



marinecultures.org

Annual Report 2015 -21.6.16



Content

Report of the President 2

Summary of the Managing Board 3

Aquaculture Projects 5

 Sponge Farming 5

 Coral Farming 7

Marine Protection Projects 10

 No Take Zones 11

 Octopus Management 12

 Raising Awareness with Reef Balls 14

 Mooring Buoys to Prevent Anchor Damages on Corals 15

Organization 16

 New Board of Directors 16

 Revised Constitution 17

 Public Relations 17

 Human Resources 19

 Partnerships / Memberships 20

 Fundraising 22

Finances 2015 23

 Financial Review 24

 Independent Auditor’s Report, Financial Statement 25

Report of the President

A small NGO, founded by family and friends, manages to develop and successfully operate highly regarded and successful aquaculture projects on an island known as a vacation paradise in East Africa. With marinecultures.org we successfully apply a different, sustainable development approach in a world region often depicted in a negative mode.

During my stay from December 2015 to June 2016, I was able to see the work of marinecultures.org on the ground and was impressed by what has been achieved in sponge farming in the past years. The endurance of our project director has really paid off.

Yet it was also shocking to witness El Niño's negative impact on the coral farm as almost all coral reefs around Zanzibar were severely damaged – which has gone largely unreported in the European press.

The consequences for the local population are disastrous. The already diminishing revenue from fishing will further decline and thus increase the pressure on fish stocks. Since the long-term climate forecasts predict El Niño's at ever shorter intervals, the reefs are no longer able to fully regenerate. For these reasons alternative livelihoods are gaining in importance – and marinecultures.org certainly has something to offer in this field.

I would like to thank all members, donors, partners, and in particular the local people who work on our projects and help them become reality.

Thomas Sacchi, President



Seaweed cultivation in the lagoon of Jambiani

Executive summary – A remarkable growth of our activities!

We have not only managed to succeed with the sponge farming, we were also able to strengthen our international perception and public relations in the past year. This became possible thanks to new partnerships with the Mwambao Community Network (Reef Balls), coralreefcare (marine protection) and the Basel Zoological Park (aquaculture development & marine protection).

Thanks to our participation in the international Blue Solutions Forum for Africa, we are currently evaluating a possible partnership with blueventures.org in Madagascar. Blue Ventures would like to grow by cooperating with like-minded local partners. This collaboration is of interest to us because of their experience in sustainable Octopus management, and also for the no-take zones and fisheries management. Blue Ventures in turn is interested in our aquaculture techniques.

A great step forward was the fantastic promotion we achieved with the various television programs worldwide. Since October 2015, the Deutsche Welle reported worldwide, in June 2016 'Reporter' was launched on Swiss television. Finally, on July 2016, we were featured in 'Galileo Big Pictures' on Pro7 and recently we received inquiries from Canal+ and ARD (German TV) magazine 'W – wie Wissen'. The increased international attention we have attained in 2015/2016 confirms that we are on the right track.

Yet, we also must announce a major setback. The massive damages to the coral reefs of the East African coast by the excessive water temperatures caused by El Nino are a disaster. Not only for us, as we have lost 95% of our cultured corals and the entire breeding stock, but also for the whole region. Almost all corals in the lagoons are bleached and many have already died, also resulting in fewer fish. The regeneration of the coral stocks will take years.



A Reef Ball on the way to the sea (Photo: Manuel Bauer)

Nevertheless, we were able to successfully build the infrastructure and the necessary know-how in the past year and will start with the reforestation of our cultures not from scratch. Yet, we had to learn painfully how vulnerable our aquacultures can be.



Bleached corals

In the past year we have achieved a lot and continue to grow. And the future looks exciting. Thanks to the partnership with coralreefcare.com we will, for the first time, expand our activities beyond the island of Unguja. In order to reduce anchor damages to coral populations in the region and to better highlight existing marine protected areas, we will place a total of 40 mooring buoys in Zanzibar and in the neighboring islands of Pemba and Mafia. We also want to launch new marine protection initiatives in the fields of coral protection, reef and fisheries management and with an accompanying awareness campaign for the coastal areas of Zanzibar. In four new projects, we will share costs with coralreefcare.com on a fifty-fifty basis.

