

Registered Charity No: 1132076

Seacology UK

Annual report and financial statements for the period ended 31 December 2010

Protecting island environments, supporting island communities.



Seacology UK

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Seacology UK

Charity details

Trustees

Dr Lucy Cummings (Chair and Co-founder)
Mr Scott Wilson (Co-founder)
Mr Duane Silverstein
Dr Paul Alan Cox
Mr Sean O'Sullivan
Ms Jill Warren (Treasurer)

Secretary

Mr Scott Wilson

Registered office

PO Box 67008
London
W12 2DB

Independent Examiner

Mr Kevin Lowe
London

Bankers

HSBC
28 Borough High Street
London
SE1 1YB

Contact details

Email: mail@seacology.org.uk
Website: www.seacology.org.uk

Status

Seacology UK is registered in the United Kingdom as a charity, number 1132076.

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

Message from Seacology UK's Chair Dr Lucy Cummings

Dear Friends,

Looking back, it's amazing to think of how quickly Seacology UK took shape from a 2008 discussion among environmentally concerned friends in a London living room.

How did it happen so quickly? The compelling simplicity of Seacology's "win-win" approach motivated our small group of UK trustees and supporters to act. Giving islanders a tangible project in exchange for the establishment of an environmental reserve is not only a basic matter of fairness, but it ensures that the school, community center, etc., as well as the nature reserve, are truly thought of as belonging to the village.

As the evidence for the devastating impact of climate change and biodiversity loss continues to mount, Seacology's island projects provide much needed hope for our shared future. Seacology launched 19 new island projects in 2010, bringing its total to 210 projects on 115 islands in 45 nations around the world. These projects protected nearly 10,000 acres of island terrestrial habitat and over 3,000 acres of marine ecosystems, saving endangered animal species from sea turtles to chimpanzees, and endangered flora from mangrove forests to tropical rainforests.

As Seacology Program Manager Karen Peterson highlighted recently, "Seacology's island community partnerships are strengthening the traditional environmental stewardship of island villages, regenerating biodiversity, inspiring other communities to protect their resources, and providing hope for future generations of islanders."

The Seacology UK contributions to this mission over the past two years, which you will read about in these pages, have been made possible by the generosity of its UK supporter base – professionals, students, foundations, corporations, and trustees – working together to help support island communities to protect their environments.

Seacology UK will continue to maintain a virtual office, funded by trustees and staffed by volunteers, so that 100% of monies donated to Seacology UK will go directly to support island community projects.

On behalf of Seacology UK trustees, thank you for supporting our ongoing mission to protect species, habitats, and cultures of islands around the world.

Dr. Lucy Cummings

Chair, Seacology UK

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

The trustees of Seacology UK, present their report and financial statements for the period ended 31 December 2010, which have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" revised in March 2005 and the Charities Act 1993, as amended by the Charities Act 2006, and applicable accounting standards in the United Kingdom.

The Charity details on page 1 form part of this report.

Governing documents

Seacology UK is a registered charity charitable governed by its Trust Deed dated 11 September 2009. It was registered with the Charity Commissioners as a charity on 12 October 2009.

Seacology UK works in solidarity with the global Seacology network to save endangered habitats and cultures of islands throughout the world. To preserve island environments, Seacology provides aid for islanders (often to build schools or critical infrastructure projects) in exchange for their commitment to preserve natural resources. We have projects in 109 islands in 41 countries worldwide.

Seacology, a charity registered in the USA, has two trustees on the Board. Dr Paul Cox and Mr Duane Silverstein are common trustees of both Seacology and Seacology UK.

Objects and strategy

Seacology exists to preserve the environments and cultures of islands worldwide.

Working directly with islanders, Seacology funds humanitarian projects identified by the local community as urgent—such as a school, health clinic, or solar-powered generator. In exchange, the island community agrees to establish and maintain a marine or terrestrial reserve.

Seacology's cost-effective work has led to 200 projects on over 100 islands around the world, and protected close to 2 million acres of coral reef, mangrove, rainforest, and other island ecosystems.

The objects of Seacology UK are such exclusively charitable purposes as the trustees may in their absolute discretion determine.

