan for European and Atlantic sturgeon restoration. This will identify the strategies needed to ensure that sturgeon returning to UK waters have every chance to thrive. The alliance is looking to publish a report on restoring sturgeon to Irish waters later this year. We hope that this report will stimulate a wider discussion on how we can bring back Ireland's many lost species and in particular how we can look forward to the day when sturgeon are once again swimming and spawning in Irish waters.



Blue Marine Strategies for Change

In addition to our project locations across the world, Blue Marine has developed eight specialist units that act as global strategies for change to unlock ocean conservation through the following approaches:

1. Raising awareness using Blue Media and Blue Education.
2. Revealing the truth of the state of the oceans with Blue Investigations and Blue Science.
3. Pressing for change in the way the ocean is managed through Blue Legal and Blue Policy.
4. Changing the way the ocean is valued via Blue Economics and Blue Climate.

Blue Marine Strategies for Change

Raising Awareness

Blue Media

Blue Media uses a range of media from short films to social media campaigns, as well as virtual reality experiences and mainstream television to inspire ocean conservation. Over the last year Blue Media has been working with our UK and international project teams to showcase the brilliant work and initiatives that are taking place.

Key campaigns include:

#BringBackBritishCod

In June 2022, Blue Media launched the #BringBackBritishCod campaign to raise awareness and drive action towards sustainable fishing quotas for British cod stocks, which are at risk of collapse. Through a combination of press and social media outreach, the campaign generated over 10,000 signatures for a public petition calling for the UK government to adjust fishing quotas in line with scientific advice. The campaign included a parliamentary reception held in November 2022, which provided the opportunity to present the campaign's message directly to decision-makers in Westminster. The campaign film featured narration by actor Jude Law, and the associated content reached three quarters of a million people on social media.

Highlighting community led conservation

In Greece, Blue Media has been working with a ground-breaking group of local fishermen on the island of Amorgos to protect the surrounding waters. A short film has been commissioned to bring this inspiring story of community-led conservation to the attention of the Greek government, with the goal of having the initiative legally recognised. If successful, this would be the first official no-take-zone in Greece.

Expenditure in year*

£236,287

Expenditure over life of unit**

£1,071,606

*See note 18a - 'Media Unit'

Blue Education

Blue Education is developing imaginative, engaging materials and hands-on education programmes to inspire all ages to become ocean advocates.

Expenditure in year*

£70,686

Expenditure over life of unit**

£368,671

*See note 18a - 'Blue Education Unit' (inc Designated)

The Sea We Breathe

The ocean is the world's largest carbon sink, but very few people understand the processes by which this occurs or the importance of protecting life in the ocean. Blue Marine launched our immersive education platform: The Sea We Breathe in 2021 to explain to as many people as possible about the link between oceans and climate. So far, by June 2023, The Sea We Breathe has reached over 1.4 million people in 100+ countries, won eight awards, including a Webby award, and been translated into Spanish, Portuguese and Italian. We are planning to add translations in German, French, and Arabic ahead of COP28 in Dubai and launch a truly immersive virtual reality version to further the impact and reach of this resource.

Blue Marine's first ocean observatory

Blue Education is working with project managers to roll out several 'Ocean Observatories' across the globe. Our pilot project in Berwickshire is launched in February 2023 and will act as a brilliant case study for the initiative. Using underwater cameras, high-resolution footage of the UK's underwater worlds will be captured and made accessible online. Using this footage, we aim to educate and inspire young people to get involved with marine science and data collection. Alongside the videos, fact and activity sheets have been created to provide online and downloadable lessons for young people, which will introduce key UK species and demonstrate why it is important that specific areas are protected.

Blue Marine Strategies for Change

Revealing the truth of the state of the oceans

Blue Legal

Blue Marine’s legal unit challenges unsustainable fishing and uses the legal system to support Blue Marine’s strategic interventions, pressing for the proper creation and enforcement of the law at sea. Below are some examples of work from the past year:

Expenditure in year*
£68,276
Expenditure over life of unit**
£528,031
*See note 18a - 'Blue Legal Unit' (inc Designated) + 'Salmon Farms' + 'Brussels'

Solidifying the case for Jersey’s MPA

In Jersey, Blue Legal has been offering domestic legal advice to advocate for the creation of an MPA for environmental reasons. Due to the dissolution of the Granville Treaty following Brexit, Jersey now has jurisdiction over its own seas for the first time, and the legal right to establish an MPA. However, this process has been diplomatically complex, with pushback from French fishing vessels and the French government. While the legal argument for the MPA has been won, Blue Legal will be working over the next six months to introduce French NGOs to the process in order to gain local transboundary community support and solidify the political argument for the MPA.

Using past wins to drive future ones

In Greece, Blue Legal has been advising Greek NGOs on how to apply European laws to drive MPA development, introducing rolling mechanisms and assisting local lawyers to implement aspects of the powerful European Habitats Directives. We have considerable experience in this area following our successful campaigns to close the UK part of the Dogger Bank to damaging trawling in June 2022, and the implementation of the Habitats Directive in Italy. The Habitats Directive requires EU member states to create a network of marine protected areas, restore deteriorated sites and only permit activities which don’t harm those sites or which have overriding public interest and provide environmental compensation for their activities (fishing will very rarely, if ever, be deemed to be of overriding public interest). This work is crucial as it will help to speed up the rate at which MPA plans are put into action.

Blue Investigations

Blue Investigations works to research and expose overfishing and other methods of over-extraction. Our investigations team works closely with our media and legal team to shine a light on overfishing and other harmful marine activities.

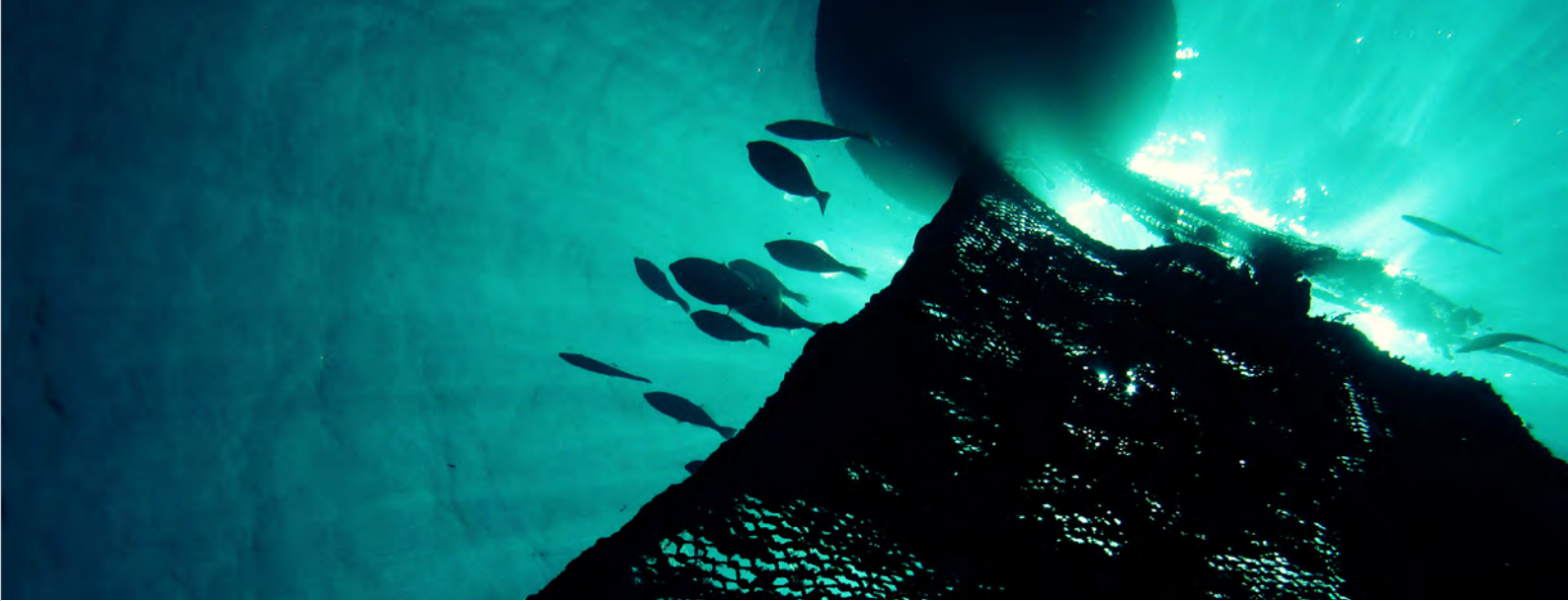
Expenditure in year*
£56,333
Expenditure over life of unit**
£565,513
*See note 18a - 'Blue investigations Unit' + 'RFMOs'

Tackling overfishing in the Indian Ocean

A landmark legal paper written by Blue Investigations and published by Cambridge University Press in January 2023 analysed the laws that apply to fishing vessels which regularly switch off their mandatory AIS tracking systems and found that the role insurers have to play in curbing this kind of illegal activity is “non-discretionary.” This paper, together with the data from Blue Investigations’ last three reports (undertaken with partners OceanMind) analysing the AIS misuse of the EU’s Indian Ocean tuna purse seine fleet, formed the basis of a complaint submitted by Blue Investigations to the Financial Conduct Authority and the Prudential Regulatory Authority – the regulators of the UK insurance industry.

