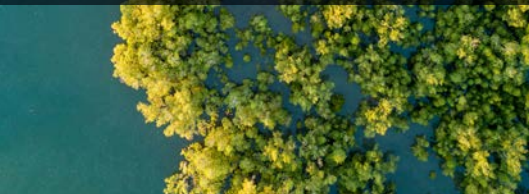




Blue Ventures  
**2017-2018**  
Annual Report & Accounts



[www.blueventures.org](http://www.blueventures.org)

Charity No. 1098893

Company No. 4660959 (England and Wales)

**blue ventures**  
beyond conservation



# We rebuild tropical fisheries with coastal communities

## Our vision

Coastal communities are managing their natural resources effectively, enriching local livelihoods and sustaining healthy marine environments for generations to come.

## Our 2020 target

To reach 3,000,000 people by 2020.

## Our values



### Communities first

Above all, we listen to community needs, responding in a sensitive and pragmatic way for long lasting benefits.



### Innovation & courage

We are resourceful and creative. We are prepared to take risks and challenge broken paradigms.



### Passion & belief

Our mission is urgent and critical, we believe that our models work, and we are determined to get the job done.



### Openness & humility

We are an open source social enterprise. We work in a transparent and collaborative way to pass on what we learn to others who share our vision and passion.



### Valued people & effective teams

We work in diverse and inclusive teams where all members have a voice and influence. We are effective because our work is integrated across teams and projects.



### Grounded in evidence

We have high standards and are not afraid to be self critical. If we see something that doesn't work, we change tack until we're on the right course.

**blue ventures**  
beyond conservation



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## Foreword

Over the last year the world has witnessed a welcome increase in global awareness about the fragile state of our marine environment – from the inundation of our oceans with plastic waste to the impacts of climate change and overfishing on our coral reefs, upon which millions of people depend.

But awareness is not enough. Firm action is needed on the ground to provide lasting protection for the marine environment. Blue Ventures works on the front-line of these efforts, and we have positive news to report as our organisation continues to build enormous momentum behind community-led marine conservation programmes.

This year we have invested heavily in our central operations team to help us ramp up our successful approach to conservation and development across the tropics with our aim to reach 3 million people by 2020.

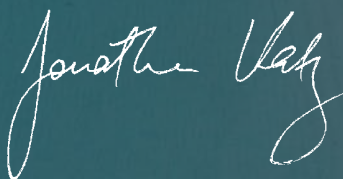
What remains unchanged are our values. We know that marine conservation initiatives will only succeed with the strong support of local coastal communities. Our whole approach is built around their needs and they are at the heart of everything we do. By demonstrating that sustainable marine management can enhance incomes and livelihoods, we are helping to achieve lasting change.

To date we have supported the establishment of 283 community-led temporary fishery closures and 31 permanent no take zones worldwide, which will contribute to long-term conservation and restoration of local marine resources. We've achieved this success in large part by working with like-minded partners and fishing communities to replicate our proven models. The drive for conservation action can be catalysed through peer-to-peer learning exchanges; over and over again, we've found the opening of a temporary fishery closure inspires a visiting community to replicate that progress back home, and often goes on to inspire more ambitious marine protection efforts.

Our operations continue to thrive, with our newest expedition site in Timor-Leste now well-established with a skilled and effective team in place. Our expedition staff are teaching our volunteers to collect data in some of the most biodiverse waters on earth, which until now have been largely unexplored by scientists. This contributes to our efforts to develop science-based approaches to marine resource conservation that, coupled with our collaborative approach and thriving ecotourism homestay programme, are achieving the support of Timor-Leste's coastal communities.

The income generated from these expeditions provides local employment, and sustainable seed funding to allow our conservation teams in Timor-Leste to develop community-led initiatives in areas where fisheries are in desperate decline. Already we're sharing our early experiences in Timor-Leste with communities from elsewhere in the country, beginning the process of building local networks to share and exchange best practice.

It is just one of many examples of how Blue Ventures develops holistic and effective conservation strategies that make a huge positive impact on the lives of vulnerable coastal communities. Our goals are ambitious but with your valued support we will continue to inspire coastal communities across the world.



Jonathan Katz,  
Chair of Board of Trustees



## Building a grassroots movement for marine protection

As our journey in conservation moves forward, we're reminded continually that local relationships and contextual understanding are integral to impactful conservation work. Whether in Belize or Madagascar, Timor-Leste or Comoros, the single-most important factor determining our conservation success remains the depth and mutual understanding of the human relationships and community partnerships underpinning our work.

As Blue Ventures navigates the opportunities and challenges of growth, it's imperative that we take this experience with us wherever we work. We recognise that a conservation organisation could quickly lose its way if it tries to simply replicate its methods quickly across many different settings, without taking the time to build the key assets of trust, experience and relationships. Across our sector we see an inherent tension between maximising scale and maintaining local robustness in conservation efforts supporting local communities. We recognise that this challenge is faced by many businesses and organisations as they grapple with growth.

The rapid growth seen by Blue Ventures last year has been exceeded this year, with a concomitant increase in the size of our team, which recently grew over 200 strong. As we ourselves grow, we're also learning more about the incredible power and opportunity for social change that rests in the hands of credible local and national conservation organisations. From Tanzania to Timor-Leste, as our work progresses we're seeing the tremendous potential and resilience of our locally based partners in responding to marine environmental challenges. Not just in implementing fisheries management and community development initiatives to support conservation and sustainable marine livelihoods, but in becoming active voices to represent the needs, experiences and human rights of the coastal communities that they represent.

We witnessed this potential most dramatically this year, when coastal community associations from across Madagascar came together to agree motions for fisheries reform to protect the interests

of so-called small-scale fishers, who are often overlooked in fisheries and environmental policy. These communities, representing 195 locally led marine management initiatives, are now collectively driving forward the conservation of over 17% of one of Africa's largest seabeds. These men and women are united within a national movement for marine protection, the scale and ambition of which now dwarfs the coverage of nationally gazetted marine parks. This movement is inspiring similar efforts throughout the western Indian Ocean.

To build on the foundations laid by these communities and similar networks we will strive to continue to find partners that have strong local legitimacy among coastal communities, and who share our commitment to local empowerment and community-led conservation.

Our tropical oceans, and the hundreds of millions of people who depend on them, are facing formidable challenges. Yet against an often bewildering and intimidating backdrop of threats, we're seeing an unprecedented mobilisation of grassroots action in support of marine protection. We're humbled to play a part in supporting this movement, and are dedicated to giving our all in driving forward our mission of sharing new approaches to locally led marine management that can help communities realise the benefits of well managed seas.

We're privileged to work alongside hundreds of community partners across nine countries, and are now collectively reaching 242,000 people in over 147 communities. We're also proud to be joined in our work by dozens of local and international organisations who share our mission. These communities and partners provide us with much of our inspiration, sharing new learning about challenges and solutions in marine conservation today. None of our work would be possible without the support of our valued funding partners, whose belief in our mission is enabling us to reach more coastal communities than ever before.

We remain enormously grateful for your support.



Dr Alasdair Harris,  
Executive Director





# Trustees' Report

# Where we work

Blue Ventures develops transformative approaches for catalysing and sustaining locally led marine conservation. We work in places where the ocean is vital to local cultures and economies.

More than 90% of the world's 120 million fishers operate in the so-called small-scale fisheries sector, most of whom live in low-income tropical nations. This is where people are most dependent upon the diversity and productivity of our seas.

We place responsibility for fisheries management in the hands of these small-scale fishers, enabling communities to become stewards of their local marine environment. By empowering these communities, our work helps them to rebuild their coastal fisheries, improve their food and income security, build resilience to climate change and reverse the loss of marine biodiversity.

Blue Ventures is headquartered in the UK and began its operations in Madagascar over 15 years ago. We now operate in the Western Indian Ocean, Southeast Asia and the Coral Triangle, and Central America.





# REACHING 242,262 PEOPLE WORLDWIDE

Approaching our 15 year anniversary, here are a few highlights from Blue Ventures in 2017/18: a year of engagement, innovation and impact.

**17.7%**

of Madagascar's inshore seabed is now under community-led management

We have supported the establishment of **31** community-led permanent marine no take zones

**571**

people are making regular sustainable incomes from farming sea cucumbers and seaweed after taking part in Blue Ventures' aquaculture training programmes

We support **196**

locally managed marine area (LMMA) associations in Madagascar through our work with the MIHARI Network

We have organised community exchanges and partner NGO visits for over **200** people from over **12 countries** to share experiences in community led marine conservation

We work with over **100** partners around the world to deliver our conservation goals

The world's largest – and **Madagascar's first** – mangrove carbon conservation project is under development in Velondriake, and will protect and restore

**1,300** hectares of threatened mangrove, sequestering **1,400 tonnes of CO2** per year

**110,000**

people reached by our integrated health-environment programmes, partnerships and networks in Madagascar

Our staff and volunteers have spent more than

**150,000**

tourist bed nights supporting local accommodation providers in Madagascar, Belize and Timor-Leste

**\$138**

average our volunteers spend within a community, per six-week expedition

**366** WASH training sessions

for nearly **10,000**

people delivered across **60** villages in Madagascar, with establishment of Water Management Committees and pumps





# A deeper dive - how we scale our work.

Blue Ventures supports coastal communities by recognising that they face multiple interconnected challenges, that require a range of complementary locally led initiatives. Only by working holistically and with a wide range of partners can we achieve long-lasting impact at scale. Blue Ventures operates in four different ways to inspire, implement and sustain community-led marine management across the coastal tropics:

## Establishing innovation hubs

We work directly with coastal communities at seven sites across Madagascar, Belize and Timor-Leste, innovating and trialling collaborative marine management models to address local environmental and socio-economic challenges. These are the sites from which we demonstrate and document lessons learned and host learning exchanges.

In August, the community of Andavadoaka, Blue Ventures' first pilot site in southwest Madagascar, celebrated over a decade of short-term octopus fishery closures. The success of these temporary closures continues to play a catalytic role in the adoption of more extensive marine conservation measures across Madagascar and the Western Indian Ocean in the form of locally managed marine areas (LMMA).

The fishery re-openings in Andavadoaka provide a great opportunity for Blue Ventures to share the results of this approach with other communities interested in learning about LMMAs and the benefits of temporary fishing closures. At this year's re-opening, fishers were joined by visitors from Tanzania and Kenya. We are already seeing promising signs of model replication as a result of these exchanges.

## Supporting partners

In new areas where we do not have large and multidisciplinary Blue Ventures teams on the ground, we collaborate with partners who already have their roots in coastal communities. We believe that this approach will enable us to reach scale more quickly, effectively and equitably than could be achieved through central delivery by Blue Ventures alone. We support our partners in developing a community-based, holistic approach that meets local needs, and adopting our incentive based approaches to promote engagement and impact.

This year, our fisheries technicians helped our partner community based organisation FORKANI in southeast Sulawesi to launch Indonesia's first temporary octopus fishery closure, a huge milestone for the expansion of this transformative model in one of the largest and most biodiverse tropical fishing nations on Earth. The official closure ceremony was an opportunity for fishers and the broader community to showcase their work before government representatives. This sets an important example from which to build momentum, share experiences and scale up in Indonesia and beyond.







Our partnership work has also continued to expand in Tanzania, Mozambique, Comoros, Kenya and India. In Kenya we are supporting three new partner organisations that help exemplify our vision for scaling up through local organisations: The Pate Island Community Conservancy, supported by the Northern Rangelands Trust and the Nature Conservancy, is planning activities using Blue Ventures' temporary fishery closure model as a pathway to establishing larger LMMAs. We hope that co-management of coastal resources in Pate Island could benefit many of the island's 30,000 people. In April 2018 we hosted representatives from these organisations for a learning exchange in southwest Madagascar.

We have initiated a new PHE programme in Nampula Province in Mozambique, supporting a partnership between SoldMoz and AMODEFA. We have also identified opportunities to support new PHE initiatives in Lamu, Kenya and Lombok, Indonesia.

### Catalysing networks

We mobilise networks of civil society organisations to promote and adapt community-led conservation approaches at a broader scale both within countries and internationally.

In July and August 2017 we supported Madagascar's national network representing small-scale fishers, MIHARI, at its national Locally Managed Marine Area (LMMA) forum. The event brought together fishing community leaders from across Madagascar, along with government representatives and NGO partners, to begin to address the urgent issues facing small-scale fisheries.

In just five years, MIHARI has grown into one of Africa's largest and most active civil society networks advocating for the fundamental human rights of small-scale fishing communities. The focus of the event was the adoption of formal motions by network members, covering policy issues such as advocating for exclusive user rights for traditional fishers in coastal waters, and bans on destructive fishing gear. These motions since been communicated formally with Government stakeholders and the national media at a press conference held at the Ministry of Fisheries and Aquatic Resources in Antananarivo.

### Promoting policy to change the system

We work with authorities and decision-makers to support policy developments that will improve conditions for small-scale fishers. We're building a policy team that will capitalise on over 15 years of experience and research in small-scale fisheries to galvanise government action to secure access rights for traditional fishers, safeguard the legal basis of LMMAs, and protect communities from the threats posed by destructive commercial fishing.



# Inspiring Change

Comorian fisherwomen visit Zanzibar to learn about resource management

**"All my life there was always enough to feed all of our families. But now the fish we used to eat have become scarce. Some of the fish we eat now were not even considered edible before. Some in our community are completely dependent on shoreline resources, as they don't have boats to go and fish elsewhere. We have to do something to preserve these resources for them."**  
– *Tumbatu Village Elder, Zanzibar.*

In Zanzibar – as in many other regions of the world – a growing population, a lack of alternative livelihoods, and more effective - yet non selective - fishing gear have led to coastal communities overexploiting their marine resources.

Some of these communities, with support from our partner organisation Mwambao, have experimented with closing their octopus fishing grounds for three months at a time, and have witnessed the production increases that this form of fisheries management can bring, translating to significant financial returns.

Blue Ventures organised an exchange visit for fishers from the Comoros to visit Zanzibar in January 2018 to meet Zanzibari fishing communities, exchange skills and experiences with them, and learn more about their success with temporary fishery closures.

The Comorian women are octopus gleaners from three fishing villages on Anjouan; the most populous island of the Comorian archipelago. Over the years they have noticed diminishing catches and a steady decrease in octopus size. During the exchange, they met with three Zanzibari fishing communities from Unguja island, learning about the different ways they had organised themselves to manage their resources.

They were particularly impressed to see how the benefits from the temporary fishery closures were shared within the communities, and how they used the proceeds to fund projects such as building a school and an office for the fishers' committee.

*"It is very important to plan carefully before a closure is organised, to think about all the details and make sure the fishers' committee is made of strong and honest people, to ensure transparency and respect."* – Mtende Sheha, Fishers' Committee member, Mtende, Zanzibar.

While walking on the reef flat at low tide, the Comorians noticed the abundance of life compared to what they knew back home. In Zanzibar, destructive fishing practices such as using metal gleaning sticks or plant-based poisons are prohibited and the ban is effectively enforced by the community, whereas these same practices are quite common in the Comoros. For the visitors, it was a truly eye-opening moment.

*"When I see all these fish, I realise what our seas could look like if we would stop using uruva [a poisonous plant] to fish. Other members of our communities need to realise that, and we need to take action to stop it."*  
– Ma Marifka, Comorian fisherwoman

Upon their return home, the exchange party shared their enthusiasm with their communities by presenting their experiences in the three villages. Two months after the Zanzibar exchange a fisherwomen's association was formed, called Maecha Bora, bringing together over 80 women from the three villages to collectively manage their marine resources.

Maecha Bora has since met regularly, drawing on support from Blue Ventures' resident fisheries technician, to help plan their own temporary fishery closures, and discuss logistics such as defining the closure area and building a surveillance system. Alongside these meetings, the fisherwomen continued to mobilise people in their own villages, and even started visiting neighbouring villages to discuss their new initiative with them.

By early May 2018, Maecha Bora, supported by Blue Ventures and our Comoroian partner NGO Dahari, had successfully organised Anjouan's first community-based temporary fishery closure.

Our partnership with Dahari over the last two years has been rooted in engaging the Anjouan communities in the Comoros with participatory methods for improving their fisheries. We will continue to support them to strengthen locally led management of marine resources and pave the way for broader conservation actions in the future.

**"We have to be successful with implementing this temporary closure, so that we can invite our Zanzibari friends for the reopening to show them what we achieved!"**  
*Siti – Comorian fisherwoman*



## Inside stories - programme updates

Our core programmes have made significant progress over the last year, building support, motivation and skills to achieve community-led marine conservation outcomes, which have benefited tens of thousands of coastal people.

Below we set out an update on the activities we have undertaken under our key areas of work, comprising fisheries, blue forests (mangroves), aquaculture, community health, ecotourism and education.

### Fisheries

Our fisheries programme supports coastal communities to introduce fisheries management approaches that help rebuild fisheries, building local support for conservation to sustain local fisheries and safeguard marine biodiversity.

#### Temporary fisheries closures

In southwest Madagascar, we have supported communities to run annual small-scale fishery closures for over a decade. This year, our temporary octopus fishery closure model has been successfully replicated for the first time in the Melaky region of western Madagascar. Following the success of the trial closures, consistent with experiences of replication elsewhere in Madagascar, communities are now discussing extending the closure area and already want to try new management measures.

#### Seven years of temporary mangrove fishery closures in Belo sur Mer

The analysis of some of the ~50 temporary fishery closures run by communities in Menabe region of Madagascar since 2011 has shown some very positive results. These closures typically target the lucrative fishery for mangrove mud crabs, and our data show that on average, total catches have increased by 15% after reopening, with crabs increasing by 6% in carapace length. These closures are important social occasions, with often more than 100 people attending individual fishery openings. By building on these successes, we hope to engage communities further and encourage longer-term marine management and conservation measures to further rebuild the stock.

#### First official community-led patrol in Barren Isles LMMA

A new type of patrol, composed of volunteers elected by and from local communities, is now in charge of monitoring and sanctioning infractions in the Barren Isles LMMA; the Indian Ocean's largest community managed marine protected area.