The trustees must apply the income of the charity in furthering the following objects ("the objects"):

1. To promote the benefit of indigenous people of islands and island nations by;
 - a. The advancement of education and training;
 - b. The relief of poverty sickness and distress;
 - c. The promotion of good health; and
 - d. The provision of recreational facilities in the interests of social welfare with the object of improving their conditions of life;
2. To advance education of the public on all aspects of the history and culture of indigenous people of island or island nations;
3. To promote for the benefit of the public the conservation protections and improvement of the physical and natural environment;
4. To advance the education of the public in the conservation protection and improvement of the physical and natural environment.

Seacology UK has been established as a grant making charity and the trustees intend to make grants primarily to charities that support Education / Training, Overseas aid / Famine relief, Environment / Conservation / Heritage.

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit, as required by Section 4 of the Charities Act 2006, when reviewing the objects and strategy of Seacology UK and in planning future activities. In particular, the trustees consider how planned activities will contribute to the strategy of Seacology UK.

Trustees

Trustees of Seacology UK, who held office during the period, are as follows:

Dr Lucy Cummings (Chair)
Mr Scott Wilson
Mr Duane Silverstein
Dr Paul Alan Cox
Mr Sean O'Sullivan
Ms Jill Warren

Appointment of trustees

The trustees of Seacology UK are also the trustees for the purposes of charity law. As per the Trust Deed the trustees shall be appointed by resolution passed at a special meeting. The number of trustees shall not be less than three but is not subject to any maximum number. A trustee is elected to serve the time that he or she is appointed or in absence of such an appointment until removed or retirement.

Trustee induction and training

New trustees are briefed on their legal obligations under charity law, the content of the Trust Deed, the decision making processes of Seacology UK and Seacology UK's future plans and objectives. The trustees are kept updated on any changes to their obligations and responsibilities.

Organisation

The trustees are responsible for the strategic direction and policy of Seacology UK and make all decisions in relation to Seacology UK. In furtherance of this, the trustees meet quarterly. The trustees may delegate any of their powers or functions to a committee of two or more trustees but the terms of delegation must be agreed in advance.

Advisors

The names and addresses of Seacology UK's advisors are shown on page 1.

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

The history of Seacology

Seacology's origins can be traced to an endangered rainforest near the village of Falealupo, Samoa. In 1988, the Western Samoan government directed this remote village to build a better school or risk losing its teachers. Having no other source of revenue, the villagers sold logging rights to their rainforest to raise the needed funds. When Seacology co-founder and ethnobotanist Paul Cox, who had been working with local healers from this village, learned about this potential destruction, he stepped in. Cox worked with the village chiefs and promised to raise the funds for the school in exchange for a village covenant protecting the 30,000-acre rainforest. The Falealupo Rainforest School was rebuilt and the rainforest was saved from destruction – a "win-win" success that eventually became Seacology's founding project. In recognition of this achievement, in 1997 Cox together with the late High Chief Fuiono Senio won the prestigious Goldman Environmental Prize.

Seacology's low-cost, high-leverage, win-win island projects provide critically needed community benefits, while protecting fragile island habitats. In Falealupo, Seacology has since built an aerial rainforest canopy walkway, which continues to generate ecotourism revenue. This serves as the retirement fund for the elders of Falealupo. In fact, the Falealupo rainforest canopy walkway has now generated more revenue than the village would have received from cutting down their forest, and the forest is protected in perpetuity.

Seacology UK joined the global Seacology network in October 2009. The United Kingdom is an island nation with a rich marine environment of its own. With a long history of charitable giving to environmental and cultural preservation, the UK is uniquely suited to help shape and support Seacology's mission. Seacology UK seeks to provide 'people to people' opportunities for UK residents to support island environmental protection around the world.

Accomplishments

Trustee outreach

After receiving our UK charitable status in October 2009, Seacology UK's inaugural board meeting was held in January 2010. There, we approved a 3-year plan for Seacology UK and inducted two terrific new trustees, Sean O'Sullivan and Jill Warren (you can view both their bios at [http://www.seacology.org.uk/UK-Trustees\(1827995\).htm](http://www.seacology.org.uk/UK-Trustees(1827995).htm)). Sean is a senior executive at HSBC and is working to help us raise funding, especially among London-based corporate actors. Jill is an accountant at PwC, with significant charity sector expertise. She has kindly agreed to act as our treasurer.

Trustees have been working to raise Seacology UK's profile since the launch of the Seacology UK website (<http://www.seacology.org.uk>) in March 2010.