A conservation win under threat at the IOTC

In February 2023, a major conservation victory was achieved during the Indian Ocean Tuna Commission's (IOTC) session in Kenya. The Head of our Blue Investigations unit, Jess Rattle, attended the highly contentious meeting that was held to improve the management of controversial fish aggregating devices (FADs) used by industrial EU purse seine vessels to catch tuna, most of which are juveniles. Despite strong opposition, a proposal backed by 11 coastal states for a 72-day non-FAD-fishing period was approved, supporting the recovery of overfished bigeye and yellowfin tuna, and aiding the livelihoods of coastal communities. This progress, however, is now at risk as the European Commission intends to object, exempting their entire industrial fleet from the new resolution. Blue Investigations will persist in urging the EU to respect the new regulations.



Blue Marine Strategies for Change

Changing the way the ocean is managed

Blue Science

Blue Science uses strategic scientific evidence, position papers and academic publications to support Blue Marine's mission.

Expenditure in year*

£31,283

Expenditure over life of unit**

£107,352

*See note 18a - 'Blue Science'

How well protected are the UK's Marine Protected Areas?

The Blue Science Unit is using 'The MPA Guide: A Framework to Achieve Global Goals for the Ocean' to evaluate the UK's MPAs, both in home waters and its overseas territories (UKOTs). This is a globally applicable MPA-evaluation method, first published in 'Science' in September 2021 by leading marine scientists. Research findings are also feeding into Blue Marine's UK-based research on destructive fisheries, many of which are operating within MPAs.

Blue Science is also working with the team behind MPAtlas. Created by the Marine Conservation Institute, MPAtlas is a key resource for accessing and analysing information about global MPAs. We are using one of the site's databases that applies the MPA Guide methodology to designations, which will help accelerate our analysis of UK and UKOT MPAs. The project is also being supported by a number of postgraduate students who have focused on MPA Guide assessments.

Blue Policy

Blue Policy works to engage with policy makers to implement and change policy to deliver sustainable fishing and marine protection.

Expenditure in year*

£125,845

Expenditure over life of unit**

£1,083,633

*See note 18a - 'Blue Policy Unit' + 'High Seas' + Ocean Governance'

The High Seas

The high seas are the areas of ocean outside the national jurisdiction of individual countries, comprising 43 per cent of earth's surface. Their proper protection is essential to reach a 30 per cent by 2030 protection target. In March 2023, after nearly two decades of negotiations a historic deal was made, resulting in UN member states finally agreeing on a framework which will provide protection in the High Seas. Blue Marine lobbied, both on our own and as part of the High Seas Alliance coalition to achieve this result. We directed the majority of our lobbying effort on the UK, but we also worked with others to lobby nations around the world. The UN Ocean Treaty opens a path to place 30 per cent of the High Seas into protected areas by 2030, to safeguard marine species and preserve the climate and biodiversity functions on which our planet and species depend.

Ocean Governance

The Montreal Biodiversity COP in December saw the countries of the world set ambitions and commitments to restore biodiversity and to protect 30 per cent of the ocean. Blue Marine hosted a highly successful ministerial level event in Montreal that brought together ministers from different countries and provided a platform for negotiators to hear the importance of strong targets. Blue Policy continues to work closely with ministers and negotiators to push for the 2030 targets to be realised.

Blue Marine Strategies for Change

Changing the way the ocean is valued

Blue Climate

Blue Climate aims to prove the value of the ocean as a climate change solution. Our vision is for the blue carbon sinks and flows in our waters to be valued and protected for the carbon sequestration and other benefits that they provide.

Expenditure in year*

£2,347,339

Expenditure over life of unit**

£3,485,045

**See note 18a - 'Blue Carbon Unit' +
Barclays Carbon' + 'CVC Carbon Credits'
+ 'Convex Seascape Survey'

UK natural capital market

To realise the full potential of the blue natural capital market will require billions of dollars of investment capital in the coming decades. Blue Marine has emerged as a thought leader and catalyst in the blue carbon sector. During this process, Blue Marine has gained understanding in how projects are developed, the governance and legal structures, what makes a high quality verified carbon credit, the pitfalls and risks involved, and the precise technical expertise required.

The Convex Seascape Survey

First announced in November 2021, the Convex Seascape Survey is a five-year, \$15-million global research programme — to date the largest of its kind. It seeks to answer one of the great unanswered questions of our time, namely the capacity of the ocean in helping to slow runaway climate change. Blue Marine is managing the project, which began in earnest in the summer of 2022, led by Professor Callum Roberts and the University of Exeter in the UK, with funding from Convex Insurance Ltd. Its aim is to collect and present robust data on the importance of the ocean, its ecosystems and the seabed in drawing down and locking away carbon.

Building consensus around innovative blue carbon

Marine habitats such as seagrass, saltmarsh and kelp remove carbon from the atmosphere, improve water quality and provide important refuges for biodiversity. Unfortunately, there is a lack of data and understanding about how these habitats interact, especially around water quality and the movement and storage of carbon. We are working to deploy innovative technology to further map these vital ecosystems alongside world leading experts and progress our understanding of blue carbon ecosystems.

Blue Economics

Blue Marine aims to use economic models and innovative finance to unlock a quantum increase in ocean conservation finance, prove the economic viability of sustainable fishing, and examine the perverse economics of subsidised overfishing.

Expenditure in year*

£90,942

Expenditure over life of unit**

£225,406

*See note 18a - 'Blue Economics'

Developing biodiversity credits

We are involved in developing the first biodiversity credit in the UK for our Solent Seascape project with various partners. Through this work we hope to catalyse the market for biodiversity credits and apply the methodology across an increasing number of Blue Marine's projects. Alongside biodiversity credits, we have been researching, developing, and modelling sustainable finance mechanisms for a range of international projects. These include tourism fees, revolving funds and carbon credits. Following two project trips to Turkey and Mexico these models are now being finalised.

A Just Transition

In the UK, Blue Economics is helping provide the evidence base for a just transition away from harmful bottom-towed gear. Alongside environmental economics consultancy, eftec, we are conducting three transition case studies in Berwickshire, Jersey and Sussex. This report will be used for policy evidence purposes as well as helping us to develop a framework to best assess the socioeconomic and environmental implications of fisheries-based transitions. These will then be supporting documents for our campaigns and further mission to end all bottom trawling in UK MPAs.

Blue Marine's ongoing development

In the year to 31 March 2023, Blue Marine continued to grow impressively in terms of expenditure towards achieving our mission, income, the number and scope of projects we are undertaking and the number of staff we employ. Income reached £11,300,376 in the year, up 45% on the year. Expenditure was £9,502,068, up 53% on the previous year. Blue Marine is now working in 24 locations around the world, and is carrying out over 50 programmes, campaigns and strategic interventions.

But growth is not an aim in itself – our aim is to maximise our impact in everything we do. In spite of the fact that Blue Marine has tripled in size in the last three years, we remain focused, innovative and utterly dedicated to our mission with an impact that still far exceeds our size.

Our many successes, set out in the preceding pages can be attributed to a combination of bravery in tackling powerful entrenched interests that are wrecking the ocean in the pursuit of commercial gain, innovation to constantly reinvent how we work to achieve maximum impact, tenacity to play the long game where needed, but impatience to call out recalcitrance. Above all, it is due to our exceptional team of

highly motivated and talented people who are united by the urgency of the crisis we face and by the hope we derive from successes in our projects.

The year to March 2023 also saw our eight 'strategies for change' or 'units' making significant progress. Using a combination of scientific (particularly the link between oceans and climate), legal and policy interventions to change the way the ocean is managed, economic arguments to show that marine protection is better for everyone, including coastal communities and fishermen, we have secured significant areas of protection and revealed shocking failings in the way the ocean is exploited. Awareness raising through media and education remains a key part of our strategy. The success of the digital platform The Sea We Breathe allowed millions of people to take a virtual dive into the deep ocean. The stronger the connection people have with the sea, the more they are likely to want to protect it and we are proud of our emerging generation of ocean advocates who in turn will put pressure on politicians to do more to protect the sea, for the sake of their futures.

Blue Marine's strategy for the coming year

Blue Marine remains steadfast in its aim to see at least 30 per cent of the ocean under meaningful protection by 2030 and the other 70 per cent sustainably managed. Two announcements in the last year made the policy framework for our mission more attainable: In December 2022, in Montreal, a global commitment to protect 30 per cent of the world's land and sea by 2030 was announced. Then in March 2023, at the United Nations in New York, the High Seas treaty was finalised. This treaty is a necessary and crucial step towards protecting the high seas which cover 43 per cent of the Earth's surface.

These two agreements, important as they are, will only protect life in the ocean if countries deliver on their promises, so a key priority of Blue Marine is to choose projects which will not only deliver significant protection increases in any given area, but also act as blueprints to be emulated all over the world. Areas of focus include UK mainland waters including the North Sea, the Mediterranean, particularly Greece, Turkey and Italy, the Dutch Caribbean where the Netherlands can emulate the UK overseas territories as a model of protection, the Maldives, the Caribbean and Namibia.

Where we work is important, but also how we work. We remain laser focused on our mission, concentrating on our four pillars of protection, tackling overfishing, supporting genuinely low-impact fishing and – in certain areas where marine life is significantly depleted – conducting active restoration programmes. We do not seek to embed ourselves in our projects around the world, but rather work with local communities to build capacity and ensure local stewardship of marine environments. We have strong local partnerships and only work where we believe that Blue Marine's particular combination of knowledge, skills and experience will be critical in bringing a project to fruition.