These inspiring achievements have only been possible thanks to the support and commitment of the many individuals who share our vision. There are many people in Africa, in Europe and beyond who help us - friends, members, partner organizations, institutions, translators and programmers. To all of them, a well-deserved 'thank you!'. They are the ones who make the remarkable achievements of our small NGO possible.

A handwritten signature in black ink, appearing to read 'Christian Vaterlaus'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Christian Vaterlaus, CEO

Aquaculture Projects

We use aquaculture development projects to support and foster know-how for the establishment and expansion of environmentally sound, sustainable harvesting of sea resources in coastal communities, which are highly dependent on fishing. Besides, the approach of ecological aqua farming promotes healthy economic growth, reduces environmental pressures and threats to marine life, and furthers natural wildlife, public health and the advancement of women.

Sponge Farming

In spite of a challenging rainy season, production and sales of Key's and Nasir's sponge farm in 2015 were significantly higher than the cost of salaries and materials. The two farmers even raked in an incentive bonus. Our business model is working.

In light of their achievement, the two single mothers are now being transitioned to self-employment. They own their own farm now with 3,000 sponges and have the necessary know-how to operate it. The local sales channels are in place and enough seedlings can be drawn from the existing sponge stock to make the farm truly sustainable. Our sponge farming business model is likely the first in the world. This is a big success for us. We now have proof that our efforts and investments of the last few years are paying off.



Nasir und Key – the first certified sponge farmers

The demand for our sponges is very high in Europe and Overseas and we are working to scale up the production and create more jobs. Muzne, a 19-year-old single mother of a one-year old child, already has a new farm; and in April 2016 we will hire and train an additional farmer. The goal: self-employment by the end of the year. In autumn 2016 we are planning to launch

a third production farm. The more farms we launch, the more members of the local population will benefit from this new, sustainable source of income.

During Key and Nasir's transition to self-employment, we will continue to guide them closely and to provide the necessary quality control so that they can further grow their production. Each of the two farmers needs a monthly income of around \$200 to be able to live a decent life. Unlike the seaweed farmers, whose income is stagnating around \$20-\$30 a month because of low global market prices for seaweed, our two farmers have a bright future ahead.



Muzne

Not all plans of the Board of Directors have been successfully concluded. The sponge farm in Mended on the South coast of Zanzibar has mysteriously failed to thrive. While our sponge species does generally well around Zanzibar, in this case it has not generated good harvests. Reluctantly we had to dismiss Suleiman and to liquidate his farm.

Setbacks are part of such projects. We are therefore all the happier that our work with the Jambiani women has successfully resulted in the development of a new form of aquaculture and in a sponge species that isn't cultivated anywhere else in the world.

Coral Farming

Until 16 March 2016 our efforts were very successful. The corals we had 'planted' showed good growth. 2015 we were adapting the cultivation methods for each species to the local conditions in order to optimize them.



Our pride – before El Niño 2016

Wherever the methods had been successful we filled a whole coral table with fragments of the specie to cultivate a good brood stock. The goal was to start the production of corals out of this brood stock if test sales of our products were showing great promise. In March 2016 we had more than 3500 cultivated corals. Then everything changed.

In 2015, the tropical Pacific was seeing the strongest occurrence of El Niño in 65 years. In February and March 2016, the coast of East Africa, the Seychelles, the Comoros and Madagascar in the Indian Ocean have also seen dangerously high temperatures. First signs of much feared coral bleaching had been reported.

The warnings from NOAA Coral Reef Watch about a strong El Niño with high water temperatures in the Western Indian Ocean became sadly true for Zanzibar. In the lagoon of Jambiani with its very shallow water during ebb tide, most of the corals bleached within one week only. In our coral farm, about 90% of the cultivated corals died.