- In April 2010, Lucy presented Seacology's flying-fox project in Madagascar to an audience of UK funders, NGOs and academics at a Zoological Society of London (ZSL) sponsored symposium on biodiversity conservation and poverty reduction. The link to Seacology's poster presentation can be found at: <http://www.zsl.org/zsl-london-zoo/whats-on/symposium-linking-biodiversity-conservation-poverty-reduction,360,EV.html>.
- Scott and Lucy also hosted a "trustee education" dinner in May 2010. Etika Rupeni, Coordinator of IUCN's Pacific Islands Roundtable and Louise Heaps of WWF Fiji, both of whom were familiar with Seacology's work in Fiji and elsewhere, briefed UK trustees on the challenges faced by impoverished Pacific island communities to protect their natural resources.
- Throughout the year, Seacology UK has been active in BOND, a membership body (with over 350 member organizations) for UK-based NGOs working in international development.

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

Island projects

Seacology UK's primary mission is to raise support within the UK to help island communities around the world to protect their ecosystems and cultures. From 2009-2010, Seacology UK has been proud to provide funding to the following 4 island projects:

Palau Island, Philippines (2009): Solar-Powered Multi-Purpose Hall in Support of 5370 acre Watershed Forest

Palau Island is located off the northeastern tip of Luzon. The residents are subsistence farmers and fishers due to limited land available for cultivation. Because of the island's isolation, rich natural resources and the presence of a resource-dependent population, Palau faces both livelihood and resource protection issues. Palau is legally protected under the National Integrated Protected Area System Act, passed by Congress in 1992. However, illegal logging and "slash and burn" farming occasionally occur because of the lack of agricultural land, decreasing productivity of the soil and increasing the need to produce food crops for the local population. A community space was needed so that the people could gather, receive and conduct trainings, and carry out livelihood activities. Such a structure had been constructed by the Department of Environment and Natural Resources (DENR) for the island community in late 1993, but it has not been maintained over the years, and was unusable. In exchange for Seacology funding the renovation of their multi-purpose hall, the Palau Island community pledges to protect their 5,370-acre forests over the next 20 years.



Concrete and exterior wood construction on the community building, Palau Island, Philippines (July 2009)

View of the forest reserve from the sea, Palau Island, Philippines (July 2008).



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Trustees' report for the period ended 31 December 2010 (continued)

Mindinao Island, The Philippines (2009): Micro-Hydro Power Generator and Fruit Tree Nursery in Support of 744 acres of Watershed Forest

Sitio Malumpini of Barangay Old Bulatukan, composed of about 65 Manobo households, is one of the isolated upland communities of Mt. Apo, the tallest mountain in the Philippines at an elevation of over 10,000 feet. The whole of Mt. Apo is already a protected area by virtue of a 1936 edict, but very little enforcement has taken place. The area has some of the highest land-based biological diversity in the Philippines, and is home to many threatened and endangered plant and animal species, including the critically endangered Philippines eagle (monkey-eating eagle). The community relies on kerosene for lighting and fuel wood for cooking. Seacology funded a micro-hydro power and a fruit tree nursery in support of their efforts to protect 744 acres of forest land within their ancestral domain for 30 years. The project will be administered by YAMOG, a partner organization of Green Empowerment. The fruit tree nursery, to grow highly marketable mangosteens and lanzones, will be planted on existing arable land away from the protected area. YAMOG will also provide technical assistance with the planting, growing



Newly constructed micro-hydro power house, Barangay Old Bulatukan, Municipality of Malasila, North Cotabato, Mindanao Island, Philippines (August 2009).

and marketing of the crops.



View of the watershed near Barangay Old Bulatukan, Mindanao Island, Philippines (July 2008).

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Trustees' report for the period ended 31 December 2010 (continued)

Yap Island, Micronesia (2010): Watershed rehabilitation, surveillance equipment and a project operation center in exchange for a 46-acre no-take pristine mangrove sanctuary in perpetuity

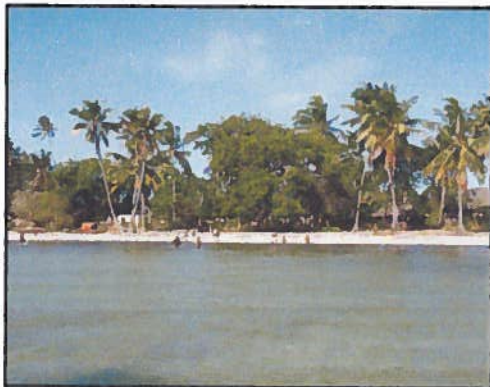
Yap is one of four states that comprise the Federated States of Micronesia. The scenic and culturally pristine villages of Qokaaw and Kadaay are located on the West coast of Yap. These communities have already taken an active interest in conservation with the establishment of the 192-acre Nimpal Channel Marine Conservation Area (MCA). Aware that conserving mangrove areas around the Nimpal Channel MCA is key to reducing run-off and providing habitat for juvenile