The good news is that protecting and restoring marine life and habitats can be done relatively quickly and easily with the right policies in place. And restoring life in the ocean can make a major contribution to closing the emissions gap. Blue Marine will work more urgently than ever to protect the ocean so that it can in turn protect us all.





Blue Marine's core values

Blue Marine's purpose, to protect and restore life in the ocean to help stabilise the climate, is our inspiration, uniting us as an organisation.

But beyond our cohesive purpose, we have core values which guide how we achieve our goals, how we interact with other organisations and with each other.

We are brave, innovative and pioneering. We are collectively pressing for vital change all over the world. We work tirelessly and with determination and help each other to be resilient when we face opposition and when we feel that our efforts are not enough. Conservation is challenging and requires innovative solutions, so it is vital that Blue Marine has a mutually supportive culture where all ideas are welcome. Success is celebrated in the knowledge that it is never easy.

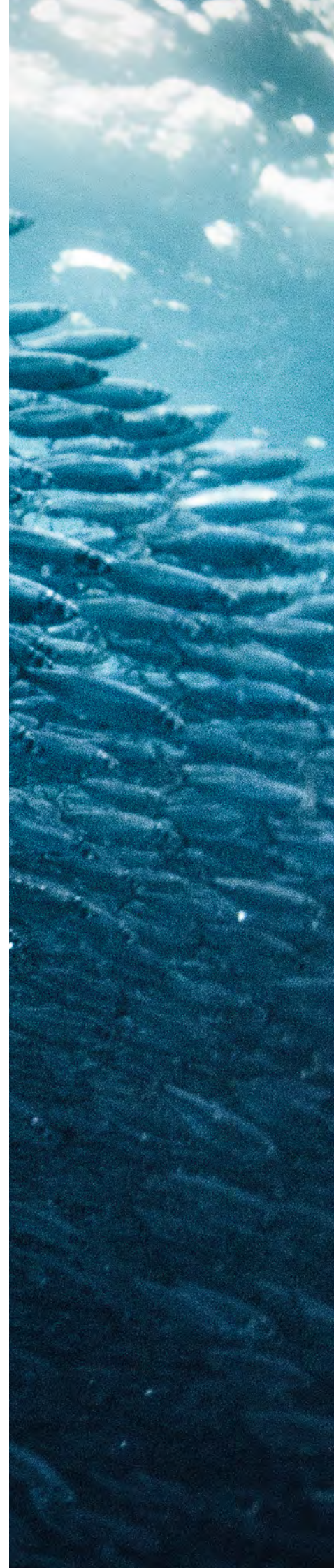
We are compassionate, supportive and responsible: We ensure that Blue Marine is a warm, welcoming and friendly place to work where everyone is treated with kindness and compassion. We are mutually supportive and take collective, team and individual responsibility for our words and actions.

We operate in a spirit of fairness where all team members are respected and supported in their role. We run meetings in a way to ensure that every voice is heard. We empower every team member to work to work in the way that suits them best so they are inspired to achieve but not overwhelmed.

We work without bias, with integrity, accountability and transparency. We seek to achieve balance through our work between people and nature. We do not discriminate between race, colour, ethnic or national origins, sex, marital status, sexual orientation, disability, religion or age, but seek to nurture and empathise.

We show respect for all people we encounter, work with and, at times, disagree with. We accept that people may hold different views or have different ways of thinking, and we will explore those differences calmly, respectfully and tolerantly.

We collaborate with other organisations and NGOs, both on an international level to achieve global change, and at a local level, where we aim always to empower and build capacity in local organisations, bringing in our own team members and expertise only when it is welcomed and invited by local stakeholders.



Financial review

The accounts are set out on pages 62 to 90.

Donations amounting to £10,523,966 (2022 - £7,398,511) were received during the year. This 42% growth, particularly in restricted income, reflects Blue Marine's continued development as an organisation. With 49 individual projects, campaigns and interventions currently underway, and the growing success of Blue Marine's eight strategic units, Blue Marine is positioned as a bold and ambitious organisation, trusted by donors and project partners to deliver tangible impacts in its activities.

The funding pipeline continues to be robust and diverse and includes several new substantial multi-year donations that gives security to the project teams and confidence in the delivery of their long-term objectives. Blue Marine's eight strategic units are a key driver in the growth of this ambition.

Total expenditure grew to £9,502,068 (2022 - £6,208,722). Restricted expenditure grew by 53% (2022: 54%) as a result of increased activities through Blue Marine's eight strategic units and substantial new multi-year Climate and Restoration projects. These additional project activities were supported by a 44% (2022: 35%) increase in unrestricted expenditure on Blue Marine's core operations, including fundraising and governance. This remains in line with Blue Marine's lean operational model, with 85% (2022: 92%) of expenditure dedicated to charitable activities, 8% (2022: 5%) on governance costs and 7% (2023: 3%) on costs of raising funds.

Total funds held as at 31 March 2023 amounted to £7,904,328 (2022 - £6,131,653) plus the AIMPACT Endowment Fund, £1,806,754 (2022: £1,964,296) held in a separate account and invested in sustainable funds. The increase in funds held reflects the expenditure required to fulfil objectives on an increased number of projects in the next financial year, plus the growth in 'free reserves' required to adhere to Blue Marine's Reserves policy and provide a strategic financial resource in the form of the Project Catalyst Fund, where unrestricted reserves are designated to support agile and reactive decision-making in furthering Blue Marine's charitable activities (see Reserves Policy below). The Trustees are confident that reserves will not prove to be excessive in light of the current economic uncertainty, the level of future activity anticipated and the growing number of Blue Marine's projects.

Going Concern

The trustees of Blue Marine Foundation have examined the 24-month forecast of income and expenditure for both organisational operations and carrying out the planned charitable activities and are confident that Blue Marine Foundation remains a going concern. Blue Marine's agile and reactive nature has proven to be resilient and effective in adapting to change, and the financial position is supported by a strong reserves policy. There are no material uncertainties that challenge the going concern assumption.

Reserves policy

"Free reserves" held at 31 March 2023 (consisting of amounts which could be spent excluding restricted funds and fixed assets and without disposing of investments), amounted to £3,348,482 (2022 - £2,839,047).

These reserves fall within Blue Marine's Reserves Policy of between six- and eighteen-months' operational expenditure (lower limit £1,233,502, upper limit £3,700,508).

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.

To facilitate the continuing agility and reactive activities that are fundamental to Blue Marine's strategy, the Trustees have approved the creation of a Core Project Action Fund. This designated fund releases all free reserves above twelve months of forecast operational expenditure (£2,466,996) as funds available for immediate deployment on project activities. As at 31 March 2023, the Core Project Action Fund had supported charitable activities to the value of £590,847.

In addition, on a regular basis and on the provision of considered proposals (reviewed against Blue Marine's proposed project criteria) by the executive team, specific consideration will be given by the Trustees as to whether any further 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.

Fundraising Policy

Blue Marine Foundation Trustees are committed to ensuring that fundraising activities are carried out in an ethical manner and Blue Marine adheres to the Code of Fundraising Practice as set out by the Fundraising Regulator. Blue Marine complies with the four values supporting the standards in the Code:

- Legal. All fundraising must meet the requirements of the law.
- Open. Blue Marine will be open with the public about its processes and will be willing to explain (where appropriate) if asked for more information.
- Honest. Blue Marine will act with integrity and must not mislead the public about the cause it is fundraising for or the way a donation will be used.
- Respectful. Blue Marine will demonstrate respect whenever it has contact with any member of the public.

Blue Marine has an in-house fundraising team whose efforts are focused on raising funds from established trusts and foundations, corporate partners and high-net-worth individuals. Blue Marine's fundraising team will not exploit a vulnerable circumstance, the lack of knowledge or apparent need for care and support of any donor at any point in time. Blue Marine does not have widespread engagement with the general public, run digital campaigns or use third party fundraisers.

Blue Marine carries out due diligence and has agreements in place with all corporate partners and commercial participators.

Blue Marine has received no complaints about its fundraising in the year ended 31 March 2023.



Remuneration Policy

Blue Marine Foundation aims to maximise its impact through paying fair salaries to reward talented people. Blue Marine is committed to ensuring that we pay our people fairly to attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In determining the remuneration of Blue Marine staff, the Remuneration Committee considers

all relevant factors including benchmarking against the charity sector, the complexity of the role, the experience of the member of staff and ensuring the pay is responsible in line with our charitable objectives. The objective of the Remuneration Committee is to ensure that the senior management and staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Charity.

Investment Policy

Blue Marine Foundation's governing documents permit investment of funds where the purpose of the investment falls within Blue Marine's charitable purpose, including the creation and management of Endowment Funds. All of Blue Marine's investments will be invested with a qualified professional asset manager or managers, authorised by the Financial Conduct Authority (FCA).

The AIMPACT Endowment Fund is managed by a dedicated AIMPACT Committee made up of at least three members, at least one of which will also be a Trustee of Blue Marine. The Trustees of Blue Marine authorise the committee members to make investments and expenditures within the purpose of the fund. The AIMPACT Committee provides thrice-yearly reports to the Blue Marine Trustees covering 1) disbursements made to the beneficiary 2) the status of projects financed by the fund and 3) annual investment performance reports. Investment objectives are followed as per the agreed Statement of Investment Principles.