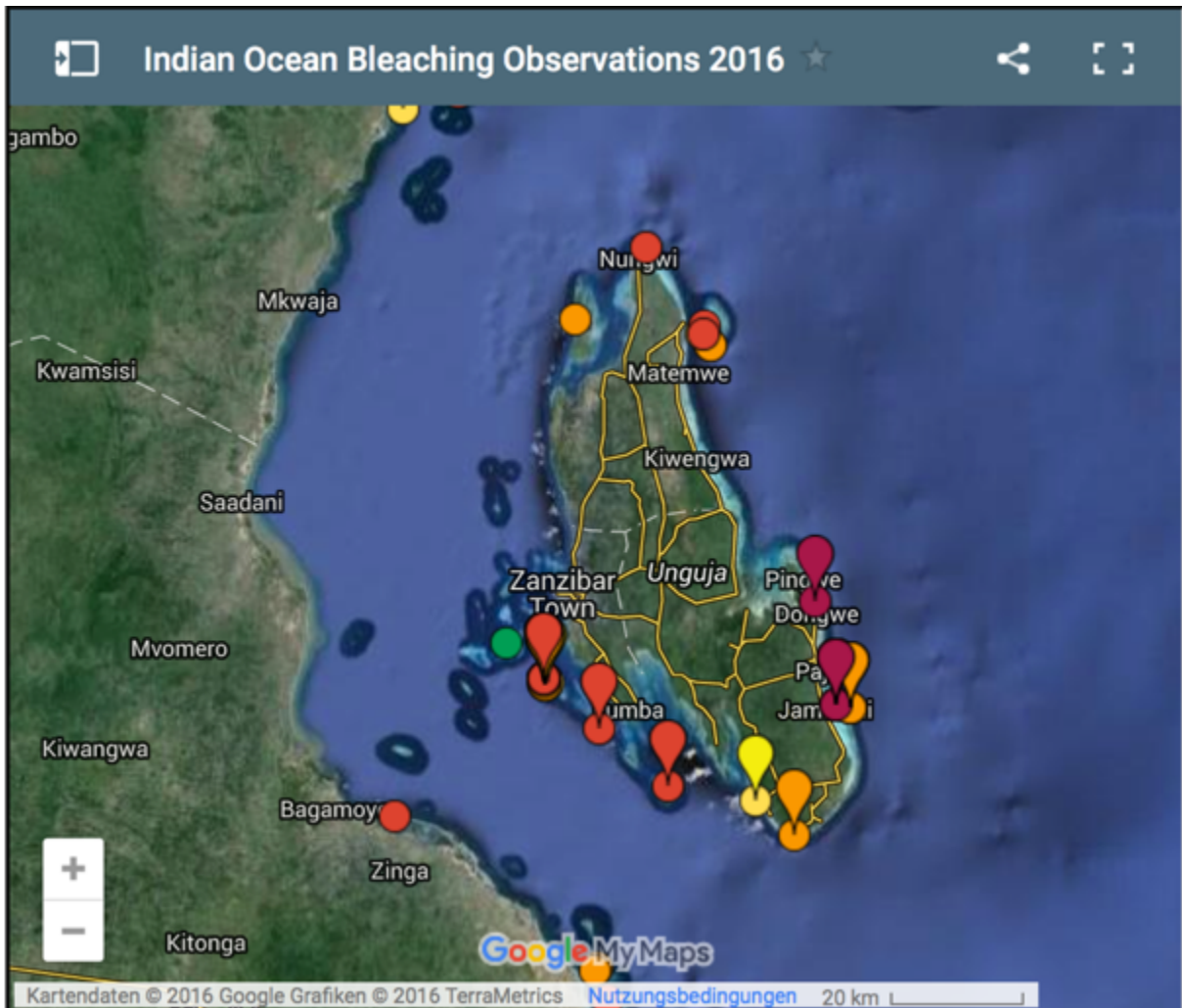
After the first week with high temperatures

Nothing could be done to protect the corals. Our boat is too small to move the coral tables to the deeper waters of the outer reef. We urgently need a bigger one, also with the view to expanding our coral farming efforts.

However, we could not sit by idly as this disaster unfolded. We signed on with the Indian Ocean Commission's multinational Coral Bleaching Monitoring project in order to document coral bleaching in Zanzibar. In a first phase we identified spots with good corals (in the Jambiani lagoon and the outer reef, in Mtende on the South Coast, and in Michamwi on the East Coast) and monitored the bleaching process. The monitoring could not save our corals this year but we hope this helps to a better understand of the causes and effects of the El Niño phenomenon.