fishes, they are proposing to preserve a 46-acre area of pristine mangrove, adjacent to the MCA. This particular forest survived Typhoon Sudal and contains at least four of the main five genera of mangroves in Yap. In exchange for setting aside the Qokaaw and Kadaay Mangrove Reserve in perpetuity, Seacology will fund: rehabilitation of some areas of the watershed that have become choked with fallen logs and branches; improvement of surveillance structures and equipment for the Nimpal Channel and mangrove reserve areas; and construction of a project operation and storage center on the shore adjacent to the two reserves. The villages of Qokaaw and Kadaay are steeped in tradition and this project is seen as having important cultural and social benefits for communities who have taken unilateral steps to protect their natural heritage.

Mangroves on Yap (2008).

Funzi Island, Kenya (2010): Construction of a display facility/office for conservation and ecotourism programs in exchange for sea turtle conservation activities for a minimum duration of 10 years



Given their status as one of the world's most endangered species, sea turtles have been the beneficiary of several Seacology projects, including this one on Funzi. Funzi Island is located off the Kenyan South Coast and has a population of about 1,500 inhabitants. The island plays host to an array of ecosystem types including undisturbed coastal wetlands, mangrove forests, swaying palms, sandy beaches, creeks, estuary and undisturbed lowland coastal mixed forests. Five sea turtle species - Leatherback, Loggerhead, Green, Hawksbill and Olive ridley turtle - are found foraging or nesting on and around the island. Poaching, habitat degradation, soil erosion, destructive fishing practices, incidental capture and development are threats to these sea turtles.

Funzi Island, Kenya (2010)

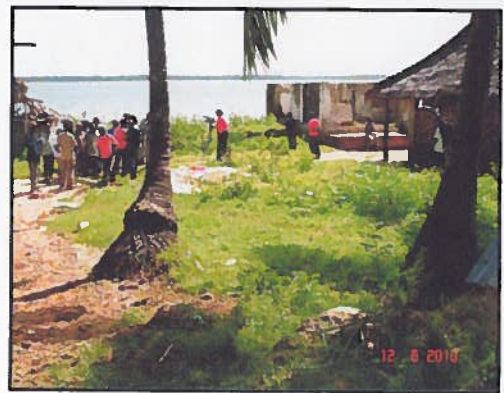
Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)



Men's house in a Yap village (2008)

Working with the Kenya Sea Turtle Conservation Committee (KESCOM), Seacology will fund construction of a display facility which will also serve as an office for the Funzi Turtle Club's activities, as well as support for community based-sea turtle monitoring activities, nest protection and translocation, adoption of tagged nesting turtles and turtle release programs. There will also be eco-tourism activities including developing turtle souvenirs - earrings, doormats and turtle models - from flip flop sandals washed ashore. Conservation activities will take place in a 15,073-acre area including both terrestrial and marine ecosystems, that serve as important feeding and nesting sites of the five locally-found species of turtles.



Land to be purchased for the construction of the display banda, Funzi Island, Kenya (2010)

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

Island education in the UK



In 2010, Seacology UK launched its "Island Activist" award.

Seacology UK's Island Activist award is a globally focused environmental service project where successful candidates design and implement an awareness-raising plan around a current Seacology island environmental project. Seacology UK launched this program to encourage UK senior school students (14-18 years) to join us in helping to protect the threatened biodiversity of global island communities.

Ms. Tamara Berber (pictured here), a senior at Southbank's International School in London, was named as Seacology UK's 2010/11 Island Activist. Over the academic year, Tamara chose to raise awareness among her classmates at Southbank about the environmental and livelihood needs of the isolated community on Guadalupe Island in Mexico. Isla Guadalupe has one of the best preserved marine environments in Mexico. Yet, as one of Mexico's most remote islands, its small community needs help to access adequate fresh water supplies.

Having lived in Israel for several years, Tamara understands the importance of access to drinkable water and was moved by the struggle of Guadalupe islanders. "Being an islander with little fresh water when surrounded by it, sounds awful. Also, unnecessary considering the advanced current technology available." As part of her island awareness outreach, she raised funds for Seacology's purchase of a seawater desalination system on behalf of this community. In exchange for Seacology's help, the Guadalupe community has agreed to protect a 1,235-acre marine reserve for the duration of 10 years.

