

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

**10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Mr A Fawmy Mr J Smith Mr R Rohan
Charity number	1186488
Principal address	Audley House 12 Margaret Street London W1W 8RH
Independent examiner	Shaw Gibbs Limited 264 Banbury Road Oxford Oxfordshire OX2 7DY

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10% FOR THE OCEAN (FORMERLY KNOWN AS ARKSEN FOUNDATION) TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are as follows, and there has been no change in these during the year.

- To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment including but not limited to the marine and freshwater environment.
- To promote sustainable development for the benefit of the public by the preservation, conservation and the protection of the environment and the prudent use of resources.
- To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote, study and research in such subjects provided that the useful results of such study are disseminated to the public at large.
- To advance the education of the public in the conservation, protection and improvement of the physical and natural environment. Where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake. A record of this has been made available to the trustees through the 10% For The Ocean data room, which is located in the charity's cloud storage.

Achievements and performance

The charity's main achievements in the period to 31 December 2020 are:

1. Establishment of the administrative apparatus to operate a fundraising platform.
2. Recruiting further staff to achieve the charitable objects.
3. Creating and delivering presentations to potential donors, beneficiaries and suppliers.
4. Development of marketing and fundraising materials for 10% For The Ocean.
5. Developing strategic partnerships with supporting organisations such as the United Nations and convention on biodiversity.
6. Securing a match funding advertising partnership with JC Decaux.
7. Bringing on board the first 4 pioneer beneficiaries and trialling the due diligence process with them.
8. Getting underway the program to on board 100 beneficiaries with support of £1,000 each.
9. Appointment of a fourth trustee to the charity Mike Penrose, formerly CEO of UNICEF.
10. The development of an advisory board to the charity, and the appointment of its first 4.

**10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to one month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a charitable incorporated organisation (CIO), with a Constitution as a governing document.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr A Fawmy

Mr J Smith

Mr R Rohan

Apart from the charity's initial three trustees, every new trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

None of the trustees has any beneficial interest in the charity.

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The trustees' report was approved by the Board of Trustees.

...*Asher Fawmy*...

Mr A Fawmy

Trustee

Dated: 03 Aug 2023

...*Jasper Smith*...

Mr J Smith

Trustee

Dated: 03 Aug 2023

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Trustees' 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 and 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 operation.

The trustees are responsible for keeping sufficient 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 2011, the Charity (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.

**10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF 10% FOR THE OCEAN**

I report to the trustees on my examination of the financial statements of 10% For The Ocean (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Samantha Daniels

Samantha Daniels FCA
for and on behalf of
Shaw Gibbs Limited
264 Banbury Road
Oxford
Oxfordshire
OX2 7DY

Dated: 08 Aug 2023
.....

**10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	361,694	187,178
<u>Expenditure on:</u>			
Raising funds	4	42,213	55,716
Charitable activities	5	368,904	116,567
Total expenditure		411,117	172,283
Net (expenditure)/income for the year/ Net movement in funds		(49,423)	14,895
Fund balances at 1 January 2021		14,895	-
Fund balances at 31 December 2021		(34,528)	14,895

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
BALANCE SHEET**

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		17,588		-
Current assets					
Debtors	10	136,000		-	
Cash at bank and in hand		21,590		43,495	
		<u>157,590</u>		<u>43,495</u>	
Creditors: amounts falling due within one year	12	<u>(190,369)</u>		<u>(5,875)</u>	
Net current (liabilities)/assets			(32,779)		37,620
Total assets less current liabilities			(15,191)		37,620
Creditors: amounts falling due after more than one year	13		(19,337)		(22,725)
Net (liabilities)/assets			<u>(34,528)</u>		<u>14,895</u>
Income funds					
Unrestricted funds			(34,528)		14,895
			<u>(34,528)</u>		<u>14,895</u>

03 Aug 2023

The financial statements were approved by the Trustees on

Asker Fawmy
.....
Mr A Fawmy
Trustee

Jasper Smith
.....
Mr J Smith
Trustee

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

10% For The Ocean is a registered charity and a global initiative to shift ocean charitable funding from 0.5% to 10% by 2030. Its aim is to motivate individuals and organisations to direct 10% of their philanthropy to creating an ocean superfund that will diversify donations and grants across projects worldwide that align with 1 or more of the 10 targets of the UN's Sustainable Development Goal 14 Life Below Water.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

The sector has been impacted by the ongoing Covid-19 crisis, particularly due to the restrictions that were put in place. However, the trustees have taken all appropriate measures to mitigate the impact of the pandemic and enable the charity to continue operating with minimal impact on donations being received.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is included in the Statements of Financial Activities on an accrual basis and recognised when there is a legal or constructive obligation to pay for expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% reducing balance
Computers	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	361,694	187,178

