



**ANNUAL IMPACT REPORT
& ACCOUNTS 2018-19**

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INTRODUCTION

A MESSAGE FROM OUR CHAIR

I'm very pleased to be able to report on another good year for MCS.

2018/19 was a period of growth – in membership, in financial turnover, in public engagement and in our public profile.

Each of our campaigns was supported by tens of thousands of people – a much easier achievement now in areas that have caught the public imagination, such as plastic pollution. We also made critically important topics – such as marine protected areas (MPAs) and fisheries reform – accessible to new audiences.

We helped tens of thousands of volunteers to clean our beaches, collecting data on litter and developing their skills as citizen scientists. We launched an inspirational new strategy, and continued to restyle our members' magazine, which we'd now be proud to see in any newsagent in the land.

Annual income grew steadily during the year to £3.8m – a trajectory continued in 2019/20. Our membership has roughly doubled to around 11,000. Our reach and impact showed similar trends. Working with others, we contributed to significant progress in policy.

THE UK'S NETWORK OF MARINE PROTECTED AREAS IS ALMOST COMPLETE. MICROBEADS HAVE BEEN BANNED, AND PROHIBITION OF DISPOSABLE PLASTIC UTENSILS SUCH AS STRAWS AND STIRRERS IS EXPECTED. SCOTLAND IS INTRODUCING A DEPOSIT RETURN SYSTEM FOR DRINKS CONTAINERS, AND WE ANTICIPATE THE REST OF THE UK WILL FOLLOW SUIT.

Of course, there's still lots to do. Many fisheries remain in dire health. MPA management is inadequate or lacking altogether. Environmental policy is in flux, as we reconfigure relations with our continental neighbours.

These challenges will be for someone else, as regrettably 2019 is my final year in the chair at MCS.

During my tenure, it has been a privilege for me to support a dynamic, energetic and committed chief executive, and her excellent and increasingly high-profile team.

I am proud of MCS, and it's been an honour to be its chair. I'll remain a highly committed supporter – and am excited to pass the baton to someone new. She or he will have the highly enviable job of leading the strategy, vision and governance of an organisation that plays a vital role in marine conservation.

Thank you for your confidence and support over the last four years.



Hugh Raven
Chair, MCS





A MESSAGE FROM OUR CHIEF EXECUTIVE

For us, 2018/19 was all about our people. Our talented, dedicated, passionate and hard-working team of staff, volunteers and partners, together with the impressive support from people signing up to our campaigns and all our financial supporters, really helped make a difference.

Together, this provided invaluable help for our policy and advocacy teams across the country to work better with governments and parliamentarians to improve policy and regulation to help ensure our seas can recover and thrive. Hugh has already mentioned bans on plastic products, a much-improved network of marine protected areas, commitments to a deposit return system and more.

TOGETHER, WE ALSO HELPED OUR VOLUNTEER TEAMS SET NEW RECORDS. NOT ONLY DID WE GET THOUSANDS OF SCHOOLCHILDREN UP AND DOWN THE COUNTRY EXCITED ABOUT THE SEA AND CLEANING BEACHES, BUT WE ALSO MADE OUR FLAGSHIP GREAT BRITISH BEACH CLEAN WEEKEND IN SEPTEMBER THE LARGEST YET, ENSURING THAT READERS OF BBC COUNTRYFILE MAGAZINE AWARDED THE GREAT BRITISH BEACH CLEAN 'CONSERVATION SUCCESS OF THE YEAR 2018'.

Our work with communities on marine protected areas and marine conservation intensified too. We are hoping to be showing 'Our Blue Heart', a film we shot last year about what the sea means to people, at venues across the country.

At our annual general meeting and conference, we celebrated anniversaries for two key MCS conservation programmes: 30 years of Seasearch, the UK's first citizen science diver survey programme, and 25 years of Beachwatch, our

long-running beach clean and survey programme. Our volunteers from these programmes who spoke at the conference were truly inspirational.

I feel incredibly proud to be heading up this hugely committed group of people. And we will need all that passion and dedication to build on what we have gained. In uncertain political and economic times, achieving systems change in the way we use plastics, marine protected areas that are well managed and allow ecosystem

recovery, and responsible fisheries and aquaculture management, will bring significant challenges.

I know that our people – staff, volunteers and supporters – will rise to these challenges.

Sandy Luk
Chief Executive,
MCS



OUR GOALS

ENVIRONMENTAL

Sustainable fisheries and aquaculture

We will ensure there are more fish in healthier seas, improve the way wild fisheries and fish farms are managed, and influence consumers and seafood businesses to be more responsible in their seafood buying choices.

Clean seas

We will ensure our seas are cleaner, track the health of our seas, identify key sources of pollution and develop innovative solutions for preventing it and cleaning it up.

Ocean recovery

We will ensure our seas are better protected, improve marine management, secure well-managed marine protected areas, recover, nurture and protect marine species and habitats, and track ocean recovery.

ORGANISATIONAL

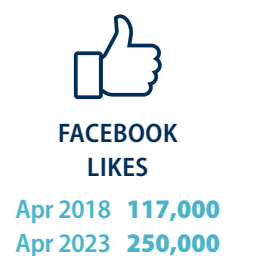
Income, impact and profile

We will be the UK marine conservation charity of choice for funders and supporters, with a high profile and a large, sustainable, diverse income base.

An expert and professional organisation

We will deliver first class science and practical conservation supporting our memorable campaigns, and engaging outreach and education programmes – all based on strong finances, human resources and professional IT.

OUR STRATEGY



HOW WE ACHIEVE OUR GOALS

- Advocating policy and legislative change, including through influencing politicians, judicial challenges and public-facing campaigns**
- › We advocate policy changes, influencing governments and decision-makers across the UK and internationally.
 - › We challenge decision-makers when laws are not enforced.
 - › We connect with and empower people and communities to take action and participate in our campaigns.

- Challenging, educating, engaging and influencing people, partners and communities**
- › We encourage understanding of the value of a healthy ocean.
 - › We work with people and communities to inspire behaviour change.
 - › We build partnerships with other civil society organisations and influencers.

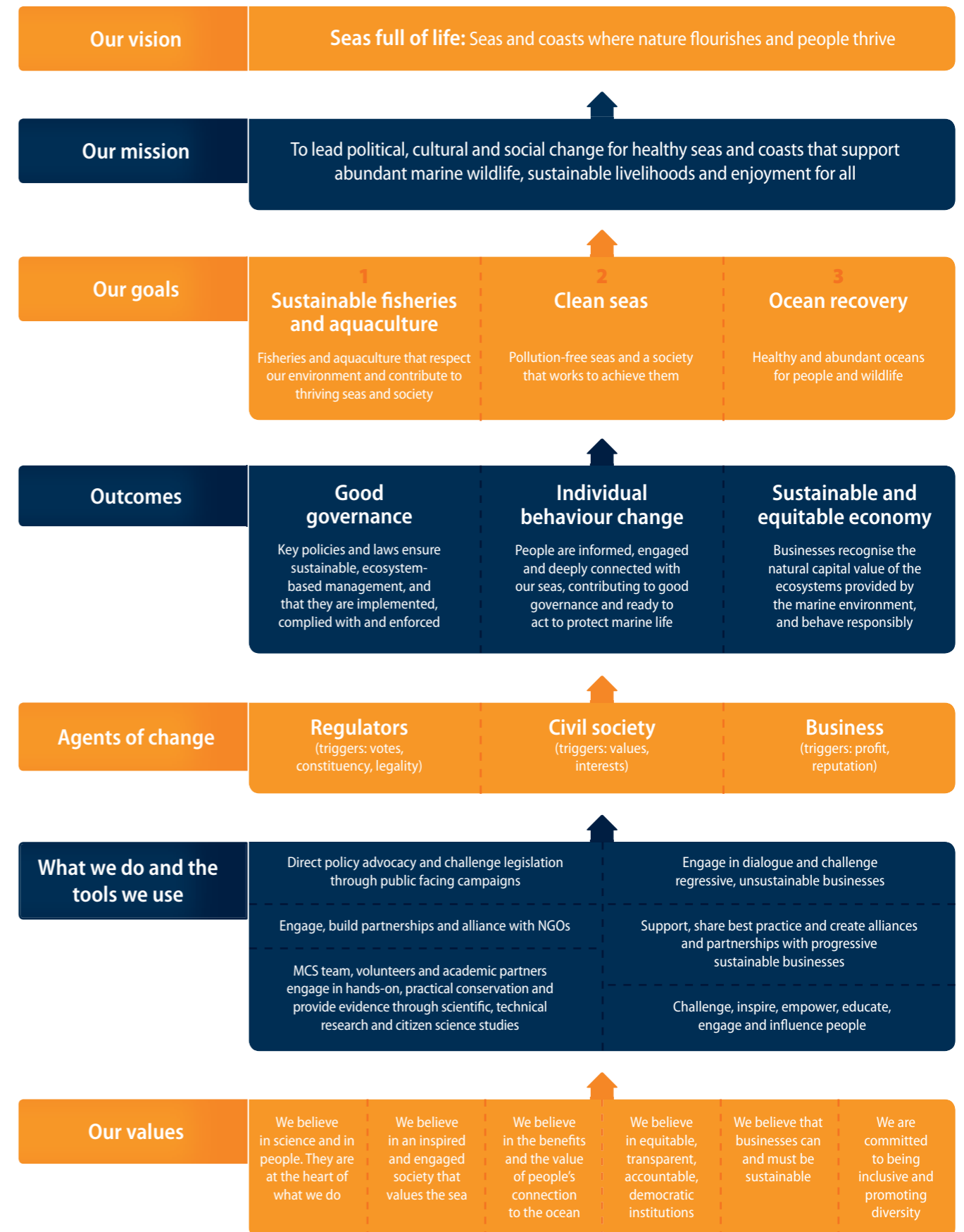
- Engaging in dialogue with and challenging regressive, unsustainable businesses**
- › We monitor business practice and identify the poorest performers.
 - › We engage with key businesses to challenge poor practice.
 - › We use public-facing campaigns to change consumer opinions and influence business practice.

- Supporting and sharing best practice, and creating alliances and partnerships with progressive, sustainable businesses**
- › We advise businesses on measures to protect the marine environment.
 - › We form partnerships with businesses to share best practice.
 - › We publicise where businesses have changed practice to protect our seas.

- Engaging in hands-on practical conservation and providing evidence through scientific, technical research & citizen science studies**
- › We use sound scientific analysis and evidence to understand our seas and work with academic partners to provide the supporting evidence for our projects and campaigns.
 - › We run a UK-wide Sea Champions volunteer programme to spread our message in local communities.
 - › We engage in hands-on practical conservation projects with our partners and volunteers.
 - › We provide open-access, accurate data through our innovative citizen science programmes such as Seasearch.



OUR THEORY OF CHANGE



OUR YEAR IN NUMBERS

All life depends on the sea. Every second breath we take comes from the sea, and with the help of our supporters the Marine Conservation Society delivered measurable progress towards securing seas full of life. Here is a snapshot of our year in numbers.



We engaged directly with **175** parliamentarians and our experts responded to **42** consultations



Our experts wrote and presented **15** scientific publications



We made **29** new connections with business and industry



We created **2** Ocean Schools



We helped **37** communities take action to look after their seas



We conducted **814** citizen science surveys



We improved the sustainability of seafood in over **760 million** meals this year



We developed new or updated Good Fish Guide ratings for **422** different fisheries and fish farming methods



We helped secure protection for our UK seas, taking the total area designated in marine protected areas to **10** times the size of Wales

Our **29,259** volunteers donated **45,114** hours of their time...



...AT EVENTS

We engaged with **22,972** people at **101** events



...INSPIRING THE NEXT GENERATION

We engaged with **8,439** young people at events, assemblies, workshops and online



...ON THE COAST

Our volunteers spent **39,267** hours cleaning beaches, removing a grand total of **735,916** items of litter, weighing **20,298kg** and leaving **1,176** stretches of coastline cleaner



...AND UNDERWATER

Our **250** Seasearch divers spent almost **12** weeks under water



Our Seasearch divers recorded **3,428** habitats, **52,754** species and **1,152** dive sites, helping us formally monitor **20** inshore marine protected areas



IN THE MEDIA

We were in the media **8,863** times



Twitter followers: **43,600**
Facebook likes: **142,029**
Instagram followers: **17,000**



GOOD GOVERNANCE

In the long term, the legislative framework for governance of the marine environment in the UK and devolved administrations needs to be holistic, integrated and ecosystem-based, as well as implemented effectively, complied with and enforced. This will mean that:

- ▶ Key EU legislation affecting the marine environment has been brought fully into law throughout the UK.
- ▶ Marine litter strategies and circular economy approaches have been adopted.
- ▶ New legislation and regulations strengthen marine health, water quality, recovery and protection.
- ▶ Marine planning and licencing are in place to manage all activities inside and outside marine protected areas, including fisheries and aquaculture. It is effective and based on the precautionary approach.

By 2023, policy and legislative changes should include the following:

- ▶ EU legislation that is key to the recovery and protection of the marine environment is incorporated fully into domestic law and implemented actively as the framework for ecosystem-based management of our seas, including habitats and species protection, bathing water quality and the ecological quality of transitional, coastal and marine waters.
- ▶ Defra's 25-Year Plan for the Environment and future measures in Scotland, Wales and Northern Ireland set out and implement a more holistic, ecosystem-based management system for the marine environment, including marine planning, and protect damaged habitats for recovery.
- ▶ Post EU exit UK fisheries legislation is progressive, adopts an ecosystem-based approach, is jointly developed and mutually agreed by all UK administrations, is compatible with that of neighbouring states (EU, Norway and Faroes), and is effectively implemented with fully integrated and robust monitoring, control and surveillance.
- ▶ Aquaculture legislation, regulations and plans adopt ecosystem-based management and are implemented through robust monitoring and enforcement.
- ▶ Legislation is in place to provide for an ecologically coherent and highly protected network of marine sites that are properly managed, monitored and enforced.
- ▶ Effective rules regarding marine litter are in place in all UK administrations, including levies on single-use plastics, deposit return systems for drinks containers and effective marine litter strategies.

OUR ACTIVITY AND IMPACT THIS YEAR

This year has seen MCS transform our presence and impact in the UK parliament. The appointment of a London-based parliamentary affairs manager has enabled us to establish a strong network of contacts in Westminster.

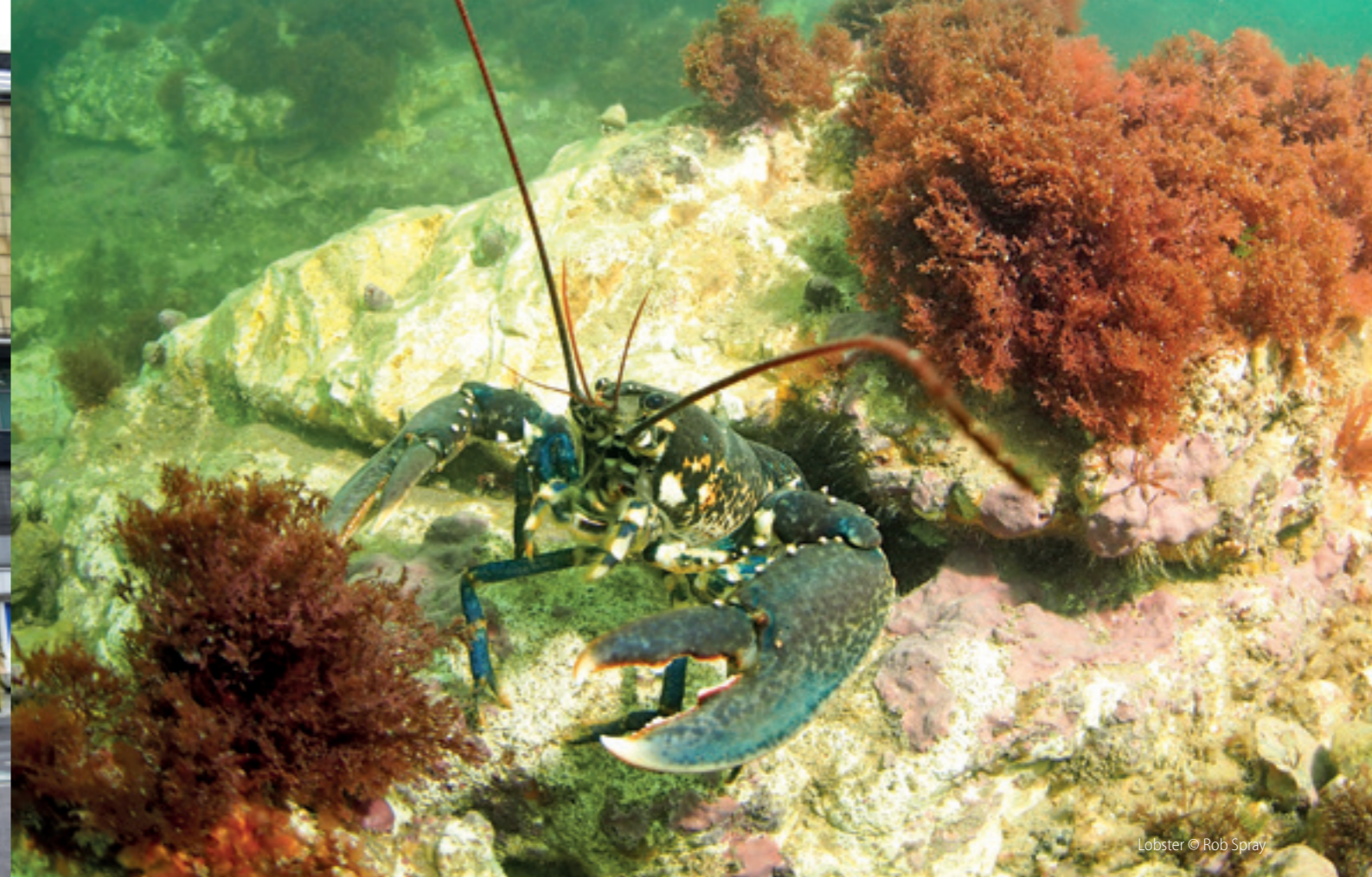
We have hosted events including drop-in sessions and regularly briefed parliamentarians on our key priorities, such as designation of the third tranche of marine conservation zones in England. We invited parliamentarians to our annual Great British Beach Clean (GBBC) weekend and 15 MPs, Members of the Scottish Parliament and Welsh Assembly Members attended, including three government ministers. We also prompted parliamentary questions, presented at All-Party Parliamentary Groups and roundtables with MPs to discuss future policy aims and responded to calls for evidence from parliamentary committees, including giving oral evidence. Our engagement with government departments has also increased this year. We met with HM Treasury for the first time to discuss taxes on single-use plastic, we engage regularly with Department for Environment, Farming and Rural Affairs (Defra) ministers to discuss the Fisheries Bill and we play an active role in fisheries stakeholder groups in Scotland and Wales. In total, we engaged with 175 parliamentarians and responded to 42 government consultations this year.

All of this activity has put us in a far stronger position for influencing UK government policy and legislation. In addition, throughout this year we used public campaigning to add weight to our parliamentary and government activity, with notable successes.

Butterfish © Mark Thomas

- 1 FISHERIES AND EU EXIT
- 2 EXPANDING THE MARINE PROTECTED AREA NETWORK
- 3 THE POLITICS OF PLASTIC
- 4 A FEDERAL APPROACH





1 FISHERIES AND EU EXIT CAUTION: #MAYNOTCONTAINFISH

Brexit loomed large this year. MCS was at the forefront of the debate on fisheries legislation post EU exit. Our team formed a central part of the coalition of environmental charities in the Greener UK fisheries pillar, leading on parliamentary engagement and using our technical knowledge to influence the content of the draft Fisheries Bill.

To support our parliamentary and policy work for sustainable fisheries, in August 2018 we launched our #MayNotContainFish campaign. The campaign sought to demystify the fisheries legislation proposed to enter into force post-Brexit and empower the public to respond to a government consultation on the topic. An incredible 19,000 people responded (over half of all the responses received) to support the requests we put to government and help ensure

the draft law includes provisions on sustainable, science-led, holistic fisheries management.

All eight of our proposed amendments to the Fisheries Bill were tabled in parliament, thanks largely to this campaign and the tireless efforts of our MCS team. We will continue to push for sustainability to be at the core of this legislation.



Shoal © Mark Thomas

#MAYNOTCONTAINFISH CAMPAIGN VITAL STATISTICS

- ▶ Fisheries white paper consultation campaign.
- ▶ 19,100 responses (out of 34,000 that the Government received).
- ▶ Start 02/08/18 – end 12/09/18.
- ▶ Concept/design MCS.
- ▶ Difficult and complicated topic to engage people in.
- ▶ Worked with GreenerUK coalition, which pooled 30,000 responses, with MCS contributing two-thirds.
- ▶ Defra referred to it as the 'MCS campaign'.

2 EXPANDING THE MARINE PROTECTED AREA NETWORK #SAVEOURSEAS

MCS has been working towards a sufficient network of marine protected areas around the UK for years. In England, we had been waiting some time for consultation on and designation of the third and last tranche of so-called marine conservation zones (MCZs). In July, there was a very brief window for the public to respond to a government consultation on this. Our parliamentary activity centred on those parliamentarians with any of the 41 proposed MCZs in their constituency. We held a drop-in session to brief these MPs and we met with the Defra minister.

In conjunction with the parliamentary engagement, we ran public campaigns both locally and nationally. Locally, the 'Agents of Change' collaborative project launched a campaign to support the proposed MCZ

in Beachy Head East. The campaign website attracted 1,000 signatures and the campaign received support from the wider community including the Bexhill Chamber of Commerce, Eastbourne Town Council, anglers, commercial fishing and all three local MPs. Nationally, supported by the MPA Fund, we ran the #SaveOurSeas campaign to urge the government to protect all 41 sites. An amazing 21,500 members of the public responded. We were assured by Defra that these contributions would count towards their decision. The value of this joined policy advocacy and public campaigning approach was demonstrated, though outside of the reporting year, on 31 May 2019 when Defra finally announced the designation of all 41 sites.

#SAVEOURSEAS CAMPAIGN VITAL STATISTICS

- ▶ 41 marine conservation zones consultation campaign.
- ▶ 21,520 responses (target 20,000).
- ▶ Start 02/07/18 – end 20/07/18.
- ▶ Concept/design MCS.
- ▶ Engaged with the public through use of charismatic species from MCZ sites.
- ▶ Exceeded our target for responses, despite limited notice of consultation launch and reduced mailing list post the General Data Protection Regulation (GDPR) – new data protection legislation.



Littered Cornish beach
© Natasha Ewins

on tackling single-use plastic. A staggering 40,000 people responded. This was nearly a quarter of the total of 162,000 responses to the consultation – the largest response to a call for evidence in the Treasury’s history. We helped citizens send a clear message to the UK government that single-use plastic must be taxed which was, in turn, a huge help to our advocacy efforts. This will be an area of continued focus for us, as details of the tax and related measures continue to be subject to further consultation, with draft legislation promised over the next few years.

As well as consultations, we also began to see legislative change on single-use plastics in 2018/19. The ban on the sale of rinse off products containing microbeads came into force in England and Scotland; in Scotland, regulations were drafted to ban plastic cotton bud sticks; and a new European directive on single-use plastic was under debate. All of this legislation was influenced in some way by MCS’ advocacy and evidence. Our Beachwatch data provided part of the underpinning evidence base for the action at EU level on single-use plastic and continues to inform policy across the UK administrations.

3 THE POLITICS OF PLASTIC #STOPTHEPLASTICTIDE

There were numerous consultations on legislation relating to single-use plastics this year (for example, Deposit Return Systems, Extended Producer Responsibility and plastic packaging tax), signalling a step change in the approach to waste and recycling across the UK administrations. It is the type of change that MCS has been advocating for many years and is a testament to our long-term effort and influence.

MCS took a deposit return machine to the Westminster parliament in May as part of an MP drop-in session to address plastic pollution. It was timed to coincide with the culmination of a consultation on charges for plastic items, and was organised with Alex Chalk MP, following various government

commitments to tackling the impact of plastic pollution on the marine environment. MPs and ministers (including Michael Gove) got to try just how easy it is to recycle using this system and learned about how recycling rates can reach over 90% when set up properly. We used the event to highlight our support for levies on single-use plastic items and gave MPs packs containing resources highlighting a wide range of initiatives that can be introduced in businesses, councils and communities to reduce plastic pollution.

Alongside the parliamentary activity, we continued our #STOPThePlasticTide campaign. In May 2018 we encouraged MCS supporters to respond to an HM Treasury call for evidence

#STOPTHEPLASTICTIDE CAMPAIGN VITAL STATISTICS

- ▶ 39,299 responses (out of 162,000 received).
- ▶ Start 13/03/18 – end 18/05/18.
- ▶ Concept/design: Daughter/Guy Farrow.
- ▶ 10,000 people supported the campaign on the first day from one email.
- ▶ Social media built this up to nearly 40,000; a quarter of all the responses received.



Inspections of a salmon farms’ stock
© Marine Harvest

4 A FEDERAL APPROACH

Policy and legislation on marine issues differ across the countries of the UK, and so the MCS team takes a federal approach – working with each administration to push forward marine protection and enhancement in their countries.

In Scotland, MCS (both staff and volunteers) played a central role in the International Marine Conference and the British and Irish council meeting of environment ministers in Glasgow in February. It is clear that our profile in Scotland is very high, and we have a very productive relationship with the Scottish government, thanks to our Scotland team. The Environment Secretary, Roseanna Cunningham, has stressed the Scottish government’s commitment to take action on single-use plastic, to match European

Union 2030 ambitions, and not to be held back by other UK countries.

Aquaculture continues to be an increasing area of focus for MCS. We took a lead role in drafting the response from Scottish Environment LINK to the Scottish parliament Rural Economy and Connectivity Committee on their review of impacts of salmon farming, and the subsequent recommendations incorporated many of our suggestions.

In Wales, MCS organised a well-attended event for Welsh Assembly members on Deposit Return Systems (DRS) with a reverse vending machine on site. MCS’ voice in Wales is increasingly important. We have encouraged Welsh government to increase



David Melding AM trying out a DRS machine

resources to tackle marine issues, but there is still much work to do.

In both Scotland and Wales, we are playing a central role in stakeholder groups with the administrations to make sure that sustainable fishing is core policy for all UK governments post-EU exit.

BEHAVIOUR CHANGE

In the long term, people need to be well-informed, engaged and deeply connected with our seas, and take action to protect marine life, with small daily actions and through big transformative campaigns. This means they need a greater public understanding, for example, of the:

- ▶ Benefits and value of people's connection to the ocean.
- ▶ Connection between human health and wellbeing, and the health of our seas.
- ▶ Need for ecosystem resilience to climate change.
- ▶ Need for and characteristics of responsibly sourced seafood that is more sustainable.
- ▶ Impact of pollutants on the ocean and the need for a zero-waste society (a circular economy) as a solution.

By 2023, people need to become more informed, engaged and connected with our seas – contributing to good governance – and ready to act to protect marine life. This means that:

- ▶ More and more people understand the value of clean seas and beaches for recreation, health and wildlife, and the benefits this has for local tourism and the coastal economy.
- ▶ Beach users demand robust and up-to-date information on water quality and use it to make informed choices.
- ▶ People understand the full range of benefits the sea brings to them and support legislation to protect and improve it.
- ▶ The public demands sustainably produced, responsibly sourced seafood from restaurants and shops.
- ▶ More and more people demand that businesses use the sea sustainably, adopt an ecosystem-based approach and help mitigate and build resilience to climate change.
- ▶ People reduce, reuse and recycle, and appropriately dispose of their waste (and they avoid single-use plastic).
- ▶ An increasing proportion of consumers choose to buy only the most sustainable seafood.
- ▶ Local communities are empowered to influence national and local decisions to support ocean recovery and sustainable fisheries management.
- ▶ Communities around the UK and UK Overseas Territories celebrate and steward their marine resources, including local marine protected areas.
- ▶ The national curriculum incorporates learning about the sea and marine conservation.
- ▶ People ensure that their personal actions do not impact on coastal water quality.
- ▶ Consumers are better informed, empowered and motivated to demand that businesses supply seafood from the most sustainable sources.

OUR ACTIVITY AND IMPACT THIS YEAR

This year saw marine conservation enjoy massive mainstream media attention. Sky Ocean Rescue and the BBC's Blue Planet II series increased public awareness to unprecedented levels. With huge increased public support for our work too, we seized the moment, raised our profile and called for action. We doubled the number of people taking our month-long #PlasticChallenge in July. We gained (and continue to do so) a highly engaged audience who support our campaign asks, and our amazing volunteers gave us 43,559 hours of their time. We also delivered three times as many corporate engagement days compared to the year before.



- 1 INFORM AND INSPIRE
- 2 PLASTIC CHALLENGE
- 3 OUR VOLUNTEERS
- 4 ENGAGING COMMUNITIES
- 5 EDUCATION – OCEAN LITERACY





XXX © XXX

Plastic free book © Natasha Ewins



1 INFORM AND INSPIRE

We have made significant changes to the way we connect with and engage people to increase our ability to inspire action in support of marine conservation.

The profile of MCS has been steadily rising since Blue Planet II was broadcast, highlighting the significant challenges that our seas face. A series of impactful campaigns, a significantly enhanced magazine, high profile corporate sponsorship of our beach clean programme, new celebrity supporters (our Ocean Ambassadors) and a huge increase in members and volunteers – even our first book – have all helped to increase awareness in MCS and our work, and in turn our ability to effect change.

We track a range of brand awareness measures through the charity awareness tracking and research consultancy, nfpSynergy. Their latest awareness monitor shows the following key stats.

BRAND AWARENESS

- ▶ Prompted awareness = 33% – our highest ever (previous year = 29%)
- ▶ Potential support = 19% (previous year = 20%)
- ▶ Trust in MCS = 70% (previous year = 67%)

Spikes in reach and new followers coincided exactly with campaigns and investment in promotion. We exceeded our target for growth in our enews group with 8,297 new people joining, bringing the total by the end of 2018/19 to 26,092 subscribers.

The Guardian
Great British Beach Clean attracts record number of volunteers

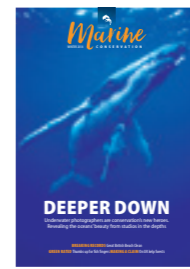
THE TIMES
Eating fishfingers helps save the seas

itv
Big retailers 'must commit' to plastic bottle deposit scheme

Waste Conservation Society
"This is not my weekend, Oxf!"
We need to stop the plastic madness!
The UK government has opened a consultation asking whether they should take action against single-use plastics (1).
You have 8 more days to let them you know, message them & share to #STOPPlasticMadness (https://bit.ly/2yG8k4P)



886,748 People reached | 40,067 Engagements
300 comments | 5.3K shares



MEDIA

- ▶ 8,863 items included a mention of MCS.
- ▶ Average of 738 items per month.

In comparison with last year:

- ▶ 14% increase in number of items.
- ▶ 116% increase in value.
- ▶ 185% growth in reach.

SOCIAL

- ▶ Facebook likes 142,029 (4.4% increase)
- ▶ Twitter followers 43,600 (17.2% increase)
- ▶ Instagram followers 17,000 (36% increase)

MAGAZINE

- ▶ Winter 2017 Printed 11,000 with 6,815 copies mailed to members.
- ▶ Winter 2018 Printed 14,000 with 11,333 copies mailed to members.



This year was our 25th Great British Beach Clean and thanks to funding from Waitrose & Partners we were able to increase our staff beach clean team, allowing us to offer even more support to our volunteers. The 2018 event was the biggest ever in terms of volunteer engagement – nearly 15,000 people attended around 500 beach clean events over the four-day period. The MCS Great British Beach Clean was voted Conservation Success of the Year 2018 by readers of the BBC Countryfile magazine. Judge Fergus Collins said: “With the problem of plastic in our rivers and seas growing ever greater, it’s no surprise that such an inclusive, positive campaign should win this category. Any visitor to any beach – or any wild place for that matter – should be part of this.”

2 PLASTIC CHALLENGE

We ran our fifth #PlasticChallenge – an event promoted nationally to encourage people to give up single-use plastic during the month of July. Just over 1,000 people had registered in the first year of the event. In 2018 almost 10,000 people took part – meeting the participation target we had set. This was a 69% increase on 2017’s 5,500 Challengers – that, despite new data protection rules having reduced our mailing list by 85%.

Adventurer, author, TV presenter and MCS Ocean Ambassador Simon Reeve championed our #PlasticChallenge saying: “Our planet is becoming poisoned by plastic. That’s why I’m supporting thousands of people living without single-use plastic this July as part of the Marine Conservation

Society’s Plastic Challenge.” Our interaction on social media during the month was incredibly strong as Challengers swapped tips, sought advice and told their single-use plastic free stories on our feeds.

The 2018 Plastic Challenge was sponsored for the third year by water filtration company BRITA UK. Becky Widdowson, BRITA UK’s Marketing Director, said: “It’s fantastic to be supporting the Plastic Challenge alongside MCS once again. At BRITA UK we believe it is absolutely vital that we step up to protect marine life from the unnecessary damage done by single-use plastic bottles and other forms of plastic litter.”

From the responses we received to our #PlasticChallenge, it was clear that this campaign had a real effect

on the participants’ behaviours, not only by making us all realise how so much of the single-use plastic in our lives is such a matter of habit, but also by offering a platform for finding solutions and alternatives for the long term.

3 OUR VOLUNTEERS

People and science are at the heart of everything we do. According to the World Giving Index (which ranks over 140 countries according to how much people help strangers and how much money and time people donate) the UK is one of the most generous countries in the world, and we can certainly back that research.

This year, an increase in public engagement enabled us to recruit, train and support more volunteers than ever before. We experienced a 600% increase in volunteer registration. In fact, Sea Champion applications reached 2,000 by the end of 2018/19. The team continued to work through these applications and regularly engaged with 650 volunteer Sea Champions from communities the length of the

UK. Part of our offer to volunteers was to provide meaningful opportunities to contribute to conservation research and of course the opportunity to get outside and be part of a team. As a result, volunteers reported that working with MCS had enriched their lives.

“It feels good to be outside and know you’ve made a difference, no matter how small, in the fight against marine debris.”

“Physically and mentally I feel a lot better.”

“I feel as though I’m making a difference, being part of a community with similar passions.”

“Learning new stuff is a very positive thing to do throughout your life.”

In 2018 we were thrilled to secure our first £100,000 gift, funding an 18-month project to deliver marine conservation engagement with volunteers, communities and businesses in Bridlington and across the wider Yorkshire area. Thanks to the generosity of our major donor, the gift enabled us to appoint a Volunteer & Community Engagement Manager with the task of delivering some fantastic outcomes in the region. Less than 12 months into the project, almost 100 beach cleans and marine litter surveys had taken place and dozens of educational talks had been delivered to schools, youth groups and community organisations. We also worked closely with businesses, supporting and advising them on improvements to their seafood sourcing, reducing their single-use plastic in the workplace, and engaging employees in hands-on conservation and fundraising. It is a truly empowering and inspirational project, which will have a lasting legacy on the region – one we hope to replicate across the UK.



Agents of Change project, coordinated by Alice Tebb © Peter Richardson

4 ENGAGING COMMUNITIES

Thanks to new funding from the John Ellerman Foundation, this year saw us recruit a new UK Overseas Territories Officer to support communities to conserve their marine environment in the Caribbean. Very quickly, he built contacts and networks in the UK and the Caribbean, as well as seeking sources of additional funding. This was the start of a three-year project where we aim to increase our impact and improve the management of marine protected areas in the Turks and Caicos Islands and neighbouring territories.

Agents of Change is a 'Marine CoLABoration' (a coalition of NGOs working together on marine conservation) experiment that MCS leads. Since October 2017, Agents of Change has been embedded within coastal communities helping to make local

marine protected areas matter by increasing community support, amplifying local values associated with the ocean and helping to address issues between fisheries and conservation. In 2018/19, the project engaged through community workshops in Norfolk, helping to identify shared community values that ultimately resulted in the Eastern Inshore Fisheries Conservation Authority bringing forward management measures with respect to trawling in the marine protected area. In relation to the Kingmere marine conservation zone in Sussex, the Agents of Change project, supported by local anglers, produced a website, press releases and organised an exhibition, engaging hundreds of local people. And at Beachy Head East, Agents of Change gained £9,000 funding from the Hastings Fishermen's Local Action

Group for wider community engagement and marine conservation zone designation celebration. This was the year in which this project began to show impressive results. We are seeking funding to continue.

In 2018/19, we also made the wonderful 'Our Blue Heart' film, a moving portrayal of how we all value the sea. When shown to an audience of influencers it received widespread plaudits. We intend to create a campaign for its launch later in 2019, using our social media channels and a page on the website. We will also be entering it into film festivals. We hope all of this will ensure a wider audience can engage with 'Our Blue Heart' and have a platform to share their connection with the sea.

5 EDUCATION - OCEAN LITERACY

Our Cool Seas education programme increases participation of young people in MCS conservation programmes and improves ocean literacy. Central to its success is its focus on helping young people develop a connection to the ocean and understand some of the key choices they can make for healthy, thriving seas.

This year, our education activity engaged a record numbers of young people: 14,119, at events, assemblies and workshops. Feedback from teachers, pupils and other organisations consistently highlighted the quality of our resources and delivery.

In addition to our rolling programme of education workshops, we delivered a range of targeted activities to support our conservation programmes. We designed and piloted Cool Seas Investigators (CSI) projects with our Ocean Recovery team exploring ways to build young people's understanding of marine protected areas. We also designed a 'CSI: What The Fish?' workshop linked to our Fisheries and Aquaculture work. This curriculum-linked resource can be adapted for all secondary schools. As part of our Clean Seas programme we developed the 'Bincentives' anti-littering campaign for secondary schools based on the winning school's campaign from the CSI Litter Challenge project. Online resources provide everything a school needs to engage their pupils in incentivising anti-littering behaviour. The resource was accessed by 407 schools across the UK.

Our first 'Ocean Schools' were created – Goodrich Primary (Herefordshire) and Crickhowell High School (Powys) – and we carried out beach cleans and surveys with 284 pupils. They developed unique approaches to tackling the issues



Children taking part in Cool Seas Clean Up © Jack Versiani Holt

raised, interrogating MCS' beach litter data to find trends and pinpoint particular issues. We worked closely with Crickhowell High School students on their Save Our Oceans project where they campaigned for a plastic-free school, resulting in Welsh Water providing all students with reusable bottles from September.

We also led the We Are Ocean collaboration with strategic partners aiming to improve ocean literacy in the UK, as well as leading the UK Ocean Schools Resource Hub on Facebook, which to date has 465 members globally, including teachers, marine educators, other NGOs and parents.

The appetite from young people to learn about and protect our seas has never been stronger and support from funders such as the Tabor Charitable Trust has been invaluable in helping us reach the next generation of marine conservationists.

One school's #WildBottleSightings journey:

Pupils from a Perth primary school took a key role in our #WildBottleSightings campaign. Following an in-school workshop, pupils were shocked to find out that a huge amount of the litter thrown away makes its way onto our beaches. As a result, they became enthusiastic about trying to find solutions and raise awareness of the problem. In April they were invited to the Scottish parliament to talk to decision makers about the #WildBottleSightings initiative. Our Scotland Conservation Officer, Catherine Gemmell, said: "It's been so inspirational working with the pupils and teachers from Our Lady's Primary on this campaign. From the classroom to the beach and now to parliament, our young people are showing us all how we can stand up and fight for change to protect our seas."

A SUSTAINABLE AND EQUITABLE ECONOMY

In the long term, we need businesses to apply values associated with our seas (environmental, economic and social) in decision-making, product design, supply and end use including:

- ▶ The natural capital value of marine ecosystems (financial and non-financial) and the economic benefits of pollution-free and biodiverse seas in supporting recreation, coastal communities and tourism.
- ▶ Designing products so that they do not end up in the sea as waste.
- ▶ Sourcing and procuring seafood in an environmentally responsible way.

By 2023, we need businesses to recognise the natural capital value of ecosystems provided by the marine environment, and take responsibility by

- ▶ Businesses, landowners and industry beginning to build the full economic and intrinsic value of the marine environment into their decision-making, activities and reporting.
- ▶ Supermarkets and food outlets taking a lead in reducing single-use plastic, whilst also aiming to reduce their carbon footprint.
- ▶ Drinks manufacturers and retailers adopting deposit return systems for plastic bottles.
- ▶ Industry increasing buy-in for marine planning, management and conservation measures.
- ▶ Major seafood suppliers removing or improving all high risk/red-rated seafood, and food service providers implementing responsible sourcing policies.
- ▶ Fish and seafood sustainability being included in educational resources for various sectors including supply, food service and catering, regional authorities and primary producers.
- ▶ Suppliers improving labelling and marketing of 'unflushable' products and adhering to the UK Water Industry standard for 'flushability'.
- ▶ Pathways for the improvement of high-risk aquaculture sources being established and supported by the commercial supply chain.
- ▶ Food outlets and other businesses ensuring that their actions do not impact on coastal water quality.
- ▶ Aquaculture industry operating within environmental limits and applying an ecosystem-based approach.

OUR ACTIVITY AND IMPACT THIS YEAR

We continued to work with businesses to alter their practices and help protect the marine environment. MCS made new connections with 29 businesses and industries covering interests and advice on sustainable seafood, alternatives to single-use plastic and employee engagement. Many companies took significant steps in reducing and replacing single-use plastic – from retail to in-company restaurants. MCS launched the Good Fish Finger Guide, inspiring Tesco to improve the sourcing of seafood for their fish fingers following dialogue with them. This was our first assessment of processed products and it generated high profile coverage, changes in businesses seafood buying practices and a high level of engagement with consumers on social media.

Single-use plastics in the ocean
© Nick Pumphrey





Grey mullet
© Iakov Filimonov/Shutterstock

1 GOOD FISH GUIDE

More businesses sourced and procured seafood in an environmentally responsible way. We improved the sustainability of over 760 million seafood meals this year. We reviewed 422 seafood ratings, including 69 new fish stocks and farms, bringing the number of Good Fish Guide ratings to 714. Tesco agreed to stop selling grey mullet while it remains MCS red-rated, and they changed the source of cod in their fish fingers. Harrods agreed to stop selling red-rated seafood, and we launched the Wall of Fame, displaying 56 businesses that use our seafood ratings to inform their buying decisions.

In November, we launched the first ever 'Good Fish Finger Guide', with surprising results – the highest price tag not necessarily matching the most sustainable option. Thanks to our fantastic Communications team, the launch received excellent coverage in the media and views of the Good Fish Guide web pages doubled.



Printed Good Fish Guide
© Natasha Ewins

2 PLASTIC PROGRESS

In 2018/19, many companies and organisations took steps in the right direction: Waitrose committed to remove all single-use takeaway coffee cups from its branches by autumn 2018, saving more than 52 million cups a year. The London Marathon trialled compostable cups in April's event for the first time in its history. National Trust said it would phase out single-use plastics from its shops and cafes by 2022, and Wimbledon announced a ban on plastic straws in the 2019 championships. The MCS Clean Seas team with the #OneLess group hosted a workshop with major sports bodies at Lords Cricket Ground to share best practice for eliminating single-use plastic from sports



Single-use coffee lid © Natasha Ewins

events. We also worked with water companies on encouraging retailers to comply with the new standard for 'flushability' of wet wipes, so aiming to reduce sewer blockages and improve bathing water quality.



Wet wipe © Natasha Ewins

3 TEAM BEACH CLEANS

Getting hands on with the issue has become an ever more important part of our engagement process with companies, and has seen us working with some big names such as ASOS, Aramark, BNP Paribas, Blackrock, Direct Line Insurance, the Food Standards Agency, Joules, Pernod Ricard, PwC and WWF to name a few.

This year our Team Beach Clean service grew exponentially, delivering 67 days in total with 2,823 employer supported volunteers clearing 86,419 litter items (equivalent in weight to over 23 adult harbour porpoises!). It was our busiest summer yet, with the service providing income of just under £155,000, with Sky Ocean Rescue our biggest partner, booking 29 beach cleans for 1,833 of their staff.

DAYS: 67
VOLUNTEERS: 2,823
VOLUNTEER HOURS: 3,241
WEIGHT (KG): 1,234
LITTER ITEMS: 86,419



▼ Sky Ocean Rescue team beach clean © Sky / Danny James

THE NEED FOR A ROBUST AND COMPELLING EVIDENCE BASE

A robust and compelling evidence base is essential. Currently, there is often insufficient data or scientific research on many ocean related issues. This can make it harder to convince and persuade governments, public authorities, businesses and the public to support policy asks, which need to ensure the following are included:

- ▶ Marine ecosystems are monitored effectively to deliver data showing change in ecosystem health.
- ▶ People are actively engaged in effective and robust marine citizen science, including Seasearch and other programmes, to deliver some of the data required to identify places worthy of protection and/or recovery and to measure marine ecosystem health.
- ▶ Acceptable levels of impact and 'sustainability' are defined and widely supported for both wild capture and farmed seafood production, based on the precautionary approach.
- ▶ Key knowledge gaps on fish stocks and fisheries are identified and filled, and the information is shared and used (for example on stocks, food webs, catch and landing data).
- ▶ Supply chain, entry pathways and decomposition of litter and pollution in our seas are analysed and understood.
- ▶ Impacts of marine litter and pollution on sensitive ecosystems are monitored and litter on our beaches is surveyed and reported to government, business and the public.
- ▶ All exploited stocks are 'data rich' – not only those of economic interest.
- ▶ Climate change, pollution and other impacts on fisheries and aquaculture operations are understood.
- ▶ Key economic and social drivers of impacts on the marine environment are understood.

OUR ACTIVITY AND IMPACT THIS YEAR

All the work that we do to protect and enhance the marine environment is underpinned by a sound evidence base. This is fundamental to the way that MCS works and it is something that we pride ourselves upon. We also have a scientifically and technically strong team – we published over 15 peer reviewed papers this year. We also rely heavily on our amazing volunteers who continue to collect vital data on species, habitats and pollution of our coasts and seas.





Seasearch divers in RIBs, Isle of Arran © Sally Campbell



Beach clean survey © Natasha Ewins



Capturing our Coast volunteers © Natasha Ewins



Loch Hour salmon pens © Marine Harvest



A turtle being tagged and released in the Turks and Caicos Islands © Peter Richardson



Scottish Coastal Rubbish Aerial Photography © SCRAPbook / UK CAP

1 UNDERWATER – SEASEARCH

Seasearch, our collaborative volunteer diving programme, went from strength to strength this year. In total, our 250 Seasearch divers spent almost 12 weeks underwater. They recorded data on 222 habitats and 1347 species at 1208 dive sites. Training is a key part of our Seasearch programme, and we ran 42 courses training 344 volunteer divers this year.

Seasearch played an important role in providing data to support our advocacy for designation and management of marine protected areas. Almost 82% of surveys last year took place in an existing MPA, or one proposed for designation. The Seasearch data formed a vital part of the evidence to support the recent designation of marine conservation zones in England. Some MPAs are regularly dived and resurveyed (for example, 105 surveys took place in the Cromer Shoals Chalk Beds Marine Conservation Zone last year, 92 in Loch Sunart nature conservation MPA, 64 in Pembrokeshire Marine Special Area of Conservation). As our attention begins to shift from designation to management of sites, our regular Seasearch dives will be used to track the effectiveness of management measures and recovery of marine protected areas.

2 BEACH LITTER

Our beach litter data continued to be recognised and used internationally, including submission to the Oslo and Paris Commissions (OSPAR) beach litter databases. These international databases are used as part of the evidence base for developing global policies to tackle beach litter. An example this year is that the new EU

directive on single-use plastic used our data to help determine which items of single-use plastic should be incorporated in Europe-wide bans. In the UK, our teams worked on projects for Marine Scotland and with Natural Resources Wales to interpret our data locally and help identify the actions needed to urgently reduce beach litter.

In Scotland, MCS joined forces with the Sky Watch Civil Air Patrol and the Moray Firth Partnership in a collaboration called SCRAPbook – Scottish Coastal Rubbish Aerial Photography. Aerial photographs were taken and fed into an online scrapbook for volunteers, communities, schools and individuals to more accurately direct beach clean ups and survey activity. This was a real game changer, because volunteers could target parts of the coast that had perhaps not been cleaned or surveyed before.

3 CAPTURING OUR COAST

The three-year Heritage Lottery Fund (HLF) funded national marine citizen science project, Capturing our Coast (CoCoast), came to an end in October, with MCS having trained nearly 500 volunteers in the South Wales region. CoCoast trained almost 3,000 citizen scientists to carry out transect surveys of marine species on UK rocky shores. MCS-trained volunteers surveyed a total of 352 transects, including four completed trips to the fascinating Holm Islands in the Bristol Channel. Significant findings during the three years included a *Xavia biguttata* crab found in Lee Bay near Woolacombe, which had not been recorded in the UK since 1956. This army of volunteers continues to collect data across UK coasts, contributing to gaps in our knowledge of marine biodiversity

and providing a baseline to explore responses to environmental change. Over 20,000 quadrats were surveyed and over 20 scientific papers are planned utilising data from the species packages and the ecology experiments.

4 AQUACULTURE

Aquaculture increased in volume and importance to match the global demand for seafood, and so did our scientific work to help ensure that the impacts of this industry on the surrounding environments are understood and minimised. MCS provided input into the work of international organisations that describe how fish farms operate, such as the Global Aquaculture Alliance (GAA) and the Aquaculture Stewardship Council (ASC). MCS helped define and refine operating standards for fish farms and feed mills, to reflect our key environmental concerns. This year also saw the final draft of the ASC Feed Mill standard, the output from a lengthy project that tackled challenging issues of responsible sourcing of both marine and terrestrial feed ingredients. We also engaged in an innovative research project with a range of researchers and industries to explore the potential of European lobster aquaculture.

5 TURTLE TAGGING

Our scientists undertook two expeditions to tag turtles in the Turks and Caicos Islands. We have been collecting data and tracking turtles there for more than 15 years. We are working with the University of Exeter to analyse the data and determine what it means for management of marine protected areas in the region and for the protection of turtles.

SECURING THE MEANS

To maximise our impact in the long term, we need to increase our income and our profile, based on a foundation of resilient, sustainable and diverse income streams, a strong reputation amongst funders and supporters, and clear and engaging communications that inspire support and secure funds. To achieve this, we need:

- ▶ A large percentage of unrestricted income.
- ▶ A compelling membership model that convinces the public to support MCS financially.
- ▶ A substantial individual giving base developed off the back of our high-profile campaigns and appeals.
- ▶ Profile-raising activities that increase both prompted and spontaneous awareness significantly.
- ▶ Strong relationships with partner organisations and funders and a growing reputation as an effective, impactful organisation.
- ▶ Strong relationships exist with partner organisations and funders and MCS's reputation as an effective, impactful organisation is high.
- ▶ High profile businesses, individuals and celebrities that are proud to support MCS.

By 2023, we will aim to double our fundraising income and membership, significantly increase spontaneous, semi-prompted and prompted awareness of MCS (as measured by nfpSynergy), and increase MCS impact and innovation, including through:

- ▶ Developing a compelling narrative/story/message that makes the public wish to support MCS.
- ▶ Developing new income-generating products.
- ▶ Converting the growing pipeline of non-financial supporters generated by campaigns into members and donors.
- ▶ Promotions increasingly targeted at key new audience groups.
- ▶ An increased coastal presence through collaboration/partnerships at strategic locations.
- ▶ Building partnerships and collaborations that extend reach and profile.
- ▶ Using our large volunteer network to recruit members at beach cleans and other key events.
- ▶ A growing number of active high profile/celebrity supporters (Ocean Ambassadors).
- ▶ Regular free first year membership offers, converting a high proportion into regular paying members.
- ▶ Regular financial appeals, particularly via digital channels reaching new audiences.
- ▶ Corporate fundraising focus on large strategic partnerships where both parties' visions align.
- ▶ Increasing the number of major gift funders and nurturing them via selected events, individual donor care plans and access to compelling cases for support.
- ▶ Growing our programme of Challenge events to entice community fundraising support.
- ▶ Investing in legacy giving, building the number and quality of enquirers and pledgers.
- ▶ Increasing income from trusts and grants and developing major Heritage Lottery Fund and other lottery applications and overseas grant applications.

OUR ACTIVITY AND IMPACT THIS YEAR

Our total income for 2018/19 was £3.8m, a 40% increase on the previous year. Most income categories saw a rise, with most of the growth in legacies (up £247k or a five-fold increase) and individuals (up £343k or 190%). The latter came from a small number of major donors and a large increase in community fundraising. Beach clean income also rose, driven mainly by a contract with Sky. Membership income was also up (by £163k or 38%). Leveraging pro bono support helped to amplify our message, with digital outdoor billboard space provided by Ocean Outdoor worth the equivalent of nearly £2.7m, featuring our #STOPThePlasticTide campaign, the new MCS plastic-free living book, #MayNotContainFish campaign, and a 'Join the Great British Beach Clean' message during 2018. In early 2019 we had extensive coverage of the Plastic Appeal.



- 1 OCEAN HEROES
- 2 BUILDING OUR MAJOR GIFTS PROGRAMME
- 3 CONNECTING WITH OUR SUPPORTERS
- 4 OCEAN AMBASSADORS
- 5 FORCE FOR GOOD: CORPORATE PARTNERS IN ACTION
- 6 PEOPLE'S POSTCODE LOTTERY INTERVIEW: PLAYING FOR KEEPS



1 OCEAN HEROES

This year saw an impressive rise in individuals' and community fundraising, and we had the pleasure of connecting with some highly motivated individuals who had been inspired to fundraise to help save our seas. From bake sales to sponsored swims, Big Blue Days to Mermaidathons, school fairs to plant sales, the variety of activities and personal stories was huge and a real pleasure to hear about and support. Our immense respect and huge gratitude go to all our fundraisers. We are sorry not to be able to mention all of them by name, but here are some highlights from an incredible year.



Dawn Wood



Scilly Isles Kayak Challenge



Big Rick's Swim Team

- ▶ Our 2018 Fundraiser of the Year, Lucia Mastromauro, organised an amazing barbecue and raised £9,599 in one night.
- ▶ Our annual Scilly Isles Kayak Challenge saw eight intrepid marine enthusiasts take to the water in aid of MCS, together raising £9,615. Expertly guided by Nick and Pa Arding and Mark Meardon, they experienced a sea kayaker's paradise whilst pushing themselves to cover as much distance as possible.
- ▶ Christine Penny and her team raised over £2,000 through the 'Three Lakes Challenge', which is to walk into the highest lochs/lakes in Scotland, England and Wales to scuba dive for at least 10 minutes in each, and to try and do this in 24 hours – a great new version of the classic Three Peaks Challenge!
- ▶ Police officer Dawn Wood raised over £15,000 for MCS by rowing the Atlantic solo.
- ▶ Joshua Pedley walked 1,600 miles 'Coasting It' along the coast of Wales, Devon and Cornwall from Queensferry to Poole raising £2,301.
- ▶ Kitesurfers Stew Edge and Islay Symonette took on an epic 100-day adventure to become the first people to circumnavigate the 3,000 miles of British coastline on a kitesurf and raised £10,789.
- ▶ On 4 September, Big Rick's Swim Team became the first team in Europe to swim across the English Channel FOUR times in a row, raising £6,176 for MCS and the British Heart Foundation.
- ▶ Our own trustee, Susan Ronaldson, was part of Team Status Row who rowed across the Atlantic to raise awareness of plastic pollution and money for MCS.



Team Status Row



Companies also took the plunge and chose MCS as their charity for their staff fundraising activities, large and small. For example, Tindall Riley raised £2,300 through a company walk; Glenmorangie raised £780 through a kayak challenge; and Aviva raised £1,264 for their plastic turtle tour.

This increase in interest in fundraising for our cause has resulted from our higher profile, improved campaigning, greater media interest and the positive effect of Blue Planet II. Our thanks go to all the schools, nurseries, scouts, guides, brownies, universities, dive clubs, W.I. groups, Rotary Clubs, youth groups, artists, collection box holders, brides and grooms that chose to fundraise for MCS this year.



2 BUILDING OUR MAJOR GIFTS PROGRAMME

This year we saw continued growth within our major gifts programme, both in terms of income and the number of individuals pledging their support to MCS.

Our boat series of 'Ocean Adventures' in Pembrokeshire and Cornwall helped connect major donors with our cause – spotting wildlife and enjoying the spectacular coastlines, as well as witnessing first-hand the sad spectacle of baby birds nesting in plastic waste.

February saw our Chair's Dinner at Roux Parliament Square, kindly sponsored by Compass and hosted by our Chair, Hugh Raven. We were joined by our Ocean Ambassador, Ben Garrod; broadcaster, Liz Bonnin; and a group of key supporters

who enjoyed a five-course dinner prepared by award-winning chef Steve Groves. Our long-standing corporate partner, Glenmorangie, kindly sponsored welcome cocktails and gave an expert whisky tasting session, speaking about their role in the restoration of oyster reefs in the Dornoch Firth in partnership with MCS and Heriot Watt University.

This year we celebrated securing our first £100,000 gift, which enabled us to expand our volunteer engagement and outreach programme in North East England, centred around Bridlington. We are immensely grateful to our donor for this transformational investment.



▶▶ Our major gift funded outreach programme in N.E. England © XXX



3 CONNECTING WITH OUR SUPPORTERS

Our annual conference and AGM, a 'Night at the Museum', took place in Cardiff and celebrated our amazing volunteers along with some landmark project milestones – 25 years of Beachwatch, 35 years of Seasearch, and three years of Capturing our Coast – with an overwhelmingly positive response. The event featured a variety of inspiring talks by volunteers and Ocean Ambassadors, along with a mix of film, music, food and, courtesy of our sponsor Glenmorangie, whisky tasting. The headline speaker was TV presenter and naturalist Iolo Williams who has also given us much of his time at MCS beach cleans as an Ocean Ambassador.

In a first for MCS, we trialled using a fundraising agency to attend events around England and Wales with the aim of recruiting new members. This resulted in nearly 2,300 new

regular paying supporters and the opportunity for MCS to have a physical presence at over 70 events around England and Wales. In addition to new members recruited via the agency, we continued to promote MCS membership digitally via a range of limited free membership offers. This built on our experience with the Blue Planet II free one-year membership offer the previous year which had a retention rate of 50%, therefore providing a very cost-effective method of recruitment. We promoted six-month free offers to coincide with our Great British Beach Clean and TV programmes 'Drowning in Plastic', 'Blue Planet UK' and 'Blue Planet Live'. In total, thanks to a mix of face-to-face recruitment and digital promotion, this year saw our biggest ever increase with over 5,000 new members joining, and by the end of March 2019 we had 11,192 regular givers.

The MCS online shop continued to perform well with our range of plastic-free products including hampers and gift sets. Total net income for MCS Sales reached nearly £50,000 with the bestselling products for the year being kitchen scouring pads, bamboo toothbrushes and the MCS book 'How to Live Plastic Free'. Thanks to our excellent partnership with digital outdoor advertising specialists Ocean Outdoor we were able to take advantage of nearly £2.7m worth of advertising space across major UK cities, providing a unique and effective way to grow our profile and showcase our campaigns. Also, through Ocean Outdoor we were introduced to top creative agency Bartle Bogle Hegarty (BBH) who are helping us with our branding and campaign work on a pro bono basis.

▲ Our 2018 Annual General Meeting © Jack Versiani Holt

4 OCEAN AMBASSADORS

Our Ocean Ambassadors continued to champion the work and campaigns of MCS in a variety of ways, including through speaking at events, attending beach cleans, writing articles, making short videos and promoting our work through their social media channels.

We were delighted to welcome two new Ocean Ambassadors to MCS this year – Susie Rodgers MBE and Cyrus Todiwala OBE DL. Gold medal winning Paralympic swimmer Susie has a keen interest in promoting ocean literacy, as well as a particular passion for extolling the benefits of the sea and coast for mental health and well-being. As a chef, author, restaurateur, entrepreneur and regular face on BBC Saturday Kitchen, Cyrus is well-known to MCS as a staunch advocate for education, the environment, sustainability and social responsibility. With his support and ongoing promotion, we are seeing greater numbers of downloads of our Good Fish Guide app, helping us to influence the sustainability of more seafood meals.



DEBORAH MEADEN
Entrepreneur, Dragons' Den star
and Ocean Ambassador

"It's vital that retailers, businesses and industries get on board with sustainability and don't just see it as a consumer choice. Green wasn't seen as a business case a decade ago but now your green credentials have to be front and centre of what you do. Slashing the amount of unwanted packaging produced, creating reusable items and encouraging recycling have to be top of the business agenda and MCS is making sure of that. Using its exclusive, historic data, the charity works with businesses on all levels, from small fish and chip shops to large supermarkets and the manufacturing industry. This is such an important area and has paid real dividends with own brand wet wipes no longer containing plastic, plastic cotton bud sticks largely off the shelves and chippies sourcing sustainable seafood."



SUSIE RODGERS MBE
Paralympic gold medal swimmer
and Ocean Ambassador

"MCS does so much to inspire its supporters and citizen science volunteers to get involved in all aspects of marine conservation. From volunteer Beachwatch beach cleaners to Seasearch divers, as well as the thousands who report wildlife sightings or choose sustainable fish using the Good Fish Guide, the charity is a beacon of engagement and education. In the last twelve months over 18,000 volunteers have given over 24,000 hours of time. As someone who loves the ocean, I want to do all I can to protect it and the marine life it contains. We must look after this huge part of our planet that is both magical, awe-inspiring and beautiful."



CYRUS TODIWALA OBE DL
TV chef, restaurateur
and Ocean Ambassador

"MCS does an amazing job influencing consumers to eat seafood more sustainably. As a result of both industry and shoppers using the Good Fish Guide ratings, 5.7 million seafood meals every week are now more sustainable. As an Ocean Ambassador, I'm keen to influence fellow chefs so they don't succumb to popular demands but, with the help of the Good Fish Guide, can educate their customers to try species that are as tasty, if not tastier, but are an untapped sustainable source."



Laying oysters on the recreated reefs in Dornoch Firth © Richard Shucksmith

5 FORCE FOR GOOD: CORPORATE PARTNERS IN ACTION

MCS creates partnerships with progressive businesses and supports their journey towards becoming sustainable, actively seeking opportunities to work collaboratively with companies to achieve shared objectives. We strive to ensure a good fit between the company and the charity, developing partnerships that we can all be proud of, clearly demonstrating that companies can and should be a force for good, actively supporting and engaging in conservation.

MCS is proud to be a long-term partner of whisky creators Glenmorangie and part of the ground-breaking Dornoch Environmental Enhancement Project (DEEP). This year, native oysters were reintroduced to an area where the species had become extinct. DEEP is a collaboration between MCS, Heriot-Watt University and

Glenmorangie, and promises wider potential benefits for Scotland's seas. Native oysters flourished in the Dornoch Firth from up to 10,000 years ago before being wiped out in the 19th century. Their return will enrich the ecosystem of an already internationally important area of Scotland's inshore waters.

As part of this 'triple-helix' partnership, MCS provides not only its conservation expertise, but also employs an Information Officer for six months at the whisky distillery on the Dornoch Firth (supported and funded by Glenmorangie). In addition to talking to thousands of distillery visitors, our Dornoch Information Officer delivered ten Cool Seas workshops at local schools and youth groups, led nine Beachwatch beach clean events, ran an ocean-themed art workshop with a primary school, represented

MCS at seven marine conferences, galas and festivals promoting our conservation work and DEEP, raised £2,342 through MCS pin badge sales and recruited many new MCS members and adopters.

This year launched a new phase of our partnership with Princess Yachts through a three-year project to replace old moorings in Cawsands Bay, Plymouth with new eco-friendly ones. These new moorings have been shown to allow seagrass beds to recover after damage caused by traditional anchorage methods. The project is a joint venture with MCS and the National Marine Aquarium (NMA) and we installed five eco-moorings this year. The seagrass bed is considered to currently be in 'unfavourable condition' by Natural England and we have protected approximately 0.5km square of seagrass bed in the first year.

Seagrass meadows are a crucial part of the marine ecosystem – they stabilise seabeds, lock in CO₂ more efficiently than rainforests, host larval and juvenile fish and seahorses, and are great breeding grounds for cuttlefish and sharks in UK seas. We received great interest from local and regional media and the project was featured on the BBC regional Spotlight programme, highlighting its importance and how it could be scaled up.

MCS has had the pleasure of working with Sky on their Ocean Rescue campaign, which has helped place plastic pollution and marine protection high on the public agenda. The media company has devoted many hours of news time to ocean issues, and the reporting team has unearthed marine stories from around the globe. A whale stranded in Norway with a gut-full of plastic, tides of waste on the shores of Mumbai and disappearing sea ice in the Arctic have been brought to mainstream attention. Sky showed our pollution campaigns and beach litter studies from around the UK and we have talked about coffee cups, microbeads and bottles to Sky's cameras, making sure that politicians and businesses take note of many crucial conservation matters.

As a company, Sky has also made its own commitments to make the marine world a better place: They have removed single-use plastics from their own workplaces and have a commitment to eliminate them from their supply chain by 2020. To help them get first-hand experience of the threats our ocean is facing with respect to marine plastics, over the course of the summer of 2018, our engagement team delivered an incredible 29 team beach cleans for 1,833 Sky call centre representatives and head office staff. We finished the series with a special event in Felixstowe with Sky Ocean Rescue staff, Ipswich Town FC and a local primary school, which was featured on the Sky Sports channel.

6 PEOPLE'S POSTCODE LOTTERY INTERVIEW: PLAYING FOR KEEPS

Players of the People's Postcode Lottery give fantastic support to help save our seas. This year we were boosted by an amazing £600,000 for our work on beach litter and sustainable seafood. We discussed PPL's marine conservation priorities with Emma Lowrie who, as part of the customer experience team at People's Postcode Lottery, gets to hear what their players really think.



WHAT IS IT ABOUT THE WORK THAT MCS DOES THAT YOU AND PLAYERS MOST VALUE?

Who doesn't enjoy a nice walk along the beach on a sunny day? So I reckon most people will value the amazing job that your volunteers are doing around the country clearing up beaches. It was a real eye-opener for me to take part in a beach clean. I was horrified by the amount of pollution washed up on the sand, especially the nurdles and wet wipes. I think right now there is a lot of attention focused on tackling plastics in our seas and it's great that the Marine Conservation Society is actively addressing this problem.

WHAT DID YOU LEARN FROM YOUR EXPERIENCE OF TAKING PART IN A BEACH CLEAN WITH MCS AT CRAMOND?

Once we dispose of products, it doesn't mean they've disappeared forever; someone or something will have to deal with it in some capacity down the line, whether it's at the dump, on the beach or being digested by marine life. The number of items we collected in one hour didn't even scratch the surface and there was a whole team of us working fervently. Multiply that by every beach in the world and you realise we're facing a massive problem. I think we also learnt about the quantity of plastics and how we can reduce our consumption in our daily lives.

WHY DO YOU FEEL IT'S SO IMPORTANT TO PROTECT OUR SEAS?

Our seas and oceans cover over 70% of the planet and are the main livelihood for billions of people worldwide. A healthy marine environment, therefore, is crucial in ensuring sustained growth and opportunities in food, jobs and tourism for future generations and is absolutely fundamental to worldwide efforts in mitigating climate change due to its role in absorbing CO₂ from our atmosphere.

If you want to be part of our story next financial year, please don't hesitate to get in touch with us.

DURING THE YEAR WE RAISED £3.8M INCOME, AN INCREASE OF 40% COMPARED WITH THE PREVIOUS YEAR. WE SPENT £2.9M ON OUR MARINE CONSERVATION PROGRAMMES AND INVESTED FUNDS IN RAISING INCOME, INCLUDING A 64% GROWTH IN OUR MEMBERSHIP BASE. THIS GROWTH STRATEGY WILL ENSURE WE HAVE INCREASED FUNDS FOR MARINE CONSERVATION IN THE YEARS AHEAD.

Income and expenditure

Donations from individuals, trusts and support from companies contributed a significant £1,833k. The single biggest donation was £600k from the People's Postcode Lottery. Membership subscriptions provided £592k, a rise of 38% compared with the previous year. Owing to two very generous benefactors, legacy income was £303k, a five-fold increase compared with 2017/18. Grants of £321k funded specific conservation projects and, whilst this was a decrease on the previous year, the income raised through the organisation of beach cleans grew significantly to £615k owing to funding from Sky and Waitrose's continued support of the Great British Beach Clean. Sales also grew and, together with modest investment income, brought total income to £3,834k.

We spent £2,911k during the year on our charitable activities. £1,083k was spent on our programmes aimed at generating individual behaviour change. This was a 34% increase compared with the previous year, owing to the growth in beach cleaning activity as well as a new Sea Champions project in the North East of England. £1,004k was spent on promoting good governance, a 28% increase on 2017/18. We began a new project in the UK Overseas Territories and the year saw several Community Voice Method projects such as Blue Heart, which support a number of our strategic goals including influencing good governance. £549k was spent on securing our evidence base through scientific research including the Seasearch programme and our fish ratings work. £275k funded our projects promoting a sustainable and equitable economy.

Our members are the bedrock of the charity, providing a stable source of income as well as supporting our campaigns and often volunteering in beach cleans. We spent £341k administering our membership scheme and producing magazines for our expanding

membership. In addition, we invested £305k of general funds into the use of an agency for membership recruitment. This is a significant upfront cost, but one that has resulted in 2,297 more members, providing income and other forms of support for a number of years to come. To generate the rise in other donations and legacies we spent £578k administering the growing group of individual donors and fundraisers, companies and other supporters, and purchasing more of the stock sold in increasing volumes from our online shop. This cost represented 27% of the income raised, consistent with the previous year.

Funds

We have a number of restricted funds where the donor restricts the purpose for which the fund can be used. These funds decreased by a modest £26k to £324k.

At the end of the year we had total unrestricted funds of £857k, a decrease of £257k following the investment in membership recruitment. We are committed to putting our income and financial reserves to work as soon as possible, whilst holding financial reserves sufficient to maintain our conservation programmes in the event of a shortfall in income, until further funding can be secured. It is our policy to hold between three and four months' unrestricted operating costs in a designated contingency fund. Currently, this fund holds £785k, representing just over three months' worth of anticipated unrestricted expenditure. We review the level of this fund regularly. The remaining £73k of unrestricted funds is held within our general fund. We have set a break-even budget for 2019/20 and anticipate that this level of unrestricted funding will be maintained over the coming year.

Approach to Fundraising

MCS's approach to fundraising is to connect with our supporters, and encourage motivated individuals and companies to raise voluntary funds to support our aims and activities. Details of fundraising carried out by our ocean heroes are noted on page 36.

Whilst most of our fundraising activity is carried out by our staff and volunteers, during the year we used an agency for membership recruitment. The membership agency was subject to monitoring by MCS and offered potential members options, with no undue pressure to sign up.

We comply with UK data protection and are registered with the Fundraising Regulator. We comply with the Fundraising Regulator's Code of Fundraising Practice. We ensure that our fundraising is not overly intrusive or persistent, and does not put members of the public under undue pressure to donate. We recognise that everyone has the right to support their favourite causes and charities and that we have an obligation to protect those who may be in vulnerable circumstances. We do this in a way which seeks to protect each person and their dignity while also being respectful of any desire they express to support us.

Whilst we endeavour to provide our staff, volunteers and supporters with a positive experience when fundraising for us, there will occasionally be complaints. Complaints are monitored by senior management and are reported to trustees. We encourage any supporters with questions or enquiries about our fundraising to contact us at any time.

Investment policy

Following the use of some of our general funds, the charity needed to divest a proportion of its investment portfolio to guarantee sufficient cash levels throughout the year. Given the uncertain economic forecast, we did not want to take undue risk and decided to divest the entire portfolio. Cash levels were therefore high at the end of the year; the appropriate level of cash and risk as the charity grows will be reviewed regularly.

Risk management

The trustees, through the Finance, Resources and Risk Committee, oversee a formal risk management process, periodically reviewing the risks the charity faces, prioritising them and, where possible, identifying means of mitigating them. We also consider external factors such as the economy and the impact of new regulations.

We ensure there is a sound system of internal control to safeguard the charity's assets and funds and ensure these assets and funds are used only in furtherance of the charity's objectives.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material loss or misuse, and include delegation of authority and segregation of duties.

Trustees approve a five-year financial plan and an annual budget, then review progress regularly against the annual budget and relevant non-financial performance indicators.

FINANCIAL REVIEW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a charitable company limited by guarantee, incorporated on 23 October 1990 and registered as a charity on 1 February 1984. It is governed by Articles of Association, having been amended following approval by the members on 6 November 2018. In the event of the company being wound up each member is required to contribute an amount not exceeding £1.

Public benefit

The trustees confirm that they have complied with the duty in Section 4, Charities Act 2011, to have due regard to the guidance issued by the Charity Commission concerning public benefit. MCS exists to protect and champion the marine and coastal environment for the public benefit. We promote the protection of marine wildlife, sustainable fisheries and aquaculture, and clean seas and beaches through projects, scientific research, education and publication of scientific and educational works. Each of our programmes is aimed at improving the condition of the marine environment. A healthy marine environment will supply benefits to the public.

During 2018-19 the charity promoted interest and learning on the marine environment through its dedicated Cool Seas outreach and education programme and inspired action at the local level through delivery of its Sea Champions volunteer and community engagement programme. The MCS Good Fish Guide website, app and pocket guide have reached many hundreds of thousands of customers interested in sustainability. The flagship event of the clean seas and beaches programme, the annual autumn Great British Beach Clean, attracted a record number of volunteers.

Pay and remuneration of key management and personnel

We operate a salaries and benefits policy that applies equally to all employees of the charity. Tests are conducted for bias, fairness and equality and a moderation process is undertaken to ensure a consistent approach to performance ratings. Each year, remuneration awards are recommended by the Finance, Resources and Risk Committee to the Board for approval.

Recruitment and appointment of trustees

Whilst the day to day management of the charity is delegated to the Senior Management Team, the trustees are responsible for setting the charity's strategic policies and objectives and for ensuring they are fulfilled. Trustees are volunteers, give freely of their time and have no beneficial interest in the charity. Trustee indemnity insurance is provided. As set out in our Articles of Association, trustees step down by rotation every three years. They may offer themselves for re-election at the forthcoming Annual General Meeting, but the total duration of each trustee's tenure is limited in order to ensure there are opportunities for new trustees to join the Board.

The Board of Trustees undertakes an annual review of its effectiveness. To ensure the Board is sufficiently skilled to carry out its responsibilities we carry out skills analysis of existing members before seeking new trustees with the appropriate skills by open advertisement or approaching individuals to suggest they might apply. Business and conservation skills are well represented amongst the trustees.

Trustee induction and training

Prior to appointment, new trustees receive an induction to introduce them to the work of the charity and attend a Board meeting as an observer. Each trustee is given a Trustee Handbook which provides current good practice guidance on how they can contribute most effectively to the charity. All trustees are required to sign up to a Trustees' Code of Conduct.

Committees

To assist the Board with detailed scrutiny of particular topics and to make recommendations on those topics to the Board, we operate a number of trustee subcommittees. The committees are as follows.

- › Governance and Nominations committee
- › Finance, Resources and Risk committee
- › Environment committee
- › Income, Impact and Profile committee

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of MCS for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

- › Select suitable accounting policies and then apply them consistently
- › Observe the methods and principles in the Charities SORP 2015 (FRS 102)
- › 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 a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

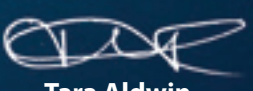
The trustees are responsible for keeping adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware there is no relevant audit information of which the charitable company's auditor is unaware and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

This Trustees' Report and Strategic Impact Report have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board of Trustees.


Tara Aldwin
Treasurer


Hugh Raven
Chairman

20 September 2019

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MARINE CONSERVATION SOCIETY

Opinion

We have audited the financial statements of Marine Conservation Society (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- › have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- › have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 financial statements is not appropriate; or
- › the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 Trustees' 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, 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 the audit

- › the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- › the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion,

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 45, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

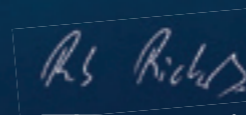
- › Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- › Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- › Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- › Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- › Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Iestyn Richards
FCA, CTA, FCCA (Senior Statutory Auditor)

Thorneloe House
25 Barbourne Road
Worcester, WR1 1RU

Date: 30/09/2019

For, and on behalf of, The Richards Sandy Partnership Ltd, Statutory Auditors.

The Richards Sandy Partnership Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS

MARINE CONSERVATION SOCIETY

Statement of financial activities for the year ended 31 March 2019

(incorporating income and expenditure account)

	Note	Unrestricted Funds (£)	Restricted Funds (£)	Total Funds 2019 (£)	Total Funds 2018 (£)
INCOME AND EXPENDITURE					
Income from					
Donations and legacies	1	2,383,530	344,313	2,727,843	1,846,423
Charitable activities	2	715,937	311,439	1,027,376	847,518
Other trading activities	3	51,724	-	51,724	19,053
Investments		26,577	-	26,577	28,177
Total income		3,177,768	655,752	3,833,520	2,741,171
Expenditure on					
Raising funds:					
Recruiting and servicing members	4	646,144	-	646,144	292,643
Fundraising, trading and investments	5	578,495	-	578,495	375,856
Charitable activities:					
Good governance	6	701,853	302,095	1,003,948	782,653
Individual behaviour change	6	933,057	149,681	1,082,738	807,235
Sustainable and equitable economy	6	225,937	49,177	275,114	297,487
Evidence base	6	347,562	201,753	549,315	582,756
Total expenditure		3,433,048	702,706	4,135,754	3,138,630
Net (expenditure) and net movement in funds for the year before other recognised gains/(losses) and transfers					
		(255,280)	(46,954)	(302,234)	(397,459)
Net gains / (losses) on investment assets	15	16,881	-	16,881	(20,591)
Other gains / (losses)		2,878	-	2,878	(3,650)
Net (expenditure)		(235,521)	(46,954)	(282,475)	(421,700)
Transfers between funds	20	(21,260)	21,260	-	-
Net movement of funds		(256,781)	(25,694)	(282,475)	(421,700)
Funds at the start of the year		1,114,158	349,668	1,463,826	1,885,526
Funds at the end of the year	20	857,377	323,974	1,181,351	1,463,826

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

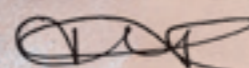
Shore from above © Samuel Scrimshaw

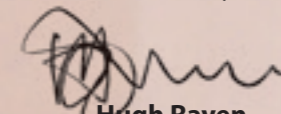
MARINE CONSERVATION SOCIETY

Statement of financial position as at 31 March 2019

	Note	Total Funds 2019 (£)	Total Funds 2018 (£)
Fixed assets			
Tangible assets	13	18,167	7,331
Investments	14	200	738,884
		18,367	746,215
Current assets			
Stock	17	20,063	7,491
Debtors	18	509,285	295,622
Cash at bank and in hand		1,322,022	869,981
		1,851,370	1,173,094
Liabilities			
Creditors: amounts falling due within one year	19	(668,673)	(446,944)
		1,182,697	726,150
Net current assets		1,182,697	726,150
Total assets less current liabilities		1,201,064	1,472,365
Provisions for liabilities	23	(19,713)	(8,539)
Net assets		1,181,351	1,463,826
Funds of the charity			
Unrestricted funds:			
General fund	20	72,698	329,479
Designated funds (contingency fund)	20	784,679	784,679
Restricted funds	20	323,974	349,668
Total charity funds		1,181,351	1,463,826

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company. Approved by the Board of Trustees on 20 September 2019 and signed on its behalf by:


Tara Aldwin
Treasurer


Hugh Raven
Chair

Company Number: 2550966

MARINE CONSERVATION SOCIETY

Statement of cash flows for the year ended 31 March 2019

	Note	Total Funds 2019 (£)	Total Funds 2018 (£)
Cash flows from operating activities			
Cash (used in) operations	25	(285,780)	(143,891)
Investing activities			
Purchase of tangible fixed assets	13	(17,744)	(1,468)
Purchase of listed investments	15	(265,580)	(247,840)
Proceeds from sale of investments	15	1,021,145	257,111
		737,821	(7,803)
Net increase/(decrease) in cash and cash equivalents		452,041	(136,088)
Cash and cash equivalents at beginning of year		869,981	1,006,069
Cash and cash equivalents at end of year		1,322,022	869,981

PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable in the UK and Republic of Ireland to charities preparing their accounts in accordance with the Financial Reporting Standard FRS 102, the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The trustees are confident that the level of unrestricted reserves and income means that there are no material uncertainties about the charity's ability to continue. The accounts have been prepared on a going concern basis.

Incoming resources

Income is recognised in the period in which the charitable company is entitled to receipt, receipt is probable and the amount can be measured reliably. Income is deferred when the charity has to fulfil conditions before becoming entitled to use such income or where the donor has specified that the income is to be expended in a future period.

› Membership subscriptions

Annual memberships are recognised across the year of the membership. Life membership subscriptions are accounted for in the year in which they are received.

› Donations and grants

Donations from individuals and income from lotteries is recognised upon receipt. Income from donations and grants, including capital grants, is included in incoming resources when it is receivable, except as follows:

- › When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.

- › When donors impose conditions which have to be qualified before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

- › When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

› Legacies

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified with reasonable certainty.

› Donated facilities and professional services

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the Charities SORP (FRS 102). Further detail is given in 'our year in numbers'.

› Commercial trading activities

Income from commercial activities is included in the period in which the charity is entitled to receipt.

Resources expended

Expenditure is included when incurred on an accruals basis. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

› **Costs of generating and servicing membership subscriptions**

These represent costs incurred in encouraging individuals to subscribe to the charity and the servicing of those individuals including provision of the members' magazine.

› **Costs of raising donations and legacies**

Fundraising expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charity's work through donations and grants. This includes a proportion of salaries and overhead costs of the staff who promote fundraising.

› **Commercial trading costs**

These represent costs incurred in raising funds through the online shop.

› **Expenditure on charitable activities**

These represent costs incurred in activities aimed at achieving the charity's four strategic outcomes of good governance, individual behaviour change, a sustainable and equitable economy and evidence base. The costs include the salary costs of those working directly on these activities, other direct costs such as equipment and travel costs and a share of support costs. Where an activity is aimed at achieving more than one outcome, the costs are allocated out between the relevant outcomes.

› **Support costs (including governance)**

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves constitute the output of the charitable activity. These include office costs, the cost of administration and governance such as the audit fee and insurance. These are allocated to all activities (charitable and raising funds) on the basis of the number of full time equivalent staff employed within each activity.

› **Termination costs**

Termination and redundancy costs are recognised when the charity is committed to terminating the employment of an employee. A termination benefit is charged to the Statement of Financial Activities immediately on recognition. The liability is recognised as the best estimate at the reporting date.

Tangible fixed assets

All assets costing more than £1,000 are capitalised. Depreciation is provided at the following rates in order to write off each asset over its estimated useful life:

- › Fixtures and fittings 15% to 20% on cost
- › Computers and equipment 25% to 33.3% on cost

Investments

Listed investments are valued in the statement of financial position at fair value. The Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the value of the investment portfolio throughout the year.

The investments in the charity's two subsidiary companies are included at cost. Consolidated accounts have not been prepared because both subsidiary companies are dormant.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments such as trade debtors and creditors with no stated interest rate and receivable or payable within one year, which are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Debtors and cash

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

Creditors and provisions

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

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions

Contributions in respect of the charity's defined contribution pension scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme.

Tax

In terms of corporation tax, the charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Where applicable, income is recognised net of any output Value Added Tax and the cost of irrecoverable input Value Added Tax is accounted for in the same period as the expenditure on which it was occurred.

Funds accounting

Funds held by the charity are

› **Unrestricted general funds**

These are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

› **Designated funds**

These are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

› **Restricted funds**

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements (note 20).

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make some judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates.

The main assumptions in these accounts relate to the estimation of the £266k value of legacies that are included within accrued income. The charity has received notification of the legacies, the shares of the estates that have been bequeathed and the current estimate of the estates. Management believes that the property and equity values included within the estates may be lower than these estimates when the estates are finally settled, and so has included a conservative value for these legacies within the financial statements.

There were no other significant judgements made by management in the preparation of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 INCOME FROM DONATIONS AND LEGACIES	Unrestricted Funds (£)	Restricted Funds (£)	Total Funds 2019 (£)	Total Funds 2018 (£)
Membership subscriptions and adoptions	591,970	-	591,970	428,797
Legacies	302,575	-	302,575	55,308
Donations – trusts and companies	764,250	209,122	973,372	831,407
Donations – individuals	406,292	117,191	523,483	180,303
Royalties, sponsorship and other fundraising income	318,443	18,000	336,443	350,608
	2,383,530	344,313	2,727,843	1,846,423
For the year ended 31 March 2018	1,751,294	95,129	-	1,846,423

Donations from trusts and companies include £8,380 (2018: nil) of donated services. Not included are donated services in the form of digital out-of-home advertising space from Ocean Outdoor and creative and branding support from Bartle Bogle Hegarty (BBH), the global advertising agency. These donated services have not been included in the financial statements as we are unable to reliably measure the value of the services received in the year. We are very grateful for this generous support which has allowed MCS to extend both reach and profile throughout the UK.

2 INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds (£)	Restricted Funds (£)	Total Funds 2019 (£)	Total Funds 2018 (£)
Grants	9,857	311,439	321,296	410,589
Beach cleans	614,964	-	614,964	424,195
Education and sales (Good Fish Guide and Seasearch)	91,116	-	91,116	12,734
	715,937	311,439	1,027,376	847,518
For the year ended 31 March 2018	435,734	411,784	-	847,518

3 INCOME FROM OTHER TRADING ACTIVITIES	Total Funds 2019 (£)	Total Funds 2018 (£)
Online shop	51,724	19,053

4 EXPENDITURE ON RAISING FUNDS: RECRUITING AND SERVICING OF MEMBERS	Direct staff costs (£)	Other direct costs (£)	Support costs (£)	Total 2019 (£)	Total 2018 (£)
Use of agency to recruit new members	-	304,936	-	304,936	-
Other costs of generating and servicing memberships	152,902	129,565	58,741	341,208	292,643
	152,902	434,501	58,741	646,144	292,643
For the year ended 31 March 2018	144,768	104,160	43,715	-	292,643

The profile of marine conservation issues has risen significantly in the last couple of years, generating an increase in the number of members and other supporters. To maximise the opportunity from this increase in profile, we worked with an agency to attend events across the UK and recruit 2,297 more supporters than we would otherwise have been able to do. Whilst a relatively high upfront cost, this will generate higher membership income for a number of years to come.

5 EXPENDITURE ON RAISING FUNDS: FUNDRAISING, TRADING AND INVESTMENTS	Direct staff costs (£)	Other direct costs (£)	Support costs (£)	Total 2019 (£)	Total 2018 (£)
Costs of raising donations and legacies	309,774	124,926	102,921	537,621	350,746
Commercial trading costs	5,578	28,499	2,099	36,176	16,069
Investment management fees	-	4,698	-	4,698	9,041
	315,352	158,123	105,020	578,495	375,856
For the year ended 31 March 2018	214,540	93,809	67,507	-	375,856

6 EXPENDITURE ON CHARITABLE ACTIVITIES	Direct staff costs (£)	Other direct costs (£)	Support costs (£)	Total 2019 (£)	Total 2018 (£)
Good governance	647,646	182,089	174,213	1,003,948	782,653
Individual behaviour change	647,505	239,361	195,872	1,082,738	807,235
Sustainable and equitable economy	168,592	65,374	41,148	275,114	297,487
Evidence base	295,603	164,039	89,673	549,315	582,756
	1,759,346	650,863	500,906	2,911,115	2,470,131
For the year ended 31 March 2018	1,545,586	515,678	408,867	-	2,470,131

Expenditure on good governance increased during the year with new funding such as the grant from John Ellerman Foundation supporting work in the UK Overseas Territories. Beach cleaning activities have increased thanks to the support of Waitrose, People's Postcode Lottery and Sky. Beach cleaning activity is included within individual behaviour change.

7 SUPPORT COSTS	Property & insurance (£)	Admin staff costs (£)	Other admin costs (£)	Unrecovered VAT (£)	Audit, tax & legal (£)	Total 2019 (£)	Total 2018 (£)
Costs of generating and servicing membership subscriptions	13,270	26,775	11,819	4,176	2,701	58,741	43,715
Costs of raising other donations and legacies	23,251	46,912	20,708	7,317	4,733	102,921	65,732
Commercial trading costs	474	957	422	149	97	2,099	1,775
Good governance	39,356	79,408	35,053	12,385	8,011	174,213	133,333
Individual behaviour change	44,249	89,280	39,410	13,926	9,007	195,872	140,074
Sustainable and equitable economy	9,296	18,756	8,279	2,925	1,892	41,148	44,923
Evidence base	20,258	40,874	18,043	6,375	4,123	89,673	90,537
	150,154	302,962	133,734	47,253	30,564	664,667	520,089

Analysed between	Property & insurance (£)	Admin staff costs (£)	Other admin costs (£)	Unrecovered VAT (£)	Audit, tax & legal (£)	Total 2019 (£)	Total 2018 (£)
Raising funds	36,995	74,644	32,949	11,642	7,531	163,761	111,222
Charitable activities	113,159	228,318	100,785	35,611	23,033	500,906	408,867
	150,154	302,962	133,734	47,253	30,564	664,667	520,089

Support costs are allocated to activities based on the FTE staff numbers working on those activities. Property and insurance includes rent, rates and utility costs for all our offices. Admin staff costs include the salary and associated costs of the Finance, Human Resources and IT staff. Other admin costs include postage, stationery, equipment and depreciation of fixed assets (note 13). We are not able to recover all the VAT incurred on our expenditure.

8 NET INCOMING RESOURCES FOR THE YEAR <i>This is stated after charging:</i>	Total 2019 (£)	Total 2018 (£)
Depreciation	6,908	7,474
Auditor's remuneration:		
audit fees	6,300	6,300
other services	43	250
Equipment rental	1,710	1,713
Trustees' liability insurance	858	903
Property rental	77,950	77,490

The property rental cost above relates to the lease of the head office at Ross-on-Wye as well as licences to occupy small offices in London and Edinburgh.

9 STAFF COSTS AND TRUSTEES' REMUNERATION	Total 2019 (£)	Total 2018 (£)
Salaries and wages	2,152,063	1,900,753
Employer's national insurance contributions	208,644	182,887
Pension costs	121,657	105,226
Redundancy and settlement payments	30,614	-
	2,512,978	2,188,866

One employee received emoluments in the band £70,000 to £80,000 (2018 – one). This employee had benefits accruing under an auto-enrolment scheme and contributions paid during the year totalled £4,604 (2018 – £4,568). There were no employees who received emoluments in the band £60,000 to £70,000 (2018 – nil).

During the year key management received a combined total remuneration of £332,163 (2018 – £306,271).

Six trustees claimed expenses during the year for travel and subsistence, amounting to £4,039 (2018 – £2,520). No trustee received remuneration during the year (2018 – nil).

10 STAFF NUMBERS	2019 (average number)	2018 (average number)
Conservation programmes	46	47
Fundraising and servicing membership subscriptions	19	12
Administration and support	8	7
	73	66

11 **PENSION COSTS**

The charity operates a defined contribution scheme for members of staff. The assets of the scheme are held separately from those of the charity, being invested with insurance companies. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year. There was £12,414 (2018 – £11,526) accrued at the year-end representing pension costs payable. Where restricted income funds staff costs, the relevant proportion of pension costs is allocated to those funds.

12 **TAXATION**

The company is a registered charity and no provision is considered necessary for taxation.

13 TANGIBLE FIXED ASSETS	Fixtures & fittings (£)	Computers & equipment (£)	Total (£)
Cost			
At 1 April 2018	36,804	84,430	121,234
Additions at cost	-	17,744	17,744
Disposals	-	-	-
At 31 March 2019	36,804	102,174	138,978
Depreciation			
At 1 April 2018	32,861	81,042	113,903
Charge for the year	1,995	4,913	6,908
Disposals	-	-	-
At 31 March 2019	34,856	85,955	120,811
Net Book Value			
At 31 March 2019	1,948	16,219	18,167
At 31 March 2018	3,943	3,388	7,331

14 FIXED ASSET INVESTMENTS	2019 (£)	2018 (£)
Listed investments (note 15)	-	738,684
Investments in subsidiaries (note 16)	200	200
	200	738,884

15 LISTED INVESTMENTS	2019 (£)	2018 (£)
Market value		
At the start of the year	738,684	768,546
Purchases during the year	265,580	247,840
Sales during the year	(1,021,145)	(257,111)
Realised gains / (losses)	16,881	(3,969)
Unrealised (losses)	-	(16,622)
Market value at the end of the year	-	738,684
Historical cost at the end of the year	-	710,776

None of the investments related to restricted funds and all were managed by HSBC. The valuation of the investments, at market value, was performed by HSBC. The investments were held to provide an investment return to the charity; the charity divested towards the end of 2018/19 to reduce exposure of the charity to risk associated with economic uncertainty. As at 31 March 2018, the market value of investments listed in the UK amounted to £304,010. The remainder of £467,588 represented investments listed overseas.

16 INVESTMENTS IN SUBSIDIARIES	2019 (£)	2018 (£)
Marine Biological Consultants Limited (company number 1777391)	100	100
M C S Sales Limited (company number 1766795)	100	100
	200	200

Investments in subsidiaries held by the charity represent the whole of the issued share capital of each of the companies above. Both companies are registered in England and Wales. The companies were established to carry out trades which were not in themselves charitable (and which could not, therefore, be conducted by the charity) but where all the profits were gifted to the charity, providing an additional income source to fund marine conservation. Marine Biological Consultants Limited is not trading and is dormant. M C S Sales Limited was not trading during 2018/19 but a decision was taken by trustees during the year to re-commence trading from 1 April 2019.

17 STOCKS	2019 (£)	2018 (£)
Stocks held for resale in online shop	20,063	7,491

18 DEBTORS	2019 (£)	2018 (£)
Trade debtors	117,951	91,647
Prepayments and accrued income	391,334	203,975
	509,285	295,622

The increase in prepayments and accrued income is owing to accrued legacies of £266k (2018: nil).

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2019 (£)	2018 (£)
Trade creditors	142,660	80,932
Tax and social security	65,307	54,126
Accruals and deferred income	443,170	299,926
Other creditors	17,536	11,960
	668,673	446,944

During the year a number of grants, contracts and corporate memberships were received that relate to activities in the following year, requiring £298k (2018: £194k) of income to be deferred.

20 STATEMENT OF FUNDS	At 1 April 2018 (£)	Income (£)	Expenditure (£)	Transfers (£)	Gains/losses (£)	At 31 March 2019 (£)
Unrestricted funds						
General reserves	329,479	3,177,768	(3,433,048)	(21,260)	19,759	72,698
Designated funds	784,679	-	-	-	-	784,679
	1,114,158	3,177,768	(3,433,048)	(21,260)	19,759	857,377
Restricted funds						
General conservation	5,031	41,410	(44,918)	(1,523)	-	-
Clean seas programme	34,073	3,690	(29,717)	-	-	8,046
Fisheries programme	31,588	78,580	(100,865)	107	-	9,410
Ocean recovery programme:						
MPA fund	129,235	-	(118,924)	-	-	10,311
Agents of Change	39,456	25,000	(65,945)	1,489	-	-
Marine CoLAB	67,153	18,750	(63,986)	-	-	21,917
National Seasearch	5,608	54,448	(57,737)	-	-	2,319
Other ocean recovery funds	35,536	63,421	(77,034)	-	-	21,923
Engagement programme:						
Blue Heart	-	80,000	(84,954)	11,204	-	6,250
Sea Champions Bridlington	-	100,000	(23,427)	-	-	76,573
Northumbrian Engagement	-	138,000	-	-	-	138,000
Other engagement funds	838	52,453	35,199	9,983	-	28,075
The Wakefield Fund	1,150	-	-	-	-	1,150
	349,668	655,752	(702,706)	21,260	-	323,974
Total funds	1,463,826	3,833,520	(4,135,754)	-	19,759	1,181,351

20 continued COMPARATIVE STATEMENT OF FUNDS FOR THE YEAR ENDED 31 MARCH 2018	At 1 April 2017 (£)	Income (£)	Expenditure (£)	Transfers (£)	Gains/losses (£)	At 31 March 2018 (£)
Unrestricted funds						
General reserves	931,879	2,234,258	(2,387,109)	(425,308)	(24,241)	329,479
Designated funds	424,050	-	-	360,629	-	784,679
	1,355,929	2,234,258	(2,387,109)	(64,679)	(24,241)	1,114,158
Restricted funds						
General conservation	16,198	39,500	(50,667)	-	-	5,031
Clean seas programme	19,034	25,404	(10,655)	290	-	34,073
Fisheries programme	72,358	60,213	(105,715)	4,732	-	31,588
Ocean recovery programme:						
MPA fund	246,417	1,500	(118,683)	-	-	129,235
Agents of Change	38,214	70,000	(68,757)	-	-	39,456
Marine CoLAB	48,654	78,000	(59,501)	-	-	67,153
National Seasearch	15,500	50,481	(92,213)	31,840	-	5,608
Other ocean recovery funds	34,021	43,347	(52,959)	11,127	-	35,536
Engagement programme	37,551	118,052	(171,455)	16,690	-	838
Scottish programme	-	20,315	(20,315)	-	-	-
Welsh programme	-	101	(101)	-	-	-
The Wakefield Fund	1,650	-	(500)	-	-	1,150
	529,597	506,913	(751,521)	64,679	-	349,668
Total funds	1,885,526	2,741,171	(3,138,630)	-	(24,241)	1,463,826

General funds

The general reserve represents the free funds of the charity that are not designated for particular purposes.

Designated funds

The designated reserves are those funds set aside by trustees as a contingency in the event of future income shortfalls.

Restricted funds

All restricted funds are for specific conservation or educational projects in the UK and overseas. These funds are recorded and managed individually by project but, for ease, the smaller projects are broadly categorised in these accounts by type of activity.

General conservation

This fund benefits all our conservation work and includes John Ellerman Foundation funding for the work of the Director of Programmes and PPL funding to develop impact reporting within the charity.

Clean seas programme

Funds within this programme support our work to reduce pollution from sewage, plastics and other contaminants, working predominantly to influence individual behaviour through campaigns such as Wet Wipes Turn Nasty and campaigning against plastic straws.

Fisheries programme

Funds within this programme support our work to promote the development of sustainable wild-capture and farmed seafood production. Projects include scientific research funded by Monterey Bay Aquarium and campaigning to influence regulation post-Brexit, funded by the Waterloo Foundation.

Ocean recovery programme

Achieving good governance is the primary focus of funds within this programme, promoting the laws and policies designed to protect our seas. Included within this programme are the following funds:

- › **MPA Fund** – Predominantly from the Miles Blackwell Trust Fund, this fund supports the campaign for the designation of Marine Protection Areas (MPAs) in UK waters.
- › **Agents of Change** – The Calouste Gulbenkian Foundation is funding a staff post to work towards improving community understanding and support for local marine protected areas. An initiative from the Marine CoLAB, the project aims to address the fact that the public know little about MPAs in the UK, or the benefits they bring.
- › **Marine CoLAB** – Funded by the Calouste Gulbenkian Foundation, the Marine CoLABoration (CoLAB) group, provides time and resources for the marine conservation sector to build on what works, learn from other sectors and parts of the world, and develop tools and approaches with the potential to increase the scale and pace of beneficial change. This funding enables MCS to provide a Marine CoLAB coordinator and other staff resources for the group.

- › **National Seasearch** - This is a scientific partnership programme with a number of agencies and organisations to involve volunteer recreational divers in the survey of marine species and habitats – part of our work to provide an evidence base. This programme includes funding from Scottish Natural Heritage, Natural Resources Wales, The Crown Estate and Natural England.
- › **Other ocean recovery funds** – these include funding from the John Ellerman Foundation to develop a new programme in the UK Overseas Territories, including overseeing turtle work, which also attracted funding from the People's Trust for Endangered Species. Other projects include funds from Rampion and others for various campaigns for specific MPAs.

Engagement programme

These funds are supporting a range of projects aiming to influence individual behaviour, such as Capturing our Coast and Cool Seas Investigators.

- › **Blue Heart** – Funded by the Calouste Gulbenkian Foundation, this Community Voice Method project took a storytelling approach to bring to life the relationship between people in the UK and the ocean. In the longer term the outputs from this project will contribute to our work to widen engagement and increase participation in civil dialogue about the importance and good stewardship of our ocean.

- › **Sea Champions Bridlington** – A generous donor has funded an 18-month project to deliver marine conservation engagement with volunteers, communities and businesses in Bridlington and across the wider Yorkshire area.

- › **Northumbrian Engagement** – Funds allowing us to increase our volunteer and community engagement in Northumbria to deliver more beach cleans and educate young people about their local marine environment.

- › **Other engagement funds** – These projects include Capturing our Coast in partnership with Newcastle University and funded by Heritage Lottery Fund, which aimed to recruit and train 5,000 marine citizen scientists around the UK, and funding for our education programmes, which are designed to help achieve a world where young people have a clear understanding of the diversity and value of the marine environment, feel a lifelong connection with our seas, shores and wildlife and are inspired to take action to safeguard our ocean for their own benefit and for future generations. The work includes developing lasting relationships with a network of Ocean Schools Partners, developing the 'Cool Seas Investigators' package for upper primary and secondary pupils and expanding our volunteer-led education outreach.

Scottish programme

These funds support activities in Scotland. In 2018/19 all activities within our Scottish programme have been supported by our unrestricted funds. Seasearch in Scotland is included within National Seasearch funds, not under the Scottish programme.

Welsh programme

These funds support activities in Wales. In 2018/19 all activities within our Welsh programme have been supported by our unrestricted funds. Seasearch in Wales is included within National Seasearch funds, not under the Welsh programme.

The Wakefield fund

This was established to make awards to deserving students studying the impacts of, or solutions to, coastal pollution.

Transfers between funds

Transfers have been made from general conservation or unrestricted funds into restricted funds where there is a shortfall in restricted funds or as part of an agreement with a funder that MCS will contribute unrestricted funds towards the project.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted funds (£)	Designated funds (£)	General funds (£)	Total funds 2019 (£)	Total funds 2018 (£)
2019					
Tangible fixed assets	-	-	18,167	18,167	7,331
Investments	-	-	200	200	738,884
Net current assets	323,974	784,679	54,331	1,162,984	717,611
	323,974	784,679	72,698	1,181,351	1,463,826
2018					
Tangible fixed assets	-	-	7,331		7,331
Investments	-	738,884	-		738,884
Net current assets	349,668	45,795	322,148		717,611
	349,668	784,679	329,479		1,463,826

22 OPERATING LEASE COMMITMENTS	2019 (£)	2018 (£)
<i>As at 31 March 2019 the charity had total commitments under non-cancellable operating leases as below:</i>		
Land and buildings		
Within one year	60,990	54,490
Within two and five years	40,783	85,273
	101,773	139,763

23 PROVISION FOR LIABILITIES	2019 (£)	2018 (£)
At the beginning of the year	8,539	4,000
Addition for dilapidations	11,174	4,539
At the end of the year	19,713	8,539

The provision relates to the lease of the office at Ross-on-Wye. Although the lease is for 20 years expiring March 2034, the purpose is to set aside a sum each year so there is sufficient put aside for dilapidations that are likely to become payable when a mutual break clause takes effect in March 2021, based on an estimate provided by a Chartered Surveyor.

24 RELATED PARTY TRANSACTIONS

During the year a restricted grant of £51,000 (2018: £42,000) was received from the John Ellerman Foundation, a charity of which Hugh Raven (MCS Chair) is a trustee. This year's grant was to fund a Conservation Officer to work in the UK Overseas Territories. All £51,000 had been received by 31 March with £14,875 included within income and the remaining £36,125 deferred until 2019/20.

25 CASH (USED IN)/GENERATED FROM OPERATIONS	2019 (£)	2018 (£)
Net expenditure	(282,475)	(421,700)
Fair value (gains) / losses on investments	(16,881)	20,591
Depreciation and impairment of tangible fixed assets	6,908	7,474
(Increase) in stock	(12,572)	(7,491)
(Increase) in debtors	(213,663)	(1,488)
Increase in creditors	232,903	258,723
Cash (used in) operations	(285,780)	(143,891)

MCS WOULD LIKE TO THANK ALL THE INDIVIDUALS AND ORGANISATIONS WHO MADE OUR WORK THIS YEAR POSSIBLE.

Charitable and company trusts and foundations giving grants of £1,000 or more:

ABM Charitable Trust
Anson Charitable Trust
Chapman Charitable Trust
Calouste Gulbenkian Foundation
David Uri Memorial Trust
Defra
Donald Forrester Trust
Esmée Fairbairn Foundation
Gemma and Chris Mcgough Charitable Foundation Golden Bottle Trust
Green and Lilian F M Ainsworth and Family Benevolent Fund
Heritage Lottery Fund
Hugh Fraser Foundation
John Ellerman Foundation
John Swire 1989 Charitable Trust
Joseph Strong Frazer Trust
Keep Wales Tidy
Lady Yuen Peng McNeice Charitable Foundation
Langdale Trust
Louis Nicholas Residuary Charitable Trust
Merriman Charitable Trust
Miss K M Harbinson Charitable Trust
Monterey Bay Aquarium
Mrs Maud Van Norden's Charitable Foundation
Natural England
Natural Resources Wales
North Devon Area of Outstanding Natural Beauty
OSPAR
People's Trust for Endangered Species
Postcode Animal Trust / People's Postcode Lottery
R G Hills Charitable Trust
Ruth Smart Foundation
Sainsbury's Community Grant
Scottish Environment Link
Scottish Natural Heritage
Sea-Change
Seas at Risk
Susan H Guy Charitable Trust
Tabor Charitable Trust
Tekoa Trust
The Alfred and Frances Rubens Charitable Trust
The Allen & Overy Foundation
The Alliance for Strong Families and Communities
The Blair Foundation
The Bryan Guinness Charitable Trust
The Calleva Foundation
The Christopher Laing Foundation

The Culra Charitable Trust
The Derek and Clare Stevens Trust
The George A Moore Foundation
The General Charity Fund
The Henhurst Charitable Trust
The Henry C. Hoare Charitable Trust
The Inchcape Foundation
The Kinlochline Trust
The Lady Hind Trust
The Marple Charitable Trust
The Millichope Foundation
The Nineveh Charitable Trust
The Panton Trust
The Peacock Charitable Trust
The Percy Hedley 1990 Charitable Trust
The Ratcliff Foundation
The Simon Gibson Charitable Trust
The Sussex Community Foundation (Rampion Fund)
The Tyneholme Trust
The Valentine Charitable Trust
The Wildlife Trusts MPA Fighting Fund
Whitley Animal Protection Trust
Worth Waynflete Foundation

Individuals giving gifts of £5,000 or more:

M Braddick
P Galek
X Menguy

MCS would like to extend our thanks to our valued donors who wish to remain anonymous.

Legacies & In Memoriam Donations:

B Beasley
Bridget McDonald
Captain D Gow
Catherine Mein
Chris Lowsley
Chris Wright
I Hood
J & AL Heatherington
John Hanna
Kevin Gauntlett
Margaret K Vivian
Noel Rogers
Rene Hardy
Ruth Baillie
Valerie E Nelson
W Hughesman

Patrons, Supporters, Members and Groups:

Ocean Ambassadors:
Doug Allan
Lizzie Daly
Sharron Davies MBE
Prof Ben Garrod
Tom 'The Blowfish' Hird
Miranda Krestovnikoff
Deborah Meaden
Chris Packham CBE
Simon Reeve
Susie Rodgers MBE
Cyrus Todiwala OBE DL
Iolo Williams

MCS would like to thank its members, Local Groups and Sea Champion volunteers for their support of our conservation activities and fundraising efforts over the year.

Thanks also to all the volunteers who supported MCS projects and/or gathered vital information through Beachwatch, the Great British Beach Clean, Seasearch, Jellyfish, Basking Shark and Turtle Watch.

Also, to the many individual and community participants, dive clubs, sports clubs, youth and member organisations and school and college students who raised money to support the work of the Marine Conservation Society.

Pro bono support:

MCS would like to thank the following firms for their pro bono support during the last year:

Ocean Outdoor UK Ltd
BBH Partners LLP
Mayer Brown International LLP

Organisations and companies contributing £1,000 or more towards our income and charitable objectives:

Adnams plc
Abel & Cole
Adform
Advent of Change
Anglian Water Services Ltd
Aquasign Ltd
As Nature Intended
Asos.com Ltd
Batoko Ltd
Baylis & Harding Ltd
Bird & Blend Tea Co.
BlackRock Investment Mgmt (UK) Ltd
Blue Marine Travel
BNP Paribas
Brita UK
Calendar Club
Cargill Global Trading (UK) Ltd
Cayago AG
CH & Co Group
Clarity Environmental Ltd
Dechra Veterinary Products
Delta Form Ltd
DLA Piper
Earth Conscious
Ecotricity
Edgeo Ltd
Fisher Clinical Services UK Ltd
FRF Toyota Ltd
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Haddenham Healthcare Ltd
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Haven Holidays
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Horwood
John Fowler Holidays
Joules Ltd
La Mer UK & Ireland
Marex Spectron
Marks & Spencer plc
Moove Agency
Natracare c/o Bodywise (UK) Ltd
Nature Travels Ltd
O'Three
Paper Round
Paua Pro
Pernod-Ricard UK
Polar Routes
Princess Yachts
PwC
Riz Boardshorts Ltd
Rudding Estate
Sabre Retail Fashion LTD t/a Mint Velvet
Salt-Water Sandals Europe
Silentnight Group Ltd
Sinclair & Saffron
Skechers USA Ltd
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Southern Water
Stay in Cornwall
Subsea 7
Summit Outdoors
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The Big Domain Ltd
The Glenmorangie Company Ltd
The Happy Prawn Co.
The Travel Chapter Ltd
Thought
Tindall Riley & Co Ltd
Waitrose & Partners
Well Pharmacy
Wild Nature Press Ltd
Wolseley
WWF-UK

ACKNOWLEDGEMENT

OF FINANCIAL AND OTHER SUPPORT

REFERENCE

& ADMINISTRATIVE INFORMATION

Charity Name

Marine Conservation Society

Charity Registration Number

1004005 (England & Wales)
SC037480 (Scotland)

Company Registration Number

02550966

Registered Office and Operational Address

Overross House, Ross Park,
Ross-on-Wye, HR9 7US

London Operational Address

CAN Mezzanine,
7-14 Great Dover Street,
London, SE1 4YR

Scottish Operational Address

Suite 7, CBC House,
24 Canning Street,
Edinburgh, EH3 8EG

President

HRH The Prince of Wales KG, KT, GCB

Honorary Vice Presidents

Professor David Bellamy OBE, PhD,
FLS, FIBiol
Lord Peter Melchett
(deceased 29 August 2018)
Professor David Nichols

Trustees

The trustees listed below were
trustees for the whole of the year
ended 31 March 2019 and until the
date of this report unless stated
otherwise:

Hugh Raven *Chair*
Tara Aldwin, *ACA Treasurer*
Stephen Gray
Mark Haviland
(from 12 September 2018)
Professor David Kipling
James Marsden
Leigh Morris
Giles Robertson
Susan Ronaldson
(from 12 September 2018)
Alexander Wilson

Senior Management Team

The members of the Senior
Management Team were in post
for the whole of the year ended 31
March 2019 and until the date of
this report unless stated otherwise:

Sandy Luk
Chief Executive

Tamsin Betti
*Director of Communications
& Engagement*
(from 9 September 2019)

Luca Bonaccorsi
*Director of Communications
& Engagement*
(until 21 September 2018)

Mike Crossley
Director of Fundraising & Marketing

Nicola Spencer
*Director of Finance & Resources/
Company Secretary*
(from 4 June 2018)

Chris Tuckett
Director of Programmes

Principal Professional Advisors

Auditors

The Richards Sandy Partnership,
Thorneloe House,
25 Barbourne Road,
Worcester, WR1 1RU

Bankers

Barclays Bank, Leicester, LE87 2BB
Lloyds Bank, 8 High Town,
Hereford, HR1 2AE

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Inside cover: Ocean surface © Sergey Bogomyako

Back cover: Gulls above, barrel jellyfish below © Damsea

Surfer on beach © Michael Hacker



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