The committee seeks to avoid investment in companies which contribute disproportionately to climate change. Companies with poor governance, poor human rights records and poor treatment of employees are also avoided where possible. Blue Marine requires that investee companies report on the environmental, social and governance performance of their investments as well as the financial performance.

Risk Management Policy

Blue Marine Foundation aims to take a pro-active and robust approach to risk management, constantly evaluating and anticipating risks and actively managing them. At the year end the top organisational risks to Blue Marine were deemed as: foreign currency exposure, our transition into a medium-sized entity and employee welfare.

Foreign currency exposure

Blue Marine's global project roster continues to expand, creating exposure to foreign currency donations and expenditure. Previously, Blue Marine sourced funding for projects in a project's functional currency, eliminating the exposure to foreign currency translation. As the number and scope of our international projects continue to expand, it is not always possible to maintain this natural FX hedge, particularly given time lags between funding arising and project expenditure.

Blue Marine deems the primary risk of foreign currency exposure to be its long-term projects becoming underfunded due to adverse movement in FX rates. To manage this, project budgets are designed to include an FX buffer and any translation gain is held on to for the latter years of the project, to be reinvested to cover off any FX loss. Blue Marine also engages a foreign currency trading platform to ensure the best rates available when translating currencies.

Becoming a medium sized entity

If turnover exceeds £10m for a second year running, Blue Marine will become a medium-sized entity on 1 April 2024 which will result in additional compliance, particularly regarding the employment of overseas staff. This overseas staffing challenge has been compounded by Brexit with the strategic necessity to have a separate legal entity in Brussels.

Currently, all staff working on Blue Marine's overseas projects are either employed through a local project partner or are taken on as

consultants. In Brussels, and for wider overseas projects in future, the consultancy option will not be possible and Blue Marine will need to investigate options for opening subsidiary entities in each country required to employ overseas staff.

We are mitigating this risk by ensuring the finance and operations team is adequately resourced to absorb the additional requirements with minimal impact on the project/unit teams and we will also seek external professional advice.

Employee welfare

Over the course of the previous financial year and beyond, the UK's economic situation has significantly worsened. While the economic downturn has not – so far – had a negative impact on Blue Marine's financials as an organisation, Blue Marine recognises the impact that it can have on staff welfare. As a result, we continue to invest in employee welfare, constantly looking at ways to minimise the effects of an economic downturn. This includes evaluating the current HR function to include greater support to staff, rewarding people who travel into the office, investing in a suite of flexible staff benefits and ensuring salaries remain competitive against the wider market.

Risk Mitigation

The following three elements to be essential in ensuring the risks are properly understood, mitigated and prepared for:

Element 1: Risk Register

Blue Marine maintains a traditional risk register, updated and approved by the Board of Trustees on an annual basis. The risk register is presented as part of the annual independent audit of accounts. The purpose of the risk register is to:

- Provide a library of foreseeable external and internal risks, scored on likelihood and impact.

- Prompt preventative action to update policies and procedures to mitigate risks where possible.

- Identify the most serious risks that require further response planning.

Blue Marine recognises that a risk register is only a small part of a resilient organisation's risk management approach and understands that the risk register is limited to dealing only with foreseeable, predictable risks.

Element 2: Risk Culture

The global pandemic has exemplified the need for an agile and creative approach to risk-management and Blue Marine considers organisational culture to be a key factor in its resilience. Blue Marine recognises the following aspects as critical to maintaining a strong risk-aware culture throughout the organisation:

- Tone from the top.

Senior management discuss the risks the organisation, its reputation, its projects or fundraising pipeline are facing openly, visibly taking responsibility for mitigating them. Lines of communication are short and messages are well distilled across all levels of the organisation.

- Open and honest communication.

Regular weekly meetings are held with the purpose of open and honest communication about project progress. This is a safe space to air concerns about risks impacting project delivery, timescales or budgets. Every member of staff at Blue Marine is invited to join and participate in these meetings.

- Focus on well-being.

Regular sessions are organised by Blue Marine's independent HR advisor on wellbeing, providing a safe space to air concerns about risks impacting someone's safety, ability to work effectively, or mental health. Every member of staff at Blue Marine is invited to join and participate in these meetings.

- A pragmatic approach.

Blue Marine uses policies and practices that work when applied in real life. Risk mitigating measures (e.g. risk assessments) are kept simple to avoid administration overload. Staff understand what is required of them before undertaking hazardous activities and therefore always follow the procedures.

Element 3: Risk Response Plans

The aim of a response plan is to facilitate the organisation and empower the right staff members to be more agile and reactive in combatting serious risks when they occur. Blue Marine has created six risk response plans to enable staff to react quickly and decisively should there be a risky situation requiring urgent attention.

The risk response plans cover scenarios that could occur relating to financial risks, legal/libel risks, HR risks, PR risks, data security risks and health and safety risks.

An example of a risk response plan is the Safety at Sea policy. The objectives of the policy are to ensure health, safety and welfare at sea, prevention of human injury or loss of life, and avoidance of damage to the environment, in particular, to the marine environment, and to property. The policy covers both human and environmental protection.

Each response plan involves a small committee of senior staff, plus one trustee representative from the board. Each response plan contains the triggers, i.e. situations or events would trigger the response plan being actioned, the staff members that are responsible for managing the situation, the steps that the decision-makers and committee are expected to follow in their response, including additional factors to be considered, and prompts regarding appropriate communications and follow-up.

The risk response plans are communicated to all new starters and shared annually with all staff.

Other Policies

Blue Marine Foundation strives to be a transparent, accountable and trustworthy organisation. In line with these objectives, many policies are publicly available on Blue Marine's website, including the Sustainability policy, Business Engagement policy, Anti-bribery and Corruption policy, Anti-fraud policy and Reserves policy.

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 £10. At 31 March 2023 there were 7 guarantors.

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, from the Senior Executives and from Blue Marine's Terms of Reference. The duration of a Trustee's term will be three years, with annual reviews by both parties. Any Trustees approaching the end of their three-year term may stand for re-appointment for a further three-year term.

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.

The Trustees are taking steps to incorporate the Charity Governance Code into the structure and culture of Blue Marine. The governance committee meets on a six-monthly basis and progress will be reported on an ongoing basis.

Blue Marine's charitable objectives

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 and protection of the physical and natural environment by promoting marine preservation, preventing marine biodiversity decline and restoring marine habitats.
- To advance the education of the public in the conservation and protection of the marine environment.

The Trustees, having regard to the Public Benefit Guidance published by the Charity Commission, consider that the purpose and activities of Blue Marine Foundation satisfy the requirements of the public benefit test.

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 group

and of the incoming resources and application of resources, including the income and expenditure, of the group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 or she 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Sayer Vincent LLP remains the charitable company's auditor and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees and signed on their behalf by

Arlo Brady
Chairman, Board of Trustees

Date: 14 November 2023



Independent Audit Report

Opinion

We have audited the financial statements of Blue Marine Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 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.
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 the group financial statements section of our report. We are independent of the group and parent 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.

Based on 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 Blue Marine Foundation'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 trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. If, based on the work 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

- 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 group and the parent charitable company and their 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 in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees’ responsibilities set out in the trustees’ annual report, the trustees (who are also the directors of the parent 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 group’s and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 the 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group’s policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- We reviewed any reports made to regulators.

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring

due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard
Senior statutory auditor

Date: 22 November 2023
for and on behalf of Sayer Vincent LLP, Statutory Auditor.
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

FINANCIAL STATEMENTS

For the year ended 31 March 2023

Consolidated statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	Endowment £	2023 total £	Unrestricted £	Restricted £	Endowment £	2022 total £
Income from:									
Donations and legacies	2	2,206,068	8,317,898	-	10,523,966	2,096,307	5,302,204	-	7,398,511
Other trading activities		720,226	-	-	720,226	375,358	-	-	375,358
Investments		30,190	-	25,994	56,184	169	-	16,150	16,319
Total income		2,956,484	8,317,898	25,994	11,300,376	2,471,834	5,302,204	16,150	7,790,188
Expenditure on:									
Raising funds	3	664,696	-	361	665,057	166,561	-	607	167,168
Charitable activities	3	1,364,230	7,472,781	-	8,837,011	1,303,935	4,737,619	-	6,041,554
Other		-	-	-	-	-	-	-	-
Total expenditure		2,028,926	7,472,781	361	9,502,068	1,470,496	4,737,619	607	6,208,722
Net income/ (expenditure) for the year		927,558	845,117	25,633	1,798,308	1,001,338	564,585	15,543	1,581,466
Transfers between funds		(402,114)	402,114	-	-	(104,517)	104,517	-	-
Net income/ (expenditure) before other recognised gains and losses		525,444	1,247,231	25,633	1,798,308	896,821	669,102	15,543	1,581,466
Other gains / (losses)		-	-	(183,175)	(183,175)	-	-	(51,247)	(51,247)
Net movement in funds		525,444	1,247,231	(157,542)	1,615,133	896,821	669,102	(35,704)	1,530,219
Reconciliation of funds:									
Total funds brought forward		2,916,956	3,214,697	1,964,296	8,095,949	2,020,135	2,545,595	2,000,000	6,565,730
Total funds carried forward	18	3,442,400	4,461,928	1,806,754	9,711,082	2,916,956	3,214,697	1,964,296	8,095,949