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Advertising	20,266	9,193
Staff costs	21,947	46,523
Fundraising and publicity	42,213	55,716
	42,213	55,716

5 Charitable activities

	Education	Research	Total	Education	Research	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Staff costs	21,946	-	21,946	46,524	-	46,524
Donations	-	87,019	87,019	-	5,200	5,200
Consultancy	-	143,649	143,649	-	-	-
	21,946	230,668	252,614	46,524	5,200	51,724
Share of support costs (see note 6)	46,111	-	46,111	46,520	-	46,520
Share of governance costs (see note 6)	70,179	-	70,179	18,323	-	18,323
	138,236	230,668	368,904	111,367	5,200	116,567

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Depreciation	1,007	-	1,007	-	-	-
Rent	-	-	-	567	-	567
IT software and consumables	26,355	-	26,355	8	-	8
Motor vehicle expenses	-	-	-	77	-	77
Travel	1,043	-	1,043	75	-	75
Subscriptions	530	-	530	329	-	329
Telephone and internet	212	-	212	664	-	664
Consultancy	-	-	-	28,430	-	28,430
Design costs	946	-	946	225	-	225
Bank fees	813	-	813	55	-	55
Advertising and marketing	10,292	-	10,292	16,090	-	16,090
General expenses	4,366	-	4,366	-	-	-
Repairs and maintenance	547	-	547	-	-	-
Accountancy	-	5,958	5,958	-	3,600	3,600
Legal and professional	-	64,221	64,221	-	10,626	10,626
Foundation establishment costs	-	-	-	-	4,097	4,097
	<u>46,111</u>	<u>70,179</u>	<u>116,290</u>	<u>46,520</u>	<u>18,323</u>	<u>64,843</u>
Analysed between Charitable activities	<u>46,111</u>	<u>70,179</u>	<u>116,290</u>	<u>46,520</u>	<u>18,323</u>	<u>64,843</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>1</u>	<u>1</u>

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Employees (Continued)

Employment costs	2021	2020
	£	£
Wages and salaries	38,971	80,000
Social security costs	4,562	9,380
Other pension costs	360	3,667
	<u>43,893</u>	<u>93,047</u>

There were no employees whose annual remuneration was more than £60,000.

9 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
Additions	16,147	2,448	18,595
At 31 December 2021	<u>16,147</u>	<u>2,448</u>	<u>18,595</u>
Depreciation and impairment			
Depreciation charged in the year	956	51	1,007
At 31 December 2021	<u>956</u>	<u>51</u>	<u>1,007</u>
Carrying amount			
At 31 December 2021	<u>15,191</u>	<u>2,397</u>	<u>17,588</u>

10 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Other debtors	95,200	-
Prepayments and accrued income	40,800	-
	<u>136,000</u>	<u>-</u>

10% FOR THE OCEAN
(FORMERLY KNOWN AS ARKSEN FOUNDATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 Loans and overdrafts

	2021	2020
	£	£
Bank loans	24,113	25,000
	<u> </u>	<u> </u>
Payable within one year	4,776	2,275
Payable after one year	19,337	22,725
	<u> </u>	<u> </u>

The loan is unsecured and interest free in the first year, after which the rate will be 2.5% per annum.

12 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	11	4,776	2,275
Other taxation and social security		15,515	-
Trade creditors		29,191	-
Other creditors		136,000	-
Accruals and deferred income		4,887	3,600
		<u> </u>	<u> </u>
		190,369	5,875
		<u> </u>	<u> </u>

13 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	11	19,337	22,725
		<u> </u>	<u> </u>

**10% FOR THE OCEAN
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

14 Related party transactions

During the year, the charity purchased services totaling £45,635 (2020: £10,176) from Rohan Solicitors LLP with whom one of the trustee, R Rohan, is a designated member.

During the year, the charity received donations from Ocean Ten Media Limited of which trustee J Smith is a director, totaling £343,000 (2020: NIL) .

During the year, the charity received donations from Arksen Limited of which trustees J Smith, R Rohan and A Fawmy are directors, totaling £18,618 (2020: £162,078).

During the year, the charity purchased services from Arksen Limited of which trustees J Smith, R Rohan and A Fawmy are directors, totaling £13,015 (2020: £NIL).

At the year end, the charity owed £34,000 (2020: NIL) to The Fashion Incubator Limited of which trustees R Rohan and J Smith are directors.

At the year end, the charity owed £34,000 (2020: NIL) to Hydda Limited of which trustees R Rohan and A Fawmy are directors.

At the year end, the charity owed £34,000 (2020: NIL) to Ocean Ten Media Limited of which trustee J Smith is a director.

At the year end, the charity owed £34,000 (2020: NIL) to Moda Industries Limited of which trustee R Rohan is a director.