All results of the monitoring are online:

http://cordioea.net/bleaching_resilience/io-coral-bleaching-alert/



Observations of the coral bleaching around Zanzibar 2015 (in red the biggest damages)

With the rainy season the water temperatures finally dropped and the situation stabilized. On the outside reefs the damages were not as severe as inside the lagoon and we could restart with the forestation of the cultivations.

The backlash for the coral farming project was massive. Yet, the good growth in our farms and the beautiful products we can cultivate give us confidence to continue.



Some beautiful corals from our cultivation

Marine Protection Projects

Over 65 % of reefs in the Indian Ocean are at risk from local threats, with one-third rated at high or very high risk. By 2030, projections suggest that climate-related threats will increase overall threat levels beyond 80%. By 2050 all areas will be considered threatened from the combination of local and climate-related threats, and most will fall under high risk from thermal stress and moderate risk from acidification. (Source: REEFS AT RISK REVISITED, 2011, p 51-53)

In addition, there are big threats caused by El Niño. Of course, as a small NGO we cannot confront such global phenomena. But we can do a lot on local level in the area of reef resilience. Coral reef resilience refers to building resistance and recovery potential into reef ecosystems by reducing or eliminating stressors (e.g. overfishing, overharvesting, pollution, destructive fishing methods).



Catalyze together marine protection

We are convinced that the rethinking of the oceans concerned at the grass root level provides the best chances for lasting changes. By listening to the aggrieved parties and by catering for the needs of coastal communities, we contribute to the dynamic global movement for marine protection.

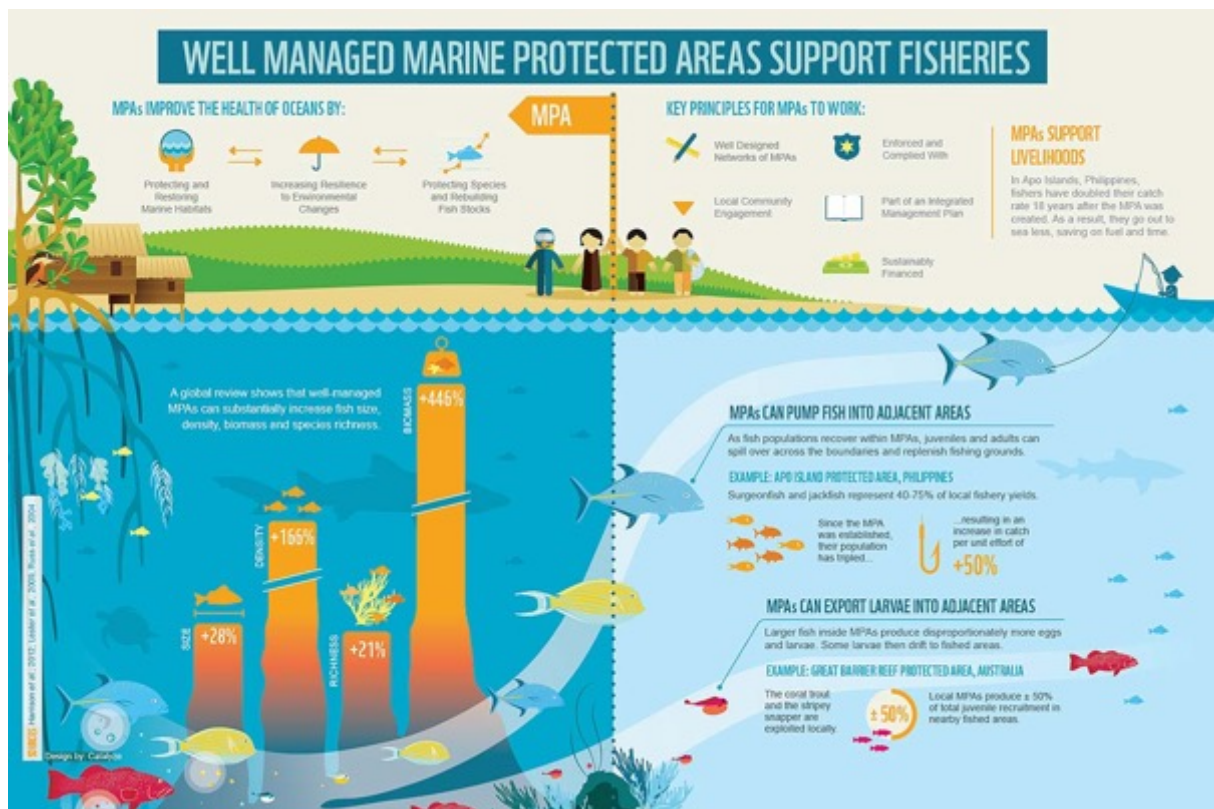
With four projects and additional educational programs we aim to empower the local communities on the East Coast of Zanzibar for a responsible handling of their natural resources in the near future. Our marine protection projects are:

- Awareness Rising
- Octopus Management
- No Take Zones (Protected areas)
- Mooring & Buoys (Preventing anchor damages)

No Take Zones

In order to reach our objectives, it is important to demonstrate to the coastal communities the benefit of a responsible management of their resources. No Take Zones and Octopus Management have both the potential to provide a fast economic benefit. Already after 1-5 years catch and harvest rates normally increase significantly.

The coastal communities of Zanzibar and the local subsistence economy are confronted with rapidly declining fish yields. Some fishermen woke up and are more accessible for new ideas. The willingness to change something is raising. We want to use this opportunity and promote local driven marine protection.



Raising awareness for marine protection

In 2013, our efforts came to fruition when the fishermen asked us to help them to establish of a no-take zone. We were delighted to support the fishermen's initiative and provided advice, technical assistance, and funding. The zone is small and will likely need to be enlarged to be effective. However, it is a step in the right direction. Already after some weeks the fishermen reported more fish in the protected area.

By mischance, after an about one year, all our marker buoys have disappeared. In addition, the fishermen had difficulties to enforce the protection area with their colleagues. They spotted the problems and want to make it better. As a consequence, we established together with the fishermen committee of Kibigija and the local NGO Mwambao a second small No Take Zone in the north of Jambiani.

Objectives:

- 3 respected No Take Zones in the lagoon of Jambiani
- Establishment of an efficient local organizing committee
- Awareness rising regarding the correlations in the oceans

Octopus-Management

Scientists of Blue Ventures studied the impacts of Octopus closures in Madagascar over eight years. Two different temporary closed seasons were mainly applied. With the one during the breeding seasons more Octopus babies have a chance to survive. The second is in the period when the young animals increase their weight exponentially.

> <https://blueventures.org/marine-management-pays/>



The exponential growth of Octopus (Chart: Mwambao Network /Miezi = Month)

The study quantified the impacts of short time closures in 36 different communities in comparison with regions where no closures took place. Conclusion: A successful management offers coastal communities a considerable surplus. Over a year nearly 90% more Octopus have been captured in Madagascar and the income in the month after the shutoff doubled.



Thanks to temporary closures the catch rate nearly doubled (Chart: Blue Ventures)

There are outstanding manuals for the start of an efficient Octopus Management system and No Take Zones. Our partner Mwambao has as well made positive experiences with a closure in Pemba (Zanzibar's neighbor island).

The biggest challenge: Jambiani is a large and very heterogeneous community. So it is not easy to establish the important consensus and unity for our projects.

Local rules and by-laws have to be developed and need to be respected and enforced by the community itself. The fishermen committee of Jambiani, some elders and betters, the board of marinecultures and the appropriate authorities gave green light to our plan.

At the time being the local fishermen committees face problems to elect a common, widely accepted organization committee. We will support them with small awareness events on the following topics: correlations in the sea, coral reefs, sea grass beds, mangroves, biodiversity, pollution, sustainable resource management.



Awareness event in Mtende on sustainable aquaculture

Raising Awareness with Reef Balls

Through our Reef Ball project, Jambiani's population learns more about the important function of the reefs in the ocean and its food chains. They also learn how to put in place and cultivate artificial reefs. Our plan is that, at some point in the future, students and tourists may visit the artificial reefs for educational purposes.