Since, in her words, "London is a place where water is taken for granted ... both in the households of students, the school facility and in the weather," Tamara felt strongly that her message about Guadalupe Island's fresh water needs would be particularly meaningful to fellow students.

Seacology UK

Trustees' report for the period ended 31 December 2010 (continued)

Review of transactions and financial position

During the period, income was £31,252. The net movement in funds for the period, as shown in the statement of financial activities, amounted to a surplus of £7,642.

The value of Seacology UK's net assets at 31 December 2010 is £7,642.

Investment policy and performance

In accordance with the Trust Deed the trustees have the power to invest in such stocks, shares and investments as they see fit.

Seacology UK held no investments during the period and at 31 December 2010.

Policy statement on reserves

The overall funds available for expenditure amounted to a surplus of £7,642. The funds at 31 December 2010 will be retained to finance Seacology UK's charitable objects, to meet the ongoing expenses of operating Seacology UK and are considered to be appropriate and acceptable by the trustees.

In the short term the trustees will be reviewing the level of reserves whilst setting up their grant making policies. In the medium term the trustees intend to utilise these reserves to fund the making of grants.

Grant making

The trustees review applications and appeals, and then distribute funds in furtherance of Seacology UK's objects.

Plans for future developments

In the coming year, Seacology UK plans to provide charitable support in accordance with its objects and strategy as described on page 2.

Statement of trustees' responsibilities

The trustees 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). The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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Trustees' report for the period ended 31 December 2010 (continued)

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity 128 (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Internal controls and the mitigation of major risks

The trustees have identified and reviewed the major risks of Seacology UK such as foreign exchange movements and Seacology UK's cash flow position, and have established internal controls to mitigate these risks. The trustees confirm that the controls implemented are appropriate to the size of Seacology UK and the nature of its operations.

Independent examiner

The trustees appointed Kevin Lowe as Seacology UK's first independent examiner. A resolution to re-appoint Kevin Lowe as independent examiner to Seacology UK will be proposed at the next trustees meeting.

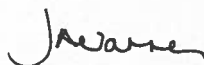
On behalf of the board of trustees



Lucy Cummings

Chair of Trustees

Date: September 2011, 30



Jill Warren

Treasurer

Date: September 2011, 30

Seacology UK

Independent examiner's report to the Trustees' of Seacology UK

I report on the accounts of Seacology UK for the period ended 31 December 2010, which are set out on pages 1 to 20.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 41 of the 1993 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Kevin Lowe

Name: Kevin Lowe

Relevant professional qualification or body: ICAEW
London

Date: September 2011 30th

Seacology UK

Statement of financial activities for the period ended 31 December 2010

	Notes	Period ended 31 December 2010
		Unrestricted Funds GBP £
Incoming resources		
Incoming resources from generated funds:		
Donations	2	31,242
Investment income	3	10
Total incoming resources		31,252
Resources expended		
Costs of generating funds		881
Charitable activities	4	19,891
Governance costs	5	2,838
Total resources expended		23,610
Net incoming resources	6	7,642
Net movement in funds		7,642
Balance at 12 October 2009 (date of registration)		0
Balance at 31 December 2010	7	7,642

All of Seacology UK's activities are derived from continuing operations.

Seacology UK has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

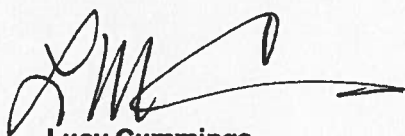
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Registered Charity No: 1132076

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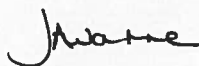
Balance sheet at 31 December 2010

	Notes	2010 GBP £
Current assets		
Debtors		0
Cash at bank and in hand		<u>7,788</u>
		7,788
Creditors: amounts falling due within one year		146
Net current assets		<u>7,642</u>
Net assets		<u><u>7,642</u></u>
Funds		
Unrestricted		
- General	7	0
- Restricted		<u>7,642</u>
		<u><u>7,642</u></u>

The financial statements on pages 11 to 15 were approved by the trustees on 10 August 2011 and were signed on their behalf by:



Lucy Cummings
Chair



Jill Warren
Treasurer

Seacology UK
Registered Charity No: 1132076

Seacology UK

Notes to the financial statements for the period ended 31 December 2010

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice, "Accounting and Reporting by Charities" (revised 2005) ("SORP 2005") and the Charities Act 1993, as amended by the Charities Act 2006, and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently is set out below.