Balance sheet

Company no. 07176743

As at 31 March 2023

	Note	The group		The charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets:					
Intangible assets	9	31,454	16,369	31,454	16,369
Tangible assets	10a, 10b	62,464	61,623	62,464	40,423
Investments	11, 17a	1,806,754	1,964,296	1,806,954	1,964,496
		1,900,672	2,042,288	1,900,872	2,021,288
Current assets:					
Debtors	14	787,397	1,853,960	726,457	1,686,885
Cash at bank and in hand		7,446,107	4,514,954	7,441,107	4,509,954
		8,233,504	6,368,914	8,167,564	6,196,839
Liabilities:					
Creditors: amounts falling due within one year	15	(423,094)	(315,253)	(357,354)	(153,586)
Net current assets		7,810,410	6,053,661	7,810,210	6,043,253
Total net assets		9,711,082	8,095,949	9,711,082	8,064,541
Funds:					
Endowment funds	18	1,806,754	1,964,296	1,806,754	1,964,296
Restricted income funds		4,461,928	3,214,697	4,461,928	3,214,697
Total unrestricted funds		3,442,400	2,916,956	3,442,400	2,885,548
Total funds		9,711,082	8,095,949	9,711,082	8,064,541

Approved by the trustees and signed on their behalf by:

Arlo Brady
Chairman, Board of Trustees

Date: 14 November 2023

Consolidated statement of cash flows

For the year ended 31 March 2023

	2023		2022	
	£	£	£	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)	1,615,133		1,530,219	
Depreciation and amortisation charges	43,176		30,354	
Impairment of AIMPACT	183,175		51,247	
Dividends, interest and rent from investments	(56,184)		(16,319)	
Losses on disposal on fixed assets	28,808		1,525	
(Increase) / decrease in debtors	1,066,563		(1,320,836)	
Outflow / inflow in respect of AIMPACT Endowment Fund*	(25,633)		(15,543)	
Increase in creditors	107,841		129,217	
Net cash provided by operating activities		2,962,879		389,864
Cash flow from investing activities:				
Dividends, interest and rents from investments	56,184		16,319	
Purchase of fixed assets	(87,910)		(45,131)	
Net cash used in investing activities		(31,726)		(28,812)
Change in cash and cash equivalents in the year		2,931,153		361,052
Cash and cash equivalents at the beginning of the year		4,514,954		4,153,902
Cash and cash equivalents at the end of the year		7,446,107		4,514,954

* AIMPACT Endowment Fund activities are reported in the Statement of Financial Activity but then funds are held within investments in the Balance Sheet and are not cash equivalent items.

Notes to the financial statements for the year ended 31 March 2023

1. Accounting policies

- a) Statutory information**
Blue Marine Foundation is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 3rd Floor, South Building, Somerset House, The Strand, London WC2R 1LA.
- b) Basis of preparation**
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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary BMF Trading Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity’s balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.
- c) Public benefit entity**
The charity meets the definition of a public benefit entity under FRS 102.
- d) Going concern**
The organisation has sufficient cash and reserves to continue to operate for the foreseeable future. Robust monitoring processes are in place to ensure that the organisation is able to to continue to deliver its strategic and charitable objectives. The free reserves of the organisation are held in cash and liquid investments in order that these may be accessed quickly in the event that they are required.

The trustees do not consider there to be any major financial threats at the reporting date that may propose a significant risk to the organisation.

Accordingly, the trustees are of the opinion that it is appropriate for the financial statements to be prepared on a going concern basis.
- e) Income**
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.
- f) Donations of gifts, services and facilities**
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees’ annual report for more information about their contribution.

Notes to the financial statements for the year ended 31 March 2023

1. Accounting policies (continued)

f) Donations of gifts, services and facilities (continued) On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.	activity for which the expenditure was incurred.
g) Interest receivable Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.	j) Grants payable Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.
h) Fund accounting Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.	k) Allocation of support costs Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.
i) Expenditure and irrecoverable VAT Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings: – Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose – Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs – Other expenditure represents those items not falling into any other heading Irrecoverable VAT is charged as a cost against the	l) Operating leases Rental charges are charged on a straight line basis over the term of the lease. m) Tangible fixed assets Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life. Depreciation is provided at rates calculated to write down

1. Accounting policies (continued)

the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows: – Office equipment straight-line over 3 years – Leasehold Improvements straight-line over 5 years – Motor Vehicles straight-line over 5 years	offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
n) Intangible assets Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation any any accumulated impairment losses. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Amortisation is provided on the following basis: – Website Development straight-line over 3 years – Trademarks straight-line over 3 years	r) 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.
o) Endowment Fund Blue Marine Foundation is the custodian of the Ascension Island Marine Protected Area Community Trust "AIMPACT". In the year to 31 March 2021, Blue Marine Foundation received a donation of £2,000,000 for the establishment of the trust. Blue Marine Foundation shall hold the capital of £2,000,000 in perpetuity, on trust, as an endowment for the Trustee's charitable objects. BLUE shall hold on trust and apply all and any income of the AIMPACT, including income earned through investment of the Endowment Fund to, or for the benefit of the objects determined in the Deed of Trust. At 31 March 2023, the full amount of the original funds had been invested long term. The remaining balance is being gradually invested in the post balance sheet period.	s) 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.
p) Investments in subsidiaries Investments in subsidiaries are at cost.	t) 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.
q) Debtors Trade and other debtors are recognised at the settlement amount due after any trade discount	u) Pensions Contributions in respect of the charity's defined contribution pension scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme.
	v) Foreign Currency Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange for the year. Exchange differences are taken into account in arriving at the net incoming resources figure.

Notes to the financial statements
for the year ended 31 March 2023

2. Income from donations and legacies

	2023				2022			
	Unrestricted £	Restricted £	Endowment £	Total £	Unrestricted £	Restricted £	Endowment £	Total £
Donation and legacies								
Corporate donations	280,235	3,751,212	-	4,031,447	265,288	3,063,622	-	3,328,910
Donations received from individuals	725,584	666,955	-	1,392,539	150,062	409,870	-	559,932
Donations received from Private Foundations*	361,597	3,214,511	-	3,576,108	184,889	1,782,311	-	1,967,200
Auction and events income	443,330	356,414	-	799,744	28,935	30,001	-	58,936
BYMC Membership donations	45,000	251,200	-	296,200	598,353	-	-	598,353
Donations in kind	330,470	60,948	-	391,418	819,918	-	-	819,918
Gift Aid	19,855	16,250	-	36,105	48,862	250	-	49,112
Other Income	(3)	408	-	405	-	16,150	-	16,150
	2,206,068	8,317,898	-	10,523,966	2,096,307	5,302,204	-	7,398,511

*Donations received from Private Foundations include:

Ardevora Charitable Trust | Calouste Gulbenkian Foundation | Cambridge Conservation Initiative | Clore Duffield Foundation | Don Quixote Foundation | Dot Foundation | Ecological Restoration Fund | EQ Foundation | Eurofins Foundation | Flotilla Foundation | Focussed on Nature | Fondation Philanthropia | Fondazione Capellino | Garfield Weston Foundation | Hampshire Foundation | Ian Mactaggart Trust | John Ellerman Foundation | Levine Family Foundation | M K Rose Charitable Trust | Milkywire | National Fish and Wildlife Foundation | People's Postcode Lottery | Portrack Charitable Trust | Ruth Smart Foundation | Salisbury Charitable Trust | St Marys School Ascot | Sussex Wildlife Trust | Swarovski Foundation | The Addo Trust | The Big Give | The Ciner Family Foundation | The Constance Travis Charitable Trust | The Dulverton Trust | The Generations Foundation | The Golden Bottle Trust | The Sprints Foundation | The Waterloo Foundation | The Whitley Animal Protection Trust | The Windfall Foundation | UBS Optimus Foundation | WRLD Foundation | Zoological Society of Londonx`

2. Income from donations and legacies (continued)

The trustees would like to thank the following companies that provided pro-bono support to Blue Marine Foundation:

	2023 £	2022 £
Donated services		
Freud CommunicationsPR Support	100,000	100,000
Steve EdgeDesign Support	67,000	21,200
Latham & Watkins LLPLegal Support	4,207	144,915
Rawlinson & HunterAccounting Support	61,937	37,005
Andrew WoodsResearch Support	-	16,100
LiontrustInvestment Fee Rebate	13,012	11,624
Ocean OutdoorMarketing Support	-	300,000
Stan SandlerResearch Support	-	692
Todd LastResearch Support	-	5,000
University of PortsmouthResearch Support	60,948	60,948
KrollInvestigations Support	22,500	28,000
HutchDesign Support	6,767	6,457
Clifford ChanceLegal Support	33,748	87,976
Paul NaylorPhotography Support	1,299	-
Ocean 14 CapitalFundraising Support	20,000	-
	391,418	819,917

Notes to the financial statements
for the year ended 31 March 2023

3a. Analysis of expenditure (current year)