The fishermen from Kibigija produced 90 Reef Balls

Together with the local NGO Mwambao we aim to sensitize fishermen and the local communities on the problems of damaged reefs and disappearing corals and fish stock. Furthermore, we plan to pilot techniques used elsewhere in the world to restore damaged reefs in Tanzania. In mainland Tanzania, dynamite fishing is still common, with deleterious consequences for the reefs, biodiversity and fish stock. Artificially created reefs will never replace destroyed reefs, which had developed over hundreds of years. However, in some situations it may be necessary to create new areas of reef both for biodiversity purposes and for coastal protection. Together with partners, we would like to be able to provide the needed technology and local know-how. Therefore, the Jambiani reef ball reef is also becoming a research site for us. Our coral farms may be able to deliver sustainably propagated coral to other sites.

On a part of the total 90 Reef Balls we disposed together with Mwambao we already planted our cultivated corals. But El Niño undid all. There is much work ahead of us for the reforestation.

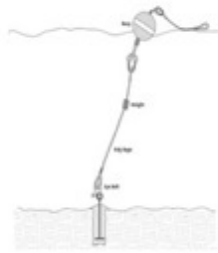
For the planting of the corals on the Reef Balls we got a separate contribution from our partner coralreefcare.com.

Anchor buoys to prevent anchor damages at the corals

Due to the positive experience of our pilot project 2013 in Jambiani / Paje, we would like to place further 40 anchor buoys – together with our Dutch partner coralreefcare.com – in all critical dive and snorkel spots in the islands of Unguja, Pemba, Mnemba, Kwale (all Zanzibar) as well as in Mafia (Tanzania). Included will be indication buoys for the existing sea protection areas of Misali (Pemba island), Chole Bay and Tutia Reef (Mafia island), which aren't marked yet. In addition to the direct benefit of the buoys, this will help to create a better awareness for the coral reefs.



Anchor damage



Mooring technique



Diving boat attached on buoy

All stakeholders – government institutions, diving schools, and fishing committees – have assured their support. It was planned to place the buoys in the first quarter of 2016. Yet, the material arrived late and at the wrong place (Tanzania instead of Zanzibar). We are now awaiting the tax exemption for the import of the material, possibly delayed due to the election period and the changes in the ministries in Zanzibar.

The expenses for the project will mainly be covered by coralreefcare.com.



Okala and Chrigel prepare a stable mooring with an underwater hydraulic drill

Organization

marinecultures.org is a Swiss non-profit organization. Since 2008 it is registered as an association based in Zurich in the trade register office of the Kanton Zurich (No. CH-020.6.001.246-3 und UID CHE-114.582.081). The official business location is at the Kalbreitestasse 6, 8003 Zurich.

The organization is funded by the contributions of its members, by donations and project contributions. Donations for the association can be deducted from taxes in Switzerland (provision 09/10 311 by the tax office of the Kanton Zurich).

Revision of the association: ARGO Revisionen GmbH, Ottikerstrasse 27, CH-8006 Zürich, Switzerland, +41 44 362 5220, aufdermauer@argo.ch

Banc of the association: PostFinance AG, Mingerstrasse 20, 3030, Bern, Switzerland, Account No: PC: 85-51774-9 IBAN: CH77 0900 0000 8505 1774 9, BIC / SWIFT: POFICHBEXXX

The organization is currently concluding a Memorandum of Understanding (MoU) with the Ministry of Agriculture, Natural Resources, Livestock and Fisheries of Zanzibar.

New Board

In order to improve the governance of the association, we elected a new board, renewed our statutes and established new regulations for the management.

We could win two new members for our board:



Andrea Kleinert



Patrick Walder

Andrea Kleinert, from Winterthur, is working as secretary general in the department of applied linguistics of the ZHAW. She has experiences as a board member (www.childsdream.org), is familiar with the activities of small NGOs (North Thailand) and is interested in the question how education can contribute to poverty reduction. This and her wish to advocate for a responsible handling of natural resources are ideal prerequisites for her support to our organization.

Patrick Walder, from Zurich, is campaign coordinator with Amnesty International in Bern. From 2001 to 2009 he was working as ICRC delegate in conflict affected countries in Africa and Asia. Earlier he was a journalist in Zurich and Berlin. Since his return to Switzerland he is also

interested in peace building, development cooperation and is glad to support our projects in Zanzibar.