#### Octopus Fisheries

##### Improvement Project

In preparation to launch a fisheries improvement project in late 2018 for Madagascar's largest and most economically important small-scale fishery, we have put in place new monitoring systems to assess the health of the octopus fishery throughout southwest Madagascar..

#### Mangrove crab good practice guide and workshops

With the Ministry of Fisheries, we ran two inter-regional workshops in 2018 in Madagascar, convening all stakeholders to discuss the better management and governance of crab fisheries. We presented data-driven insights derived from seven years of crab fishery monitoring by Blue Ventures' researchers, and launched a guide of good practice to help communities secure value from their catches. We made significant progress towards influencing national policy reform on minimum catch sizes, and closed seasons.

#### Integrated fisheries management plan in Tsimipaika LMMA

In the vast mangrove ecosystem of northern Madagascar's Tsimipaika bay, 36 villages have come together to create an integrated marine management plan. The plan sets out strategies to address the top six priority threats to the bay's fragile marine ecosystems, including the creation of five permanent mangrove reserves.



## Blue Forests

Our Blue Forests programme links the conservation of mangrove, seagrass and coastal wetland habitats with international carbon markets, sustainable fisheries, and other incentives to catalyse community support for mangrove protection. This programme has pioneered new approaches to inspiring local protection of some of Africa's most threatened mangrove forests, strengthening understanding of the role of Madagascar's mangroves in carbon storage, and working with communities along extensive areas of Madagascar's west coast to launch large scale mangrove protection efforts.

### Expansion of the programme

In 2017/18 we expanded our Blue Forests programme in northern and southern Madagascar, working with more partner organisations and researching alternative livelihood activities to diversify sources of income and reduce pressure on mangroves and fisheries. Over the last year we have also been listening to communities and meeting with organisations across the Asia-Pacific region as we look to test and share our experiences from Madagascar in new geographies.

### Tahiry Honko carbon project

Our blue forests team has continued to work with ten communities in the Bay of Assassins on the Tahiry Honko carbon project within southwest Madagascar's Velondriake LMMA. We have formally submitted the project documents for review to the certifying body, Plan Vivo, and expect the project to be registered late in 2018. The area now has trained community monitors, who are patrolling the forest on a weekly basis to ensure that illegal harvesting is controlled.

**"As the Local Focal Point for the Blue Forests team in the southwest of Madagascar, it is my priority to maintain a good relationship with local communities. I work with them far in advance to plan activities such as reforestation and community consultations. It is also important to listen to their needs and consider those needs as neither good nor bad for the project, but important in their own right."**

*Aina Celestin – Blue Forests Community Liaison Officer*

### A new site in Madagascar

Expanding on our existing blue carbon initiatives in Madagascar's Tsimipaika bay and Velondriake LMMAs (in northwestern and southwestern Madagascar respectively), we set up a new site in Mahajamba Bay, Madagascar's second largest mangrove forest. The bay presents many opportunities to work with local communities and we have employed a Blue Forests coordinator to conduct village consultations, focussing on the threats and pressures on mangroves and fisheries in the area. Early meetings with potential partners have raised the possibility of a number of exciting new alternative livelihood activities.

### Official transfer of management rights

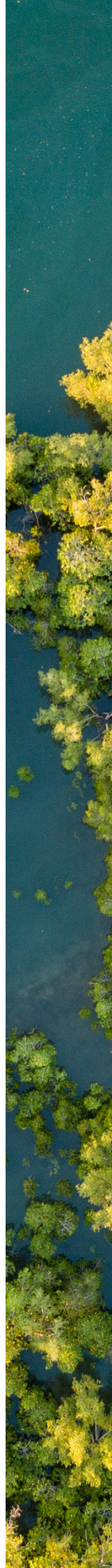
In northwest Madagascar, the official transfer of management rights for mangroves was signed over to 11 of the communities in Tsimipaika Bay, giving them the responsibility for managing 6,154 hectares of mangrove forest.

Community members in Tsimipaika Bay and the Bay of Assassins have collectively replanted **74 hectares** of mangrove.

**18 beekeepers** in four villages of Tsimipaika bay harvested honey for the first time, earning **\$850 USD**.

Blue Ventures has supported **66 community planting days** in priority mangrove conservation areas across Madagascar.

The Tahiry Honko carbon project will sequester **1,388 tonnes** of CO<sub>2</sub>e annually, earning over **\$11,000 USD** per year for communities in the Bay of Assassins over the **next 20 years**.





## Aquaculture

Our aquaculture programme enables communities to diversify their livelihoods by developing sea cucumber and seaweed farms as a way of reducing fishing pressure and alleviating poverty. An established network of business and research partners provides assured access to markets, hatchery technology and supply, and technical expertise to maximise the benefits to the communities.

### Expansion of the programme

After six months of site-surveys and consultations throughout Tsimipaika Bay in northwest Madagascar, the community of Ankingabe has granted Blue Ventures the use of Ambariomipoko Island for our aquaculture field site and livelihoods development centre.

Due for completion in early 2019, the new sea cucumber pens will be Blue Ventures' first aquaculture operation beyond the Velondriake LMMA, representing an exciting development in the evolution of our aquaculture programme. After eight years of fine tuning the community-based sea cucumber farming model, we're now ready to reach out to other areas of the globe with this innovative conservation and community development tool.

Our aim, over the next five years, is to utilise the Ankingabe farming site and the development centre on Ambariomipoko Island to train over a 1000 fishers and mangrove charcoal producers in aquaculture. Income derived from this new livelihood will enable these new farmers to reduce pressure on their threatened and overexploited fisheries and mangrove forests.

**571 people** are making regular **sustainable incomes** from farming sea cucumbers and seaweed after taking part in Blue Ventures' training programmes

**\$463** earned by the highest performing seaweed farmers last year

**50+%** of farmers and farm leaders are women.

### Velondriake LMMA

The community of Tampolove in southwest Madagascar's Bay of Assassins celebrated the re-launch of its aquaculture farming site in January 2018 after a break of two years during which the farming systems were upgraded and rebuilt. 78 farmers have now begun utilising their improved farming enclosures, which will generate monthly incomes of over \$100 for each farm.

Expansion of aquaculture within the Velondriake LMMA continues, with our new partnership with the village of Ambolimoke, which has begun construction of its farming infrastructure. By the end of 2018, another 80 farmers will have stocked their farms with their first batch of juvenile sea cucumbers, embarking on their new careers as aquaculturists.

**"Before the sea cucumber farms, I had no way to improve my standard of living. By setting up my own pen I've earned enough to send my two children to school and I've been able to buy some nice and useful things for my house. I also have a herd of goats now."**

*SérAPHINE KIRY: One of the pioneer (2009) sea cucumber farmers in Tampolove, southwest Madagascar.*



## Community Health

The social and environmental challenges faced by isolated coastal communities are inextricably linked. Just as a lack of transport infrastructure can prevent access to seafood markets, it can also prevent community members from accessing essential health and family planning services.

To increase access to health services for our partner communities, we established a community health programme known locally as Safidy, which means “choice” in Malagasy. This is an integral part of Blue Ventures’ holistic approach to conservation, strengthening community-based health services to help remove barriers to engagement in local marine resource management initiatives.

### Expansion of the programme

This year we have expanded the Safidy programme into two new sites in northwest Madagascar: Ambanja and Mahajamba, where we work with communities on mangrove management. This means that all five of our conservation sites in Madagascar now have integrated health-environment programmes.

### Health-environment partnerships quality charter

2018 saw the launch of the world’s first PHE quality charter by the Madagascar PHE Network, developed with facilitatory support from Blue Ventures. Twenty health and environment organisations including Blue Ventures have signed the charter, which sets out the standards that lead to high quality cross-sector partnerships, with criteria for peer accreditation during learning exchange visits.

### Helping Babies Breathe

Safidy has improved the ability of public health centre staff and traditional birth attendants in Andavadoaka, southwest Madagascar, to resuscitate newborn babies through the Helping Babies Breathe training initiative. To date we have trained two staff and 18 birth attendants.

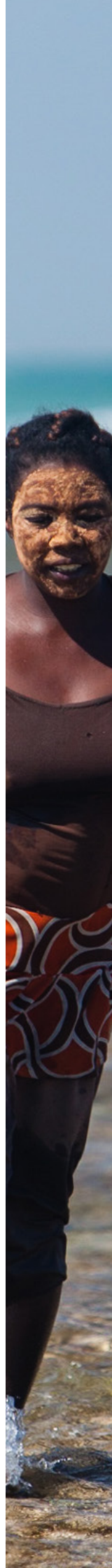
### Family planning summit

We presented our work, and ambitions to reach more coastal communities with our holistic approach, at the 2017 Family Planning Summit. Policy makers, donors, and advocates from around the world gathered in London, UK, to discuss efforts to reach Family Planning 2020 goals and ensure that more women and girls around the world are able to plan their families and their futures.

In August 2017, Blue Ventures celebrated the **ten year anniversary** of our community health programme

Our Safidy programme serves over **45,000 people** across more than 75 communities along Madagascar’s west coast

This year we developed a research collaboration with ECEHH and Planet Indonesia to investigate the **conservation impacts of improving health services** for coastal communities.





## Ecotourism

Our globally acclaimed conservation ecotourism model, which has been running continuously since 2003, continues to collect vital data, generate funding to diversify coastal livelihoods, and allow our conservation teams to explore and develop initiatives in new regions.

The model consists of six-week expeditions, where paying volunteers travel to our sites in Madagascar, Belize and Timor-Leste. They receive scientific and SCUBA training from a resident team of local and international conservation experts. These expeditions provide reliable income to local communities and service partners, and enable us to make robust commitments to maintaining a long-term presence in priority field sites.

## Homestays

This year we have expanded our pioneering community homestay model in both Madagascar and Timor-Leste. In all three countries, all our volunteers now spend a portion of their expedition in local homestays.

In November, representatives of Hébergement Vezo, a homestay association in the village of Andavadoaka in southwest Madagascar, travelled with Blue Ventures to Antananarivo to meet with the Ministry of Tourism and a number of tour operators. They discussed a range of community-based tour packages; Hébergement Vezo aims to offer 'something different' to classic tour packages: sustainable tourism with the chance to experience a unique cultural exchange

**"A humbling experience that will no doubt enable me to grow as a diver, an environmental activist, and as a traveller. BV works so hard to ensure that the economic and scientific rewards can belong to the local community. They are helping to shape a really exciting and sustainable future for the reefs and the local people in Atauro. BV clearly has a huge positive impact on the reef, the local people and the international volunteers."**

*Chloe Edwards, 2018 Blue Ventures - Timor-Leste, volunteer*

## Research on invasive lionfish populations

Across the Caribbean, targeted fishing is gaining momentum as a cost-effective method to control invasive alien lionfish. Yet in marine reserve no take zones, where commercial fishing is not permitted, alternative methods of lionfish control are required. Blue Ventures has published new research from our work in Belize's Bacalar Chico Marine Reserve showing the role that conservation volunteers can play in acting as citizen scientists monitoring invasive lionfish populations and supporting targeted removal.

Homestays have provided more than **US\$300,000** in income to communities to date.

**7,602** tourist nights and **3,620** survey hours by volunteers at all sites this year.



### Case study: Moises Alves, 43, homestay host from Atauro Island

Like the majority of people on Atauro, Timor-Leste, Moises supports his family through fishing. In order to increase his family's income, he joined the homestay programme and started hosting Blue Ventures volunteers in January 2017. As well as the extra income his homestay business brings in, Moises enjoys practising his English skills with his guests and learning about their cultures. Although communication can sometimes be a challenge, he is determined to improve his language skills. Through the homestay programme, he plans to raise money to give his children a better future, to promote sustainable tourism on his island home, and eventually to expand his ecotourism business.



## Education

We recognise that successful long-term local management of natural resources will continue to be challenging unless education outcomes improve within many of the remote and underserved communities that we support. Nowhere is this need more acute than in coastal communities in southern Madagascar, where state services of all kinds are very limited. Our pilot education programme was launched in the Velondriake LMMA, and comprises school scholarships, environmental education and marine science courses, and community training at all levels.

### University Scholarships

In 2017 Blue Ventures awarded 13 fully-funded scholarships for university students to undertake a course relevant to a career supporting coastal communities. This year students have been funded to study nursing, biology, geography and management.

### Conservation club

The Conservation Club is an initiative of our Early Education and Blue Forests programmes to introduce environmental education into primary schools in the Velondriake LMMA. This year we have launched new conservation clubs in three villages and now support 35 children in learning about mangroves, the marine environment and planting spiny forest tree nurseries.

### Literacy training programme for adults

In the Velondriake LMMA in southwest Madagascar we are piloting a literacy training programme for adults. This is peer-to-peer taught and targeted at the management committee of the Velondriake LMMA; community members who are acting in leadership positions, but who typically have low literacy levels. In 2017 this project was piloted in five villages.

### Environmental education

We continue to deliver environmental education in Andavadoaka through Saturday Schools. Here children learn about their environment, the protection of marine and terrestrial areas, and participate in beach cleans.

**“This is such a great experience for me. I used to be very shy, and I probably still am deep down, but leading something so important to me has made me more confident and courageous.”**

*E-louise: one of the first students to be supported by a Blue Ventures scholarship when they first began in 2007. Fast forward to 2018, she is an intern within our education programme, involved in leading a variety of afternoon and evening activities, including Saturday School, the Swimming Club, and the Girls' Club.*

Blue Ventures paid for **238 children** in southwest Madagascar to attend school

Piloted a literacy training programme involving **70 local leaders**

Launched three new conservation clubs supporting **35 children**





## Meet the team

We have ambitious targets for local employment and a clear framework for fostering and developing local talent to give them the skills they need to do the job. By developing a new generation of local leaders, we can develop resilient, national civil society networks championing marine conservation and sustainable fisheries management.

To support employee career progression, Blue Ventures ensures that each staff member has a professional development plan. Wherever possible we train national staff members to fill our vacancies.

We have now reached our target of 85% local employment in both Belize and Madagascar, and our younger Timor-Leste team is currently at 55%. In Belize, we recruited local field scientist interns for the first time, and they are already advancing swiftly through their dive training.



### Cecilia Guerrero

Conservation Coordinator, Sarteneja, Belize

Cecilia works with the Belize Fisheries Department to implement the National Lionfish Management Strategy, she is also a grant manager.

“Working with Blue Ventures has provided me with many challenges and opportunities that have supported my professional and personal development, as well as satisfied my desire to work alongside local communities in the sustainable use of our natural resources”.



### Jemima (Mima) Gomes

Dive and science assistant, Timor-Leste

Mima is involved in dive and science training and is excited to be the first ever female Divemaster trained on Atauro Island.

“After learning about coral reefs, I saw how many benefits these ecosystems give our community.”





## Bienvenue Zafindrasilivonona

Site Leader, Ambanja, Madagascar

Bienvenue has responsibility for staff coordination and supervision of 19 staff and she is very proud of them. Her work includes activity planning and monitoring and evaluation of the activities and projects at the site.

“I have gained in-depth knowledge about the role of marine and coastal natural resource management and how we can work with the community and not against it.”



## Lalao Aigrette

Deputy Blue Forest Programme Lead, Madagascar

Lalao is overseeing the development of the first mangrove carbon initiative in Madagascar, and the only the second in the world. She has been recognised as an IUCN 'natural-born hero' for her outstanding contribution to conservation in her home country of Madagascar.

“Over my career, I have learned that listening to and involving communities is central to the success of conservation in Madagascar.”



## Haji Machano

Fisheries Partner Support Technician, Tanzania

Haji joined Blue Ventures in February 2017. He is passionate about community rights to manage their own coastal resources, and is committed to supporting our partners and fishing communities in the region.

“While I have always worked closely with my fisher community, Blue Ventures has brought me even closer to it, helping me see that there is more I can do to support them to rebuild their livelihoods and culture through fisheries.”



## Oldegar Massinga

Community Conservation Coordinator, Timor Leste

Oldegar works with coastal communities, helping them to engage with and adopt more sustainable ways of living in Timor Leste.

“I love being able to help coastal communities to take ownership over their natural resources, and to manage them in a sustainable way.”



# Looking ahead

Through demonstrating that effective marine conservation is in everyone's interest, we are striving for impact at scale. We aim to reach at least 3,000,000 people across the world's tropical coastal regions by 2020:

- 500,000 through direct interventions;
- 1,000,000 through working with partners and networks who share our values; and
- 1,500,000 by engaging policy-makers and industry to establish and enhance the ability of small-scale fishing communities to benefit from managing their own coastal resources.

## Target regions

Over the next three years Blue Ventures will extend its support to more under-served coastal communities within low-income tropical coastal regions, prioritising growth in East Africa and the Western Indian Ocean, while expanding across Southeast Asia.

## Measuring the reach of our impact

We aim to have lasting impacts on the fisheries and communities we support, inspiring and strengthening local engagement in marine conservation. Understanding the effectiveness and impact of our conservation models and interventions is central to this mission.

Our monitoring and evaluation systems allow us to learn from, adapt and improve the performance of our models, while generating evidence of our impact and effectiveness, and ensuring our accountability to the communities and partners we support. The results of our work are made available online.

We monitor the ecological, fisheries and social impacts of our work to ensure we can track progress against tangible milestones for supporting small-scale fishers, protecting coasts and achieving more equitable laws.

Our evidence-based approach is founded on the 15 years we have spent operating in these communities, markets and regulatory environments.







# Statutory Information



# Blue Ventures Conservation

## Governance and management

### Structure, governance and management

Blue Ventures Conservation (BVC) is a registered charity in the United Kingdom, number 1098893, and is constituted as a company limited by guarantee, registered number 4660959.

A Board of Trustees governs BVC. The Board is responsible for determining the policies and strategic direction of the charity, and all major decisions are taken at Board level. It meets quarterly to review the group's activities and to track progress towards strategic targets and delegates day-to-day running of the charity to a senior management team. The members of the Board who were in office on the date of this report are shown on the Legal and Administrative Information page. Under the Articles of Association, ordinarily one third of Trustees retire by rotation. New Trustees are recruited based on terms of reference for specific vacancies, typically when certain skill sets and experiences are sought by the board. The chair of the board oversees all Trustee recruitment, with induction, orientation and training support provided by charity staff. The induction procedure aims to provide new Trustees with the information on their duties and obligations necessary to be effective within the governing body. BVC employs staff in the United Kingdom and overseas. The charity employs overseas staff directly, including from host countries, who are involved in locally based projects.

Blue Ventures' day-to-day activities, both for the charity and its subsidiary, are overseen by a senior management team comprising an Executive Director, Managing Director, Finance Director, Outreach Director and Conservation Director (further details are shown on the Legal and Administrative Information page), supported by a Head of Digital, a Head of HR, and Head of Monitoring and Evaluation. This team manages the charity and company's operations internationally, and develops and monitors progress towards the group's strategic operating plan. The senior management team is directly accountable to the charity's Board of Trustees.

A decision rights and responsibilities matrix guides decision-making, consultation and escalation policies across the organisation. The Board of Trustees is consulted annually in the development of the charity's annual operating plan.

Staff remuneration follows a banding structure that is reviewed annually by the Finance Director and senior management team. Sectoral consultation and independent benchmarking are carried out periodically to ensure correspondence and competitiveness with similar-sized organisations and charities operating in the sector.

### Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, and in implementing current and planning future activities. The Trustees have considered this matter and concluded:

- That the aims of the organisation continue to be charitable;
- That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
- That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
- That there is no detriment or harm arising from the aims or activities.

### Related party

Blue Ventures Conservation wholly owns the subsidiary, Blue Ventures (Expeditions) Ltd (BVE), a private limited company registered in Scotland, SC233112. BVE uses paying volunteers to undertake research and monitoring of coral reefs and related ecosystems in Madagascar, Timor-Leste and Belize.

The operations of BVE are closely aligned with those of the charity, and the two organisations have shared offices, staff, website and brand identity. BVE donates its annual profits to the charity.

For the year ended 30 June 2018, BVE did not make a charitable donation to BVC. (2017: £35,000).



# Blue Ventures Conservation

## Risk management

Blue Ventures' approach to risk management is proactive and fully integrated into day-to-day working. The charity maintains a comprehensive register of risks (governance, operational, financial, regulatory, environmental & external risks), and maintains mitigation controls and contingency plans, with designated responsibilities for monitoring & managing risks. This register is reviewed and updated quarterly by the board. Field risk assessments are carried out annually for all centrally-managed programme operations, and policies are fully compliant with the highest standards of field operating protocols in Blue Ventures' diverse programmatic specialties. The main risks to Blue Ventures' work as identified by the board are as follows:

*Political risk and instability.* Blue Ventures maintains close communications with government authorities in partner countries and with security agencies where appropriate. The risk posed by, for example, political disturbance in one country, is mitigated by the charity's intentional operations, which can enable activities and resources to be redirected if required. Blue Ventures also maintains strong relations with government authorities in partner countries, both at a ministerial level, as well as with technical staff and operatives within government agencies. These relationships are key to maintaining momentum with partnership initiatives, ensuring the charity's operations are not interrupted by short term political changes.

*Fraud risk.* BV has a fraud policy in place, as well as robust financial and manual and procedures to reduce this risk.

*Risk of natural disaster for example, tropical cyclones, flooding etc.* Blue Ventures has well evolved and practiced emergency protocols to deal with tropical storms, cyclones and emergencies.

*Safeguarding.* Following the serious safeguarding issues that have been exposed and investigated in the aid and development sector, in 2018 we conducted a thorough review of our internal policies and procedures. Our revised Protection Policy for Children and Vulnerable Adults has since been implemented, with training conducted for all staff in all countries of Blue Ventures' operations. A Safeguarding and Reporting committee, comprising senior staff, trustees, and an independent expert, meets quarterly. The committee is the first point of contact for any safeguarding or conduct reports and holds authority for safeguarding and reporting within the organisation. The committee is also responsible for developing new policies and initiatives.

## Trustees

The Trustees who served during the reporting period were:

Dr Robert Conway	(resigned 15 November 2017)
Mr Abbas Hasan	
Mr Jonathan Katz	Chair
Ms Anna Kydd	
Mr Matthew Linnecar	(resigned 15 November 2017)
Mr John Wareham	
Ms Astrid Zweynert	(resigned 11 January 2018)
Mrs Patricia Kreitman	(resigned 15 November 2017)
Mr Tristram Lewis	
Dr Dominic Hoar	
Mr William Stephens	(resigned 23rd February 2018)
Mrs Vola Parker	(appointed 27 July 2017)
Mr Robert Maclay	(appointed 24 January 2018)
Mr Gavin Starks	(appointed 25 April 2018)
Mrs Mairi Fairley	(appointed 25 April 2018)
Mr Oliver Gregson	(appointed 25 April 2018)
Dr Frances Humber	(appointed 27 April 2018)



## Blue Ventures Conservation

Trustees who were serving on the date this report was approved were:

Mr Abbas Hasan	
Mr Jonathan Katz	Chair
Ms Anna Kydd	
Mr John Wareham	
Mr Tristram Lewis	
Dr Dominic Hoar	
Mr Robert Maclay	(appointed 24 January 2018)
Mrs Vola Parker	(appointed 27 July 2017)
Mr Robert Maclay	(appointed 24 January 2018)
Mr Gavin Starks	(appointed 25 April 2018)
Mrs Mairi Fairley	(appointed 25 April 2018)
Mr Oliver Gregson	(appointed 25 April 2018)
Dr Frances Humber	(appointed 27 April 2018)

The Board of Trustees is kept fully abreast of Blue Ventures' future plans, with regular participation in strategy meetings, and review of the charity's annual operating plan.

### Financial review

Total income for the year amounted to £4,029,286 (2017: £3,006,982).

Total expenditure for the year amounted to £4,125,033 (2017: £2,285,124). Of this expenditure, 95% is spent on carrying out charitable and other activities, with a further 4% spent on generating voluntary income and 1% on governance. 85% of the charity's staff is based overseas in our programme countries.

Blue Ventures (Expeditions) Ltd was fully acquired on 30 June 2017 by Blue Ventures Conservation. Income earned by Blue Ventures (Expeditions) Ltd from the date of acquisition is included in the below table as part of Interest and other income, and expenditure incurred by Blue Ventures (Expeditions) Ltd from the date of acquisition is included in the below table as part of Charitable and Other Activities.

5 Year History (£)	2013/14	2014/15	2015/16	2016/17	2017/18
INCOME FROM:					
Donations and gifts	95,940	62,313	99,792	139,758	98,477
Grants for core activities	725,056	1,768,032	2,061,134	2,828,023	3,487,950
Interest and other income	112,595	69,769	76,628	39,201	442,859
<b>Total income</b>	<b>933,591</b>	<b>1,900,114</b>	<b>2,237,554</b>	<b>3,006,982</b>	<b>4,029,286</b>
EXPENDITURE ON:					
Raising funds	46,428	62,945	58,732	77,632	161,338
Charitable activities	940,657	1,185,536	1,538,798	2,180,588	3,910,894
Governance costs	16,538	20,003	19,769	26,904	52,846
<b>Total expenditure</b>	<b>1,003,623</b>	<b>1,268,484</b>	<b>1,617,299</b>	<b>2,285,124</b>	<b>4,125,033</b>
Increase/(decrease) in income (%)	-	104%	18%	34%	34%
Increase in expenditure on charitable activities (%)	8%	26%	27%	42%	81%



# Blue Ventures Conservation

## Taxation

BVC is a registered charity within the definition of Section 505 of the Income and Corporation Taxes Act 1988, accordingly its income is exempt from taxation.

## Reserves

The Trustees regularly review the level of reserves, which is used to describe unrestricted funds excluding those tied up in fixed assets or otherwise designated. BVC's reserves policy is to maintain sufficient working capital to cover six months core running costs. This equates to approximately £220,000.

As at 30 June 2018, free reserves amounted to £242,216.

## Trustees' responsibilities

The Trustees are responsible for preparing the 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 that give a true and fair view of the state of affairs of the charity and the incoming resources and the application of resources, including income and expenditure, for the charity 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 judgments 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 company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

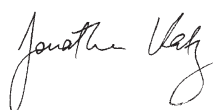
## Disclosure of information to auditors

In accordance with company law, the Trustees who held office at the date of approval of this Trustees' Report certify that:

- So far as they are aware, there is no relevant audit information of which the charity's auditors are unaware; and
- As the Trustees of the charity they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved and authorized for issue by the Board of Trustees on 29 March 2019.

And signed on their behalf by:



Mr J Katz  
Chair of the Board of Trustees  
Annual Report and Accounts 2018

# Blue Ventures Conservation

## Legal and administrative information

### Trustees

Dr Robert Conway (resigned 15 November 2017)  
Mr Abbas Hasan  
Mr Jonathan Katz - Chair  
Ms Anna Kydd  
Mr Matthew Linnecar (resigned 15 November 2017)  
Mr John Wareham  
Ms Astrid Zweynert (resigned 11 January 2018)  
Mrs Patricia Kreitman (resigned 15 November 2017)  
Mr Tristram Lewis  
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Mr Robert Maclay (appointed 24 January 2018)  
Mr Gavin Starks (appointed 25 April 2018)  
Mrs Mairi Fairley (appointed 25 April 2018)  
Mr Oliver Gregson (appointed 25 April 2018)  
Dr Frances Humber (appointed 27 April 2018)

### Senior management team

Dr Alasdair Harris - Executive Director  
Ms Rebecca Donnelly - Finance Director (resigned 14 September 2017)  
Dr Frances Humber - Conservation Director (resigned 30 April 2018)  
Mr William Stephens - Conservation Director (appointed 10 April 2018)  
Mr Rupert Quinlan - Outreach Director (appointed 18 September 2017)  
Mr James Wallace - Operations Director (appointed 1 December 2017; resigned 28 February 2019)

### Secretary

Lindsays WS

### Charity number

1098893

### Company number

4660959

### Registered Office

Level 2 Annex  
Omnibus Business Centre  
39 - 41 North Road  
London  
N7 9DP  
United Kingdom

### Auditors

H W Fisher & Company  
Acre House  
11 - 15 William Road  
London  
NW1 3ER  
United Kingdom

### Bankers

National Westminster Bank Plc.  
Western Avenue, Waterside Court  
Chatham  
ME4 4RT  
United Kingdom



# Blue Ventures Conservation

## Independent Auditor's Report

### TO THE MEMBERS OF BLUE VENTURES CONSERVATION

#### Opinion

We have audited the financial statements of Blue Ventures Conservation (the 'parent charity') and its subsidiary (the 'group') for the year ended 30 June 2018 which comprise the group statement of financial activities, the group and company balance sheets, the group 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 Financial Reporting Standard 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 parent charity's affairs as at 30 June 2018 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 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 financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so,

## Blue Ventures Conservation

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees' 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 parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity'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 parent charity or to cease operations, or have no realistic alternative but to do so.



# Blue Ventures Conservation

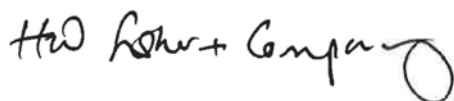
## Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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. 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 auditors' 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.



Signed on 29 March 2019.

**Andrew Rich (Senior Statutory Auditor)**  
**for and on behalf of H W Fisher & Company**

**Chartered Accountants**

**Statutory Auditor**

Acre House

11-15 William Road

NW1 3ER

United Kingdom

HW Fisher & Company is eligible to act as an Auditor in terms of section 1212 of the Companies Act 2006

# Blue Ventures Conservation

## Group Statement of Financial Activities

For the year ended 30 June 2018

	Notes	Unrestricted funds £	Designated fund £	Restricted funds £	2018 Total £	2017 Total £
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Donations and legacies</b>						
Donations and gifts	2a	84,887	-	13,590	98,477	139,758
Grants for core activities	2b	706,004	-	2,781,946	3,487,950	2,828,023
Charitable activities <sup>1</sup>	3	18,719	-	3,206	21,925	32,000
Commercial trading operations		417,131	-	-	417,131	-
Other trading activities		-	-	-	-	3,904
Investments		1,271	-	-	1,271	3,285
Other Income		2,532	-	-	2,532	12
<b>Total income and endowments</b>		<b>1,230,544</b>	<b>-</b>	<b>2,798,742</b>	<b>4,029,286</b>	<b>3,006,982</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Costs of generating donations and legacies		155,486	2,520	3,332	161,338	77,632
Charitable activities <sup>1</sup>		215,526	292,705	2,908,685	3,416,916	2,207,492
Commercial trading operations		546,779	-	-	546,779	-
<b>Total expenditure</b>	4	<b>917,791</b>	<b>295,225</b>	<b>2,912,017</b>	<b>4,125,033</b>	<b>2,285,124</b>
<b>Net income/(expenditure)</b>		<b>312,753</b>	<b>(295,225)</b>	<b>(113,275)</b>	<b>(95,747)</b>	<b>721,858</b>
Transfers between funds		(240,000)	240,000	-	-	-
<b>Net movement in funds</b>		<b>72,753</b>	<b>(55,225)</b>	<b>(113,275)</b>	<b>(95,747)</b>	<b>721,858</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		287,162	294,593	1,937,006	2,518,761	1,796,903
<b>Total funds carried forward</b>		<b>359,915</b>	<b>239,368</b>	<b>1,823,731</b>	<b>2,423,014</b>	<b>2,518,761</b>

All income and expenditure relate to continuing activities.

The acquisition of Blue Ventures (Expeditions) Limited occurred after the Company's trading had ceased for the year. As such, all income and expenditure relate only to the Charity, Blue Ventures Conservation.

There are no recognised gains or losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

<sup>1</sup>Charitable activities encompass working with coastal communities to rebuild tropical fisheries.



# Blue Ventures Conservation

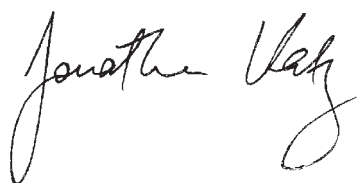
## Consolidated and Charity Statements of Financial Position

As at 30 June 2018

Company Registration No 4660959 (England and Wales)

	Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
<b>Fixed Assets</b>					
Investment in subsidiary	14	-	-	50,000	50,000
Goodwill	13	27,281	34,101	-	-
Tangible assets	11	321,320	181,813	271,631	129,776
<b>Total Fixed Assets</b>		<b>348,601</b>	<b>215,914</b>	<b>321,631</b>	<b>179,776</b>
<b>Current Assets</b>					
Debtors	17	38,484	27,971	100,519	46,878
Cash at bank and in hand		2,235,726	2,506,753	2,180,306	2,437,941
<b>Total Current Assets</b>		<b>2,274,210</b>	<b>2,534,724</b>	<b>2,280,825</b>	<b>2,484,819</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	18	(199,291)	(228,422)	(148,046)	(145,834)
<b>Net current assets</b>		<b>2,074,919</b>	<b>2,306,302</b>	<b>2,132,779</b>	<b>2,338,985</b>
<b>Total assets less current liabilities</b>		<b>2,423,520</b>	<b>2,522,216</b>	<b>2,454,410</b>	<b>2,518,761</b>
Provision for liabilities	19	(506)	(3,455)	-	-
<b>Net Assets</b>		<b>2,423,014</b>	<b>2,518,761</b>	<b>2,454,410</b>	<b>2,518,761</b>
<b>Income funds</b>					
Restricted funds	20	1,823,731	1,937,006	1,823,731	1,937,006
Designated fund	21	239,368	294,593	239,368	294,593
Unrestricted funds		359,915	287,162	391,311	287,162
		<b>2,423,014</b>	<b>2,518,761</b>	<b>2,454,410</b>	<b>2,518,761</b>

Approved by the Board on 29 March 2019 and signed on their behalf by:



Mr J Katz  
Trustee (Chair)

# Blue Ventures Conservation

## Consolidated and Charity Statement of Cash Flows

For the year ended 30 June 2018

Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £	
<b>Cash flows from operating activities:</b>					
<i>Net cash provided by operating activities</i>	24	(54,780)	777,689	(56,366)	777,689
<b>Cash flows from investing activities:</b>					
Interest from investments		1,272	3,285	1,271	3,285
Cash taken into group on purchase of subsidiary		-	68,812	-	-
Fixed asset purchases		(210,746)	(66,769)	(196,076)	(66,769)
<i>Net cash provided by investing activities</i>		(209,474)	5,328	(194,805)	(63,484)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(264,254)</b>	<b>783,017</b>	<b>(251,171)</b>	<b>714,205</b>
Cash and cash equivalents brought forward		2,506,753	1,748,621	2,437,941	1,748,621
Change in cash and cash equivalents due to exchange rate movements		(6,773)	(24,885)	(6,464)	(24,885)
<b>Cash and cash equivalents carried forward</b>		<b>2,235,726</b>	<b>2,506,753</b>	<b>2,180,306</b>	<b>2,437,941</b>



# Blue Ventures Conservation

## Notes to the financial statements

For the year ended 30 June 2018

### 1 Accounting policies

#### Company information

Blue Ventures Conservation is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Level 2 Annex, Omnibus Business Centre 39-41 North Road, London, N7 9DP.

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts are consolidated and reflect the results and combined financial position of Blue Ventures Conservation and Blue Ventures (Expeditions) Limited. As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own income and expenditure account and related notes. The company's net income for the year was £(95,747) (2017: £721,858).

#### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated by the trustees for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds are used to refine and drive adoption of Blue Ventures' conservation models with selected strategic partners.

#### 1.4 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

#### 1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

- Costs of generating funds are those costs incurred in attracting and securing voluntary income, and those incurred in trading and commercial activities that raise funds.

- Costs of charitable activities comprise all expenditure identified as wholly or mainly attributable to achieving the objectives of the charity. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads.

- Governance costs include those incurred in the governance of the group and its assets and are primarily associated with constitutional and statutory requirements.

- Support costs include central functions and have been allocated to activity cost categories using the following method. Those costs relating to Governance and Generation of Funds are identified. The remaining costs that are shared between these functions and Charitable Activities are then apportioned based on the headcount of these functions.

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Items costing less than £750 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of assets less estimated residual value of each asset over its expected useful life, as follows:

Plant, machinery and motor vehicles	25% reducing balance
Computer and other office equipment	33% reducing balance
Long leasehold land and buildings	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

### 1.7 Intangible fixed asset - Goodwill

Goodwill represents the excess of the cost of the acquisition over the net fair value of assets acquired. Amortisation is provided at a rate calculated to write off the cost or valuation of the goodwill asset over its expected useful life, as follows:

Goodwill upon acquisition	5 years
---------------------------	---------

### 1.8 Investment in subsidiary

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the Statement of financial activity.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

### 1.9 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.



# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 1.11 Financial commitments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.14 Foreign exchange

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 rate of exchange ruling at the date of the transaction. Exchange differences are recognised on the statement of financial activities.

### 1.15 Taxation

The parent charity is not liable to direct taxation on its income as it falls within the various exemptions available to registered charities.

In regard to the company, the tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the SOFA.

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

2	<b>Voluntary income</b>		
a)	<b>Donations and gifts</b>		
		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	<b>Restricted donations:</b>		
	Rasmussen Family Donation	-	44,509
	School Scholarships	7,973	12,822
	Other donations	5,617	3,716
	<b>Total restricted donations:</b>	<b>13,590</b>	<b>61,047</b>
	<b>Unrestricted donations:</b>		
	Blue Ventures (Expeditions) Ltd	-	35,000
	Elephant Software Solutions	-	20,000
	CAF America	67,700	
	Other donations	17,187	23,711
	<b>Total unrestricted donations:</b>	<b>84,887</b>	<b>78,711</b>
	<b>Total donations:</b>	<b>98,477</b>	<b>139,758</b>
b)	<b>Grants receivable for core activities</b>		
		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	<b>Restricted grants:</b>		
	Bohemian Foundation	-	40,177
	Conservation International Foundation	115,323	58,630
	Department for Environmental Food & Rural Affairs	1,373,205	926,508
	European Outdoors Conservation Association (EOCA)	-	12,374
	Global Environment Fund	165,782	165,782
	GIZ	-	16,279
	John D. and Catherine T. MacArthur Foundation	247,439	285,940
	Leona M. and Harry B. Helmsley Charitable Trust	110,510	208,831
	Marine Stewardship Council	7,797	30,000
	Norges Vel	141,447	141,447
	Peace Parks Foundation	-	45,571
	Population Reference Bureau	-	16,788
	Sall Family Foundation	65,593	52,232
	Seacology <sup>1</sup>	(14,140)	-
	Segal Family Foundation	37,324	40,893
	Sundance Institute	-	13,660
	The Balcombe Charitable Trust	45,000	43,000
	The Ernest Kleinwort Charitable Trust	40,000	40,000

<sup>1</sup> Negative amounts relate to grant awards repaid



# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 2 Voluntary income (continued):

<b>Restricted grants (continued):</b>	<b>2018 £</b>	<b>2017 £</b>
the innocent foundation	12,875	-
The Mohamed bin Zayed Species Conservation Fund	188,959	165,782
The Royal Norwegian Society for Development	117,154	141,447
The Rufford Foundation	50,000	60,496
The Summit Foundation	30,294	36,143
The Turing Foundation	46,661	46,055
The Waterloo Foundation	-	50,000
Tusk	32,946	15,300
V. Kann Rasmussen Foundation	36,220	-
Vitol Foundation	153,599	-
Wilstar	50,054	50,382
World Wildlife Fund	6,377	17,745
Other	28,756	23,461
<b>Total restricted grants:</b>	<b>2,781,946</b>	<b>2,437,694</b>
<b>Unrestricted grants:</b>		
Charities Aid Foundation	-	20,320
Mulago	150,304	160,214
Romeera Foundation	-	10,000
Skoll Foundation	-	151,984
The Lucille Foundation	150,000	-
The Ray and Tye Noorda Foundation	362,200	-
The Rufford Foundation	43,500	43,500
Other	-	4,311
<b>Total unrestricted grants:</b>	<b>706,004</b>	<b>390,329</b>
<b>Total grants</b>	<b>3,487,950</b>	<b>2,828,023</b>

### 3 Incoming resources from charitable activities

	<b>2018 Unrestricted funds £</b>	<b>2017 Unrestricted funds £</b>	<b>2017 Unrestricted funds £</b>	<b>2017 Restricted funds £</b>
<b>Other incoming resources comprise:</b>				
Income from overseas projects	17,579	2,611	25,837	5,388
Contracts for programme activities	1,140	595	775	-
	<b>18,719</b>	<b>3,206</b>	<b>26,612</b>	<b>5,388</b>

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 4 Resources expended

	Other costs £	Staff costs £	Support costs £	2018 Total £	2017 Total £
<b>Raising funds</b>					
Costs of generating donations and legacies	4,819	-	156,519	161,338	77,632
<b>Charitable activities</b>	1,677,503	1,233,526	505,887	3,416,916	2,207,492
Re-allocation of staff costs within support costs	1,682,322	1,233,526	662,406	3,578,254	2,285,124
	-	424,329	(424,329)	-	-
	<u>1,682,322</u>	<u>1,657,855</u>	<u>238,077</u>	<u>3,578,254</u>	<u>2,285,124</u>

Net income/(expenditure) is stated after charging:

	2018 £	2017 £
Audit fees	18,948	12,618
	<u>18,948</u>	<u>12,618</u>

Non-audit fees paid to our auditors amounted to £4,362 (2017: £2,484).

### 5 Support costs

	Costs of generating funds £	Charitable activities £	Governance £	2018 Total £	Costs of generating funds £	Charitable activities £	Governance £	2017 Total £
Support costs comprise:								
Staff costs	148,295	245,950	30,084	424,329	48,522	249,079	14,287	311,888
Project audits	-	3,438	-	3,438	-	1,560	-	1,560
Bank charges	1,850	5,656	-	7,506	-	-	-	-
Administration fees	2,497	15,425	-	17,922	5,535	16,605	-	22,140
Conference and meetings	-	5,382	-	5,382	-	17,762	-	17,762
Depreciation	-	54,221	-	54,221	-	26,097	-	26,097
Telecommunications and IT	3,064	54,133	-	57,197	7,471	58,742	-	66,213
Postage, print and stationery	-	25,975	-	25,975	-	13,767	-	13,767
Other office costs	34	61,211	-	61,245	9,586	24,378	-	33,964
Insurance	779	4,412	-	5,191	890	2,671	-	3,561
	<u>156,519</u>	<u>475,803</u>	<u>30,084</u>	<u>662,406</u>	<u>72,004</u>	<u>410,661</u>	<u>14,287</u>	<u>496,952</u>

Support costs have been allocated to each of the above activities based on an estimate by management of the time spent by staff on each relevant activity.



# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 6 Staff costs

	2018 £	2017 £
Staff costs comprise:		
Wages and salaries	1,482,888	984,928
Social security	164,016	109,123
Pensions	10,951	1,786
	<u>1,657,855</u>	<u>1,095,837</u>

	2018 No.	2017 No.
Number of employees who earned from:		
£60,000 to £69,999	-	1
£70,000 to £79,999	1	-
	<u>1</u>	<u>-</u>

There were no employees with annual emoluments above £80,000 (2017: nil).

The average number of employees during the year:

	2018 No.	2017 No.
Staff	<u>173</u>	<u>130</u>

The key management personnel of the charity, the Trust, comprise the trustees, the Executive Director, Finance Director and Conservation Director. The total employee benefits of the key management personnel of the Trust were £294,292 (2017: £192,293).

### 7 Costs of generating donations and legacies

	2018 £	2017 £
Other costs of generating donations and legacies comprise:		
Bank charges	-	34
Telecommunications and IT	305	34
Conference and meetings	1,963	3,100
Travel	2,551	2,460
	<u>4,819</u>	<u>5,628</u>

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 8 Charitable activities

	2017 £	2017 £
<b>Other costs relating to programme activities comprise:</b>		
Community Outreach Projects	748,691	532,054
Site and technical	358,151	84,611
Travel	366,163	286,711
Office expenses	18,165	46,417
Bank charges	2,120	3,628
Conference and meetings	39,660	18,423
Legal and professional	-	-
Telecommunications and IT	95,310	428
Postage, print and stationery	1,538	1,162
Insurance	24,944	12,543
Governance	22,761	12,618
	<u>1,677,503</u>	<u>998,595</u>

### 9 Governance costs

	2018 £	2017 £
<b>Other governance costs comprise:</b>		
Audit fees	18,948	12,618
Conference and meetings	1,293	-
Directors and Officers Liability Insurance	2,520	-
	<u>22,761</u>	<u>12,618</u>

### 10 Trustees' remuneration

Expenses reimbursed to Trustees, where claimed, amounted to £1,047 (2017: £nil).

The Charity does not remunerate Trustees for their normal duties as a Trustee. The Charities Act 2011 allows for payments to Trustees. In the best interest of the Charity, in certain cases Trustees have specific knowledge, skills and experience in the funding and project management of a particular area of the Charity's work, which the Charity utilises to advance its charitable activities.

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 11 Group tangible fixed assets

	Leasehold land and buildings £	Computer and other office equipment £	Plant, machinery and motor vehicles £	Total £
<b>Cost</b>				
At 1 July 2017	16,117	48,311	362,012	426,440
Additions	8,105	8,913	193,728	210,746
Total cost of assets purchased on acquisition of subsidiary	-	3,494	(3,494)	-
<b>At 30 June 2018</b>	<b>24,222</b>	<b>60,718</b>	<b>552,246</b>	<b>637,186</b>
<b>Depreciation</b>				
At 1 July 2017	9,422	28,052	207,153	244,627
Charge for the year	1,503	6,217	63,519	71,239
<b>At 30 June 2018</b>	<b>10,925</b>	<b>34,269</b>	<b>270,672</b>	<b>315,866</b>
<b>Net book value</b>				
<b>At 30 June 2018</b>	<b>13,297</b>	<b>26,449</b>	<b>281,574</b>	<b>321,320</b>
At 30 June 2017	6,695	20,259	154,859	181,813

### Charity tangible fixed assets

	Leasehold land and buildings £	Computer and other office equipment £	Plant, machinery and motor vehicles £	Total £
<b>Cost</b>				
At 1 July 2017	13,926	23,306	232,490	269,722
Additions	8,105	(2,363)	190,334	196,076
<b>At 30 June 2018</b>	<b>22,031</b>	<b>20,943</b>	<b>422,824</b>	<b>465,798</b>
<b>Depreciation</b>				
At 1 July 2017	7,635	6,290	126,021	139,946
Charge for the year	1,388	4,839	47,994	54,221
<b>At 30 June 2018</b>	<b>9,023</b>	<b>11,129</b>	<b>174,015</b>	<b>194,167</b>
<b>Net book value</b>				
<b>At 30 June 2018</b>	<b>13,008</b>	<b>9,814</b>	<b>248,809</b>	<b>271,631</b>
At 30 June 2017	6,291	17,016	106,469	129,776



# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 12 Goodwill on purchase of Blue Ventures (Expeditions) Ltd

	£
Purchase consideration	50,000
Net assets on date of purchase (30 June 2017)	<u>(15,899)</u>
<b>Goodwill on purchase</b>	<b><u>34,101</u></b>

The estimated useful life of Goodwill is five years.

### 13 Intangible fixed assets

Goodwill

£

#### Cost

At 1 July 2017	34,101
Additions	-
At 30 June 2018	<u>34,101</u>

#### Amortisation

At 1 July 2017	-
Additions	6,820
At 30 June 2018	<u>6,820</u>

#### Net book value

At 30 June 2018	<u>27,281</u>
At 30 June 2017	<u>34,101</u>

### 14 Fixed asset investments

	Charity 2018 £	Charity 2017 £
Investment in subsidiaries	<u>50,000</u>	<u>50,000</u>

### 15 Subsidiaries

Details of the Charity's subsidiaries as 30 June 2018 are as follows:

Name of undertaking and country of incorporation and residency		Nature of Business	Class of Shareholding	% Held Direct
Blue Ventures (Expeditions) Limited	England and Wales	Conservation	Ordinary	100

The net assets of Blue Ventures (Expeditions) Limited at the end of the reporting period are £(8,677). During the year, Blue Ventures (Expeditions) Limited made an operating loss of £30,002, incorporating turnover of £515,380 and expenditure of £545,383.

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 16 Financial instruments

	2018 Group £	2017 Group £	2018 Charity £	2017 Charity £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	29,092	27,590	100,519	46,497
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	159,957	185,275	148,046	145,834

17	Debtors	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
	Amounts owed by group undertakings	-	-	86,969	37,985
	Other debtors	31,569	27,590	13,550	8,512
	Accrued income and prepayments	6,915	381	-	381
		<b>38,484</b>	<b>27,971</b>	<b>100,519</b>	<b>46,878</b>

18	Creditors: amounts falling due within one year	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
	Other creditors	45,996	29,846	40,536	28,861
	Accruals	113,961	155,430	107,510	116,973
	Corporation Tax	-	2,476	-	-
	Deferred income <sup>1</sup>	39,334	40,670	-	-
		<b>199,291</b>	<b>228,422</b>	<b>148,046</b>	<b>145,834</b>

<sup>1</sup>Deferred income relates to prepaid fees for volunteer expeditions.

### 19 Provision for liabilities

	Group 2018 £
Deferred tax:	
At 1 July 2017	3,455
Arising during the year	(2,949)
<b>At 30 June 2018</b>	<b>506</b>

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 20 Statement of restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 30 June 2018 £
	Balance at 30 June 2017 £	Incoming resources £	Resources expended £	
Aquaculture	38,317	117,153	(155,634)	(164)
Supporting Partners	170,239	205,018	(261,190)	114,067
Other	33,964	21,370	(23,511)	31,823
Expansion	255,177	341,739	(426,304)	170,612
Blue Forests/Blue Carbon	872,812	1,207,628	(1,178,196)	902,244
LMMA/Octopus	411,171	408,598	(543,586)	276,183
People, Health and Education	150,573	289,811	(179,689)	260,695
Mihari	4,740	207,425	(143,364)	68,801
Sharks and Turtles <sup>1</sup>	13	-	(543)	(530)
	<b>1,937,006</b>	<b>2,798,742</b>	<b>(2,912,017)</b>	<b>1,823,731</b>

<sup>1</sup>Negative fund balances are receivable in arrears.

In accordance with the Charity's accounting policies, expenditure on tangible fixed assets is capitalised and depreciated over its expected useful life.

The following table summarises capital expenditure during the year under grants from official bodies:

	£
Department for Environmental Food & Rural Affairs	119,126
	<b>119,126</b>

Please refer to the Trustees' report for additional information on individual projects.

### 21 Designated fund

	Movement in fund				Balance at 30 June 2018 £
	Balance at 30 June 2017 £	Designated Resources £	Resources expended £	Transfer between funds £	
Supporting Partners	294,593	-	(295,225)	240,000	239,368
	<b>294,593</b>	<b>-</b>	<b>(295,225)</b>	<b>240,000</b>	<b>239,368</b>

This fund is set up to refine and drive adoption of Blue Ventures' conservation models with selected strategic partners. This will play a crucial role in driving progress towards our vision: reaching at least three million people across the world's tropical coastal regions by 2020.



# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 22 Analysis of net assets between funds

	Unrestricted funds Group £	Designated fund Group £	Restricted funds Group £	Total Group £
<b>Fund balances at 30 June 2018 are represented by:</b>				
Goodwill	27,281	-	-	27,281
Tangible fixed assets	90,419	-	230,901	321,320
Current assets	361,572	245,289	1,667,349	2,274,210
Creditors: amounts falling due within 1 year	(118,851)	(5,921)	(74,519)	(199,291)
Provision for liabilities	(506)	-	-	(506)
	<b>359,915</b>	<b>239,368</b>	<b>1,823,731</b>	<b>2,419,054</b>

	Unrestricted funds Charity £	Designated fund Charity £	Restricted funds Charity £	Total Charity £
<b>Fund balances at 30 June 2018 are represented by:</b>				
Investment in subsidiary	50,000	-	-	50,000
Tangible fixed assets	40,730	-	230,901	271,631
Current assets	368,187	245,289	1,667,349	2,280,825
Creditors: amounts falling due within 1 year	(67,606)	(5,921)	(74,519)	(148,046)
	<b>391,311</b>	<b>239,368</b>	<b>1,823,731</b>	<b>2,454,410</b>

### 23 Related party transactions

Blue Ventures Conservation has a wholly owned subsidiary, Blue Ventures (Expeditions) Ltd, a private limited company registered in Scotland, SC233112. Both organisations share a common senior management team which has authority and responsibility to direct and control activities on a day-to-day basis.

Note 2a discloses charitable donations received from Blue Ventures (Expeditions) Ltd during the year.  
 Notes 5 discloses administration fees paid to Blue Ventures (Expeditions) Ltd during the year.  
 Note 17 discloses the amounts owed by Blue Ventures (Expeditions) Ltd as at 30 June 2018.  
 Note 18 discloses the amounts owed to Blue Ventures (Expeditions) Ltd as at 30 June 2018.

# Blue Ventures Conservation

## Notes to the financial statements (continued)

For the year ended 30 June 2018

### 24 Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
<b>Net movement in funds (as per the statement of financial activities)</b>	(95,747)	671,858	(64,351)	671,858
<b>Adjustments for:</b>				
Depreciation charges	71,239	26,096	54,221	26,096
Amortisation charges	6,820	-	-	-
Interest income shown in investing activities	(1,272)	(3,285)	(1,271)	(3,285)
Decrease/(increase) in debtors	(10,513)	3,682	(53,641)	3,682
Increase/(decrease) in creditors	(32,080)	54,453	2,212	54,453
Unrealised currency translation (gains)/losses	6,773	24,885	6,464	24,885
<b>Net cash used in operating activities</b>	<b>(54,780)</b>	<b>777,689</b>	<b>(56,366)</b>	<b>777,689</b>



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beyond conservation

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