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 5)	315,338	1,522,463	467,391	-	2,305,192
Direct costs	139,786	5,368,900	-	-	5,508,686
Marketing and branding	1,227	26,685	-	92,942	120,854
Programme related events	75,054	13,722	-	45,625	134,401
Consultancy	3,715	48,217	-	103,110	155,042
Travel and subsistence	20,510	245,754	-	59,748	326,012
Office costs	993	4,759	-	17,462	23,214
Premises costs	-	774	-	97,105	97,879
IT costs	-	4,888	-	36,416	41,304
Other costs	-	9,010	-	49,940	58,950
Foreign Currency	-	-	-	212,535	212,535
Depreciation and amortisation	-	-	-	43,176	43,176
Bank charges	361	15	-	5,166	5,542
Interest payable	-	-	-	284	284
Legal and professional fees*	-	329,481	84,808	-	414,289
Auditor fees	-	-	15,900	-	15,900
Loss on sale of fixed assets	-	-	-	28,808	28,808
Bad Debts	-	10,000	-	-	10,000
	556,984	7,584,668	568,099	792,317	9,502,068
Support costs	108,073	523,524	160,720	(792,317)	-
Governance costs	-	728,819	(728,819)	-	-
Total expenditure 2023	665,057	8,837,011	-	-	9,502,068
* Includes pro-bono services provided of £391,418					
Expenditure split	7%	85%	8%		

3b. Analysis of expenditure (prior year)

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 5)	136,948	1,421,324	230,340	-	1,788,612
Direct costs	5,377	3,024,356	-	-	3,029,733
Marketing and branding	-	21,721	-	44,746	66,467
Programme related events	-	39,597	-	12,024	51,621
Consultancy	-	64,609	-	71,275	135,884
Travel and subsistence	-	93,621	-	21,372	114,993
Office costs	-	5,465	-	6,559	12,024
Premises costs	-	-	-	94,083	94,083
IT costs	-	9,417	-	32,422	41,839
Other costs	-	3,535	-	29,126	32,661
Foreign Currency	-	-	-	(29,496)	(29,496)
Depreciation and amortisation	-	1,503	-	28,851	30,354
Bank charges	607	-	-	4,952	5,559
Interest payable	-	-	-	623	623
Legal and professional fees*	-	782,912	38,373	-	821,285
Auditor fees	-	-	12,480	-	12,480
Loss on sale of fixed assets	-	-	-	-	-
Bad Debts	-	-	-	-	-
	142,932	5,468,060	281,193	316,537	6,208,722
Support costs	24,236	251,537	40,764	(316,537)	-
Governance costs	-	321,957	(321,957)	-	-
Total expenditure 2022	167,168	6,041,554	-	-	6,208,722
* Includes pro-bono services provided of £819,917					
Expenditure split	3%	92%	5%		

Notes to the financial statements
for the year ended 31 March 2023

4. Net income for the year

This is stated after charging/ (crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	33,713	26,087
Loss on disposal of tangible fixed assets	28,808	1,525
Amortisation of intangible fixed assets	9,463	4,267
Interest payable	284	623
Operating lease rentals:		
Property	89,870	86,028
Auditor's remuneration (excluding VAT):		
Audit - current year	15,900	10,400
Subsidiaries	-	-
Foreign exchange (gains) / losses	212,535	(29,496)

5. Analysis of staff costs, trustee remuneration and expenses,
and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,799,229	1,422,318
Employer's contribution to defined contribution pension schemes	222,348	184,538
Employers national insurance contributions	209,167	158,494
Other staff costs	74,448	23,262
	2,305,192	1,788,612

5. Analysis of staff costs, trustee remuneration and expenses,
and the cost of key management personnel (continued)

Number of employees receiving employee benefits (excluding employer pension costs and employer's national insurance) during the year:

	2023 No.	2022 No.
£60,000 - £69,999	2	3
£70,000 - £79,999	1	-
£80,000 - £89,999	2	1
£90,000 - £99,999	-	2
£100,000-£109,999	1	1
£110,000-£119,999	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel (including director-level employees) amounted to £707,166 (2022: £601,433).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). One trustee, Callum Roberts received payment of £2,475 for professional services supplied to the charity (2022: £2,049).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £Nil (2022: £1,187) incurred by 0 (2022: 1) member relating to attendance at meetings of the trustees.

6. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 40 (2022: 33).

Notes to the financial statements
for the year ended 31 March 2023

7. Related party transactions

There are donations totalling £166,937 (2022: £137,505) from related parties. There are no donations from related parties which are outside the normal course of business.

Other creditors include £1,687 (2022: £1,687) due to two trustees in respect of the funds advanced upon incorporation of BMF Trading Limited. The balance is interest free and repayable on demand.

Appleby Consultancy Services Limited, a company of which TPS Appleby, a trustee until 15 March 2022, provided consultancy services in the previous period of £36,750.

Freud Communications, a public relations company of which A K O Brady is a director, provided pro bono PR services of £100,000 (2022: £100,000).

3WhiteHats Ltd, an SEO company of which A K O Brady is a director, provided services of £Nil (2022: £15,334).

Rawlinson & Hunter LLP, a professional services firm of which D C Davies is a member provided pro bono accounting services to the charity and its subsidiary amounting to £61,937 (2022: £37,005).

G Duffield, a trustee, makes an ongoing donation of £50,000 per year.

Clore Duffield Foundation, a foundation of which Dame Vivien Duffield DBE is a trustee and chairman, whom is a family member of G L Duffield, made donations of £5,000 (2022: £500).

During the year, Blue Marine Foundation purchased a video camera for £7,000 from G Duffield, a trustee of the charity.

During the year, Blue Marine Foundation received £529,632 (2022: £334,407 of gift aid from BMF Trading Limited. At the year end the balanced owed by Blue Marine Foundation to BMF Trading Limited was £262,438 (2022: £64,325)

During the year, Blue Marine Foundation recharged management costs of £6,400 (2022 - £4,000) to BMF Trading Ltd.

Ocean 14 Capital - A company owned by trustees C Gorrell-Barnes and G L Duffield. Blue Marine executive staff provided consultancy services to Ocean 14. The consultancy provided was valued at £40,250 (2022: NIL).

Conservation Collective - Blue Marine awarded grants to the charity of £79,698 in the year. Blue Marine trustee G L Duffield is also a trustee at Conservation Collective. (2022: £19,110).

Portrack Charitable Trust - A £5,000 donation from a trust of which Blue Marine trustee C Gorell-Barnes is also a trustee. (2022: £15,000).

Hutch - A company co-founded by director J Coumbe's husband. Blue Marine commissioned media and design consultancy in 2023 for £49,907 including £6,767 of pro-bono support. (2022: £28,227 including £6,547 of pro-bono support).

Rewilding Britain - a charity of which Blue Marine director D Tudor is a trustee. Awarded a grant to Blue Marine of £12,500 (2022: £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.

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The group's charge to corporation tax in the year was:

	2023 £	2022 £
UK corporation tax at 19%	-	-

9. Intangible fixed assets

The group and charity

	Website development £	Trademark £	Total £
Cost			
At the start of the year	31,375	1,767	33,142
Additions in year	24,548	-	24,548
Disposals in year	(14,619)	(600)	(15,219)
At the end of the year	41,304	1,167	42,471
Amortisation			
At the start of the year	15,161	1,612	16,773
Charge for the year	9,308	155	9,463
Disposals in year	(14,619)	(600)	(15,219)
At the end of the year	9,850	1,167	11,017
Net book value			
At the end of the year	31,454	-	31,454
At the start of the year	16,214	155	16,369

Notes to the financial statements
for the year ended 31 March 2023

10. Tangible fixed assets

10a. The group and charity

	Motor Vehicles £	Leasehold Improv. £	Office Equipment £	Total £
Cost				
At the start of the year	26,820	5,000	90,165	121,985
Additions in year	-	-	63,362	63,362
Disposals in year	(26,820)	(1,251)	(57,821)	(85,892)
At the end of the year	-	3,749	95,706	99,455
Depreciation				
At the start of the year	5,620	4,917	49,825	60,362
Charge for the year	-	83	33,630	33,713
Eliminated on disposal	(5,620)	(1,251)	(50,213)	(57,084)
At the end of the year	-	3,749	33,242	36,991
Net book value				
At the end of the year	-	-	62,464	62,464
At the start of the year	21,200	83	40,340	61,623

10b. The charity

	Leasehold Improv. £	Office Equipment £	Total £
Cost			
At the start of the year	5,000	90,165	95,165
Additions in year	-	63,362	63,362
Disposals in year	(1,251)	(57,821)	(59,072)
At the end of the year	3,749	95,706	99,455
Depreciation			
At the start of the year	4,917	49,825	54,742
Charge for the year	83	33,630	33,713
Eliminated on disposal	(1,251)	(50,213)	(51,464)
At the end of the year	3,749	33,242	36,991
Net book value			
At the end of the year	-	62,464	62,464
At the start of the year	83	40,340	40,423

All of the above assets are used for charitable purposes.

11. Investments

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Fair value at the start of the year	1,964,296	2,000,000	1,964,496	2,000,200
Additions at cost	25,994	16,150	25,994	16,150
Investment managers' fees	(361)	(607)	(361)	(607)
Net gain /(loss) on change in fair value	(183,175)	(51,247)	(183,175)	(51,247)
Fair value at end of the year	1,806,754	1,964,296	1,806,954	1,964,496

Investments comprise:

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
UK Common investment funds	1,705,578	1,888,753	1,705,578	1,888,753
Unlisted shares in UK registered companies	-	-	200	200
Cash	101,176	75,543	101,176	75,543
	1,806,754	1,964,296	1,806,954	1,964,496

The Group

	2023 £	2022 £
AIMPACT investment funds	1,806,754	1,964,296

At 31 March 2022, £1,940,000 of the AIMPACT funds (see note 1(o)) had been invested in managed funds with Liontrust Asset Management with the remaining £60,000 being held in cash as decided by the investment committee. In addition to this, income was generated from the investment at a value of £25,994, bank charges incurred of £361 and finally, an unrealised loss on the investment was suffered for the year ended 31 March 2023, at the value of £183,175.

The Charity

	Subsidiary undertakings	
	2023 £	2022 £
Cost and net book value At 1 April and 31 March	200	200

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

Details of the subsidiary undertakings are set out below:

Notes to the financial statements for the year ended 31 March 2023

Application of total return to permanent endowment funds

The trustees decided to adopt a policy of total return accounting for the permanent endowed funds from 1 April 2021. This means that you recognise what the original capital gift was (the trust for investment) and this must be held indefinitely. The gains and losses and income that arise on this investment form the 'unapplied total return', which the trustees have the power to release and spend.

The trustees agreed to spend 4% annually, to be funded first from the income and any required balance by way of withdrawals from capital. This target would be reviewed annually by way of a 'smoothing formula' over rolling 5 year periods to ensure that this withdrawal target remains sustainable.

The preserved value of the permanent endowment fund represents its fair value as at 31 March 2023.

	Trust for Investment £	Unapplied Total Return £	Total Endowment £
At beginning of reporting period	2,000,000	(35,704)	1,964,296
Gift component of Permanent Endowment	-	-	-
Unapplied total return	-	-	-
Total	2,000,000	(35,704)	1,964,296
Investment return dividend and interest	-	25,994	25,994
Investment return realised and unrealised losses	-	(183,175)	(183,175)
Less investment management costs	-	(361)	(361)
Total	2,000,000	(193,246)	1,806,754
Unapplied total return applied as income in the reporting period	-	-	-
Net movement in the period	2,000,000	(193,246)	1,806,754

12. Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of BMF Trading Limited, a company registered in England. The company number is 07004094. The registered office address is Third Floor, South Building, Somerset House, The Strand, London, WC2R 1LA.

The subsidiary is used for non-primary purpose trading activities by providing marketing and branding services to commercial organisations. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A S Blount, a trustee, is also director of the subsidiary. Lynne Marie Smith and Daniel Crockett are also directors of the subsidiary.

Summary of subsidiary results

	2023 £	2022 £
Turnover	720,226	375,358
Cost of sales and administration costs	(222,002)	(9,543)
Profit on ordinary activities before interest and taxation	498,224	365,815
Interest payable	-	-
Profit on ordinary activities before taxation	498,224	365,815
Taxation on profit on ordinary activities	-	-
Profit for the financial year	498,224	365,815
Retained earnings:		
Total retained earnings brought forward	31,408	-
Profit for the financial year	498,224	365,815
Distribution under Gift Aid to parent charity	(529,632)	(334,407)
Total retained earnings carried forward	-	31,408
The aggregate of the assets, liabilities and reserves was:		
Assets	118,569	222,725
Liabilities	(118,369)	(191,117)
Net Assets	200	31,608
Allotted, called up and fully paid shares	200	200
Reserves	-	31,408
Total funds	200	31,608

Amounts owed to/from the parent undertaking are shown in notes 14 and 15.

Notes to the financial statements
for the year ended 31 March 2023

13. Parent charity

The financial activities shown in the Consolidated Financial Statements includes those of the Charity’s wholly owned subsidiary BMF Trading Limited.

Summary of financial activities undertaken by the Charity

	2023 £	2022 £
Total donations and legacies income	10,523,966	7,749,069
Total expenditure	(8,750,434)	(6,215,329)
Interest receivable	56,184	16,319
Net incoming resources	1,829,716	1,550,059
Other gains and losses	(183,175)	(51,247)
Net movement in funds	1,646,541	1,498,812
Funds brought forward	8,064,541	6,565,729
Funds carried forward	9,711,082	8,064,541

14. Debtors

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	112,493	976,544	88,493	776,550
Other debtors	5,761	4,024	5,761	4,024
Prepayments	64,441	84,724	64,441	84,724
Amounts due from group undertakings	-	-	-	32,917
Accrued income	604,702	788,668	567,762	788,668
	787,397	1,853,960	726,457	1,686,885

15. Creditors: amounts falling due within one year

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	104,398	-	104,031	-
Other creditors	1,745	2,517	57	831
Pension scheme liability	23,263	19,526	23,263	19,526
Accruals	117,725	84,897	117,725	84,897
Other taxation and social security	64,421	51,838	59,648	48,332
Amounts due to group undertakings	-	-	52,630	-
Deferred income (note 16)	111,542	156,475	-	-
	423,094	315,253	357,354	153,586

16. Deferred income

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Balance at the beginning of the year	156,475	-	-	-
Amount released to income in the year	(156,475)	-	-	-
Amount deferred in the year	111,542	156,475	-	-
Balance at the end of the year	111,542	156,475	-	-

17a. Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Endowment funds £	Total funds £
Intangible fixed assets	31,454	-	-	31,454
Tangible fixed assets	62,464	-	-	62,464
Investments (note 11)	-	-	1,806,754	1,806,754
Debtors	376,883	410,514	-	787,397
Cash at bank and in hand	3,291,502	4,154,605	-	7,446,107
Creditors	(319,903)	(103,191)	-	(423,094)
Net assets at 31 March 2023	3,442,400	4,461,928	1,806,754	9,711,082

Notes to the financial statements

for the year ended 31 March 2023

17b. Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Endowment funds £	Total funds £
Intangible fixed assets	16,369	-	-	16,369
Tangible fixed assets	61,540	83	-	61,623
Investments	-	-	1,964,296	1,964,296
Debtors	489,056	1,364,904	-	1,853,960
Cash at bank and in hand	2,665,244	1,849,710	-	4,514,954
Creditors	(315,253)	-	-	(315,253)
Net assets at 31 March 2022	2,916,956	3,214,697	1,964,296	8,095,949

18a. Movement in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Endowment funds					
AIMPACT	1,964,296	25,994	(183,536)	-	1,806,754
Restricted funds					
Aeolians	23,165	43,431	(55,664)	-	10,932
Ascension	39,171	172,536	(64,795)	-	146,912
Asia	26,880	20,155	(15)	-	47,020
Barclays Carbon	12,091	123,333	(77,239)	-	58,185
Barclays Exploratory Fund	48,483	50,000	(91,567)	-	6,916
Barclays Rapid Action Fund	51,162	48,936	(79,603)	-	20,495
Berwickshire	75,179	108,984	(106,779)	-	77,384
Blackwater	3,892	4,410	(8,302)	-	-
Blue Climate Unit	33,476	274,832	(113,428)	66,245	261,125
Blue Economics Unit	45,916	137,505	(90,942)	-	92,479
Blue Education Unit	3,389	76,271	(39,924)	-	39,736
Blue Investigations Unit	14,683	197,855	(56,183)	-	156,355
Blue Legal Unit	124,520	33,690	(110,580)	-	47,630
Blue Media Unit	227,085	296,003	(236,287)	-	286,801
Blue Science Unit	8,900	53,581	(6,304)	-	56,177
Bottom Towed Trawling and Dredging	-	100,000	-	-	100,000
Brussels	56,781	84,456	(49,752)	-	91,485
Caspian	15,613	20,000	(2,736)	-	32,877
Convex Seascape Survey	34,287	1,978,236	(1,936,548)	241,217	317,192
CVC Carbon Credits	-	282,425	(220,124)	-	62,301
Cyprus	-	74,712	(141)	-	74,571
Digitising Blue Projects	4,322	(4,322)	-	-	-
Dutch Caribbean	106,045	286,154	(347,147)	48,072	93,124
Greece	246,598	371,661	(308,103)	-	310,156
High Seas	81,922	35,839	(85,830)	-	31,931
HPMAs	45,887	-	(45,887)	-	-
Ibiza	-	27,058	(27,058)	-	-

Notes to the financial statements
for the year ended 31 March 2023

18a. Movements in funds (current year) continued

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds (cont.)					
Israel	-	90,216	(40,662)	-	49,554
Italian Rollout	70,803	414,454	(257,178)	-	228,079
Jersey	145,274	137,142	(153,704)	23,500	152,212
Kelp	106,028	100,269	(166,621)	-	39,676
Lyme Bay	71,375	111,342	(145,707)	3,081	40,091
Maldives	64,645	121,700	(155,302)	-	31,043
Mallorca	11,102	34,282	(23,068)	-	22,316
Menorca	-	10,000	(10,000)	-	-
Mexico	-	19,645	(19,645)	-	-
Namibia	26,783	65,000	(38,588)	15,000	68,195
National Marine Parks	72,897	96,073	(132,549)	-	36,421
North Devon	11,540	-	(11,540)	-	-
Ocean Governance	23,972	43,696	(67,668)	-	-
Offshore Marine Reserves	101,859	-	(48,784)	-	53,075
Patagonia	54,033	41,650	(65,686)	-	29,997
RFMOs	56,325	92,578	(118,363)	-	30,540
RvR MPA Exploratory Fund	11,363	84,456	(80,433)	-	15,386
Salmon Farms	63,101	-	(63,101)	-	-
Scoping	-	90,000	(90,000)	-	-
Solent Restoration	398,506	1,262,276	(971,884)	5,000	693,898
Species at Risk	59,057	35,000	(41,015)	-	53,042
St Helena	85,353	72,215	(107,550)	-	50,018
Sturgeon	104,019	3,547	(38,171)	-	69,395
Turkey	173,330	271,956	(157,114)	-	288,172
UK Consortium	42,370	122,500	(128,088)	-	36,782
West Scotland	1,818	-	(1,818)	-	-
Wild Oysters	100,389	50,745	(107,492)	-	43,642
Windfarms	29,308	49,414	(70,112)	-	8,610
Total restricted funds	3,214,697	8,317,898	(7,472,781)	402,114	4,461,928

18a. Movements in funds (current year) continued

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Designated funds					
Aeolians	-	-	-	75,000	75,000
Blue Education Unit	-	-	(30,762)	131,293	100,531
Blue Investigations Unit	-	-	(150)	82,500	82,350
Blue Legal Unit	35,747	-	42,304	(35,747)	42,304
Blue Policy Unit	-	-	(125,845)	185,671	59,826
Blue Science Unit	-	-	(24,979)	177,500	152,521
Dutch Caribbean	-	-	(30,000)	30,000	-
Lyme Bay	-	-	(30,000)	30,000	-
Mexico	-	-	-	120,000	120,000
Patagonia	78,732	-	(88,053)	40,811	31,490
Project Catalyst Fund	33,582	-	-	(33,582)	-
Total designated funds	148,061	-	(287,485)	803,446	664,022
General funds	2,768,895	2,956,484	(1,741,441)	(1,205,560)	2,778,378
Total unrestricted funds	2,916,956	2,956,484	(2,028,926)	(402,114)	3,442,400
Total funds	8,095,949	11,300,376	(9,685,243)	-	9,711,082

Purposes of endowment funds
The Ascension Island MPA Conservation Trust (AIMPACT) fund is supporting a marine protected area for the benefit of the global environment, managed as per an agreed Statement of Investment Principles.

Purposes of restricted funds
Restricted funds are held for expenditure in the 2023/24 financial year. The balances are held for the following purposes:

[A] Delivering models of sustainable fishing (Lyme Bay, Aeolians, Italian Rollout, Mallorca, Cyprus, Ibiza, Greece, Israel). Funds held for planned activities for the ongoing development of Lyme Bay and Aeolians demonstrator models accruss UK and Mediterranean, and expansion to new locations during 2023/24.

[B] Securing large-scale marine protected areas (St Helena, Ascension, Dutch Caribbean, Turkey, High Seas, Caspian, Mexico): Funds received relate to multi-year grants with remainder of expenditure planned for 2023/24.

[C] Restoration (Solent, Wild Oysters, Integrated Habitat Restoration, Sturgeon, Kelp): Funds held for planned activities for the continuation of the feasibility studies and restoration of oysters, seagrass and saltmarsh in the Solent, the continuation of developing Sturgeon restoration in Wales and of Kelp in Sussex.

[D] Stopping bad fishing practices (RFMOs, Asia, Species at Risk, Offshore Marine Reserves, Salmon Farms, Bottom Towed

Trawling and Dredging). Funds received relate to multi-year grants with remainder of expenditure planned for 2023/24.

[E] Connecting people with the sea (National Marine Parks, Digitising Blue Projects). Funds received relate to multi-year grants with remainder of expenditure planned for 2023/24.

[F] Blue Marine's Strategic Units (Science, Policy, Investigations, Climate, Education, Economics, Legal and Media). Funds held to continue the expansion and impact of these units across all of Blue Marine's strategic goals.

Purposes of designated funds
Designated funds have been created by the board of trustees for the following purposes:

[A] Patagonia is gift aid that has been deemed unrestricted, arising from restricted donations towards the Patagonia project. Blue Marine has chosen to designate this gift aid towards activities in the Patagonia project continuing in 2023/24.

[B] Blue Marine's Strategic Units (Science, Policy, Investigations, Climate, Education, Economics, Legal and Media) all receive designated funding towards activities that benefit a range of Blue Marine's projects.

Project allocations
During the year project "Integrated Ecosystem Restoration" and project "Solent" were combined into one project "Solent Restoration". In 2022 (Note 18b) these projects are split between Integrated Ecosystem Restoration £217,629 and Solent £180,877.

Notes to the financial statements
for the year ended 31 March 2023

18b. Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Endowment funds					
AIMPACT	2,000,000	16,150	(51,854)	-	1,964,296
Restricted funds					
Aeolians	170,478	(38,550)	(108,763)	-	23,165
Ascension	-	191,390	(156,219)	4,000	39,171
Asia	26,508	-	372	-	26,880
Dutch Carribean	8,777	147,807	(50,539)	-	106,045
Blackwater	6,947	21,467	(24,522)	-	3,892
Caspian	15,613	-	-	-	15,613
High Seas	76,883	54,569	(49,530)	-	81,922
Lyme Bay	38,861	160,724	(144,449)	16,239	71,375
North Devon	12,633	-	(1,093)	-	11,540
West Scotland	1,818	-	-	-	1,818
Berwickshire	102,844	119,864	(147,529)	-	75,179
Jersey	139,427	227,780	(221,933)	-	145,274
Maldives	103,312	103,771	(142,438)	-	64,645
Media Unit	140,018	275,585	(188,518)	-	227,085
Med Roll Out	8,874	(8,874)	-	-	-
Namibia	25,213	10,000	(23,430)	15,000	26,783
National Marine Parks	26,555	122,180	(90,838)	15,000	72,897
Patagonia	271,468	38,200	(255,635)	-	54,033
SAFE Initiatives	24	-	(24)	-	-
Solent	248,538	267,289	(344,950)	10,000	180,877
St Helena	57,566	168,191	(140,404)	-	85,353
Sturgeon	41,796	142,246	(80,023)	-	104,019
Integrated Ecosystem Restoration	32,308	189,298	(3,977)	-	217,629
Wild Oysters	112,346	49,097	(61,054)	-	100,389
UK Consortium	89,282	77,300	(137,175)	12,963	42,370
Kelp	57,268	119,678	(70,918)	-	106,028
Species at Risk	34,485	71,436	(46,864)	-	59,057

18b. Movements in funds (prior year) continued

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds (cont.)					
HPMAs	74,755	51,163	(80,031)	-	45,887
Italian Rollout	13,412	95,099	(37,708)	-	70,803
Mallorca	1,102	10,000	-	-	11,102
Turkey	143,638	261,403	(231,711)	-	173,330
Digitising Blue Projects	12,449	311	(8,438)	-	4,322
Ocean Governance	35,855	126,317	(138,200)	-	23,972
Offshore Marine Reserves	133,045	-	(31,186)	-	101,859
RFMOs	101,220	119,300	(164,195)	-	56,325
Barclays Carbon	15,633	105,753	(109,295)	-	12,091
CVC Carbon Credits	11,017	50,000	(61,017)	-	-
Blue Carbon Unit	28,428	114,502	(109,454)	-	33,476
Blue Education Unit	3,495	57,408	(57,514)	-	3,389
Blue Economics Unit	21,704	69,854	(45,642)	-	45,916
Barclays Rapid Action Fund (2021: Barclays Reaction Fund)	50,000	50,000	(48,838)	-	51,162
Barclays Exploratory Fund	50,000	50,000	(51,517)	-	48,483
Windfarms	-	58,479	(29,171)	-	29,308
Menorca	-	8,875	(8,875)	-	-
Cyprus	-	10,000	(10,000)	-	-
Greece	-	324,260	(77,662)	-	246,598
Salmon Farms	-	106,950	(43,849)	-	63,101
Brussels	-	73,903	(17,122)	-	56,781
Convex Seascape Survey	-	717,552	(714,580)	31,315	34,287
Accelerator Fund	-	56,865	(56,865)	-	-
Blue Science Unit	-	25,000	(16,100)	-	8,900
MPA Exploratory Fund	-	73,903	(62,540)	-	11,363
Blue Legal Unit	-	138,855	(14,335)	-	124,520
Blue Investigations Unit	-	36,004	(21,321)	-	14,683
Total restricted funds	2,545,595	5,302,204	(4,737,619)	104,517	3,214,697

Notes to the financial statements for the year ended 31 March 2023

18b. Movements in funds (prior year) continued

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Designated funds					
Project Catalyst Fund	-	124,391	(159,398)	68,589	33,582
Patagonia	114,614	9,160	(45,042)	-	78,732
Blue Policy Unit	-	33,291	(33,291)	-	-
Blue Investigations Unit	17,156	2,534	(19,690)	-	-
Blue Legal Unit	125,641	-	(89,894)	-	35,747
Total designated funds	257,411	169,376	(347,315)	68,589	148,061
General funds	1,762,724	2,302,458	(1,123,181)	(173,106)	2,768,895
Total unrestricted funds	2,020,135	2,471,834	(1,470,496)	(104,517)	2,916,956
Total funds	6,565,730	7,790,188	(6,259,969)	-	8,095,949

19. Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2023 £	2022 £
Less than one year	69,119	69,119
Between one and five years	177,248	246,367
	246,367	315,486

20. Controlling party

The charity is controlled by its Trustees.

21. Legal status of the charity

The charity is a company 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 2023 there were 7 (2022: 8) members.





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