Basis of accounting

The financial statements are prepared on the going concern basis and in accordance with the historical cost convention.

Functional currency

The financial statements are prepared in GBP £, which is the functional currency of Seacology UK, since this is the currency of the primary economic environment in which Seacology UK operates. All donations received during the period have been in GBP £.

Income

Income is credited to the statement of financial activities on a receivable basis and valued on date of pledge / receipt. Investment income is stated inclusive of recoverable taxation.

Donated services and facilities are included in the financial statements in the year in which they are receivable, where they are quantifiable, and where a third party is bearing the cost.

Expenditure

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing Seacology UK to the expenditure.

Grants, both single and multi-year, are recognised in the financial statements as liabilities after they have been approved by the trustees, the recipients have been notified and there are no further terms and conditions to be fulfilled which are within the control of Seacology UK. In these circumstances there is a valid expectation by the recipients that they will receive the grant.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of Seacology UK.

Seacology UK

Notes to the financial statements for the period ended 31 December 2010 (continued)

1 Principal accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are translated into GBP £ at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into GBP £ at the rate of exchange ruling at the balance sheet date. Exchange differences are charged / credited to the statement of financial activities and hence are taken into account in arriving at the net movement in funds.

Fund accounting

The unrestricted fund comprises general funds, which may be used towards meeting the charitable objects of Seacology UK at the discretion of the trustees.

Taxation

Seacology UK is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. VAT is included within expenditure where it is not recoverable.

Cash flow statement

Seacology UK qualifies as a small entity and as a consequence, it is exempt from the requirement to publish a cash flow statement under Financial Reporting Standard 1 (revised) 'Cash flow statement'.

2 Donations

	Period ended 31 December 2010
	Unrestricted Funds GBP £
Monetary donations	29,242
Gift aid recoverable	0
Donations in kind	2,000
	<hr/> 31,242 <hr/>

The donations in kind relate to governance costs paid by Dr Lucy Cummings on behalf of Seacology UK.

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Notes to the financial statements for the period ended 31 December 2010 (continued)

3 Investment income

	Period ended 31 December 2010 GBP £
Bank interest receivable	10
	<u>10</u>

4 Costs of Generating Funds

	Period ended 31 December 2010 GBP £
Just giving charges	194
Support costs	687
	<u>881</u>

5 Charitable Activities

	Period ended 31 December 2010 GBP £
Seacology US grants	19,057
Philippines project	6,240
Funzi island project 13,600	8,717
Yap project	4,100
Support costs	833
	<u>19,891</u>

6 Governance costs

	Period ended 31 December 2010 GBP £
Independent examination fees (Donation in Kind)	2,000
Bond membership	85
Bank charges	66
Support costs	687
	<u>2,838</u>

The value of facilities provided to Seacology UK free of charge, that would otherwise have had to be purchased, such as the use of office equipment and office space have not been recognised in the statement of financial activities because the benefit is not easily quantifiable. Supports costs are cost of stationary and the development and maintenance of the website which are allocated equally across the three expenditure headings.

Seacology UK

Notes to the financial statements for the period ended 31 December 2010 (continued)

7 Net incoming resources

Net incoming resources for the year are stated after charging:

	Year ended 31 December 2010 GBP £
Independent examination	2,000

8 Staff costs and trustees' remuneration

No staff were employed by Seacology UK during the year.

The trustees received no remuneration in respect of their services to Seacology UK during the year. No trustee received any reimbursement of expenses during the year.

9 Creditors: amounts falling due within one year

	2010 GBP £
Accruals	0

10 Unrestricted funds

	12 October 2009 £	Incoming resources £	Resources expended £	31 December 2010 £
General funds	-	31,252	(23,464)	7,788

Seacology UK

Notes to the financial statements for the period ended 31 December 2010 (continued)

11 Analysis of net assets between funds

	2010
	Unrestricted Funds GBP £
Fund balances at 31 December 2010 are represented by:	
Debtors	0
Cash at bank and in hand	7,788
Creditors: amounts falling due within one year	0
	<u>7,788</u>

12 Reconciliation of movements in funds

	2010
	GBP £
Net movements in funds	7,788
Net addition to funds	<u>7,788</u>
Opening funds	0
Closing funds	<u>7,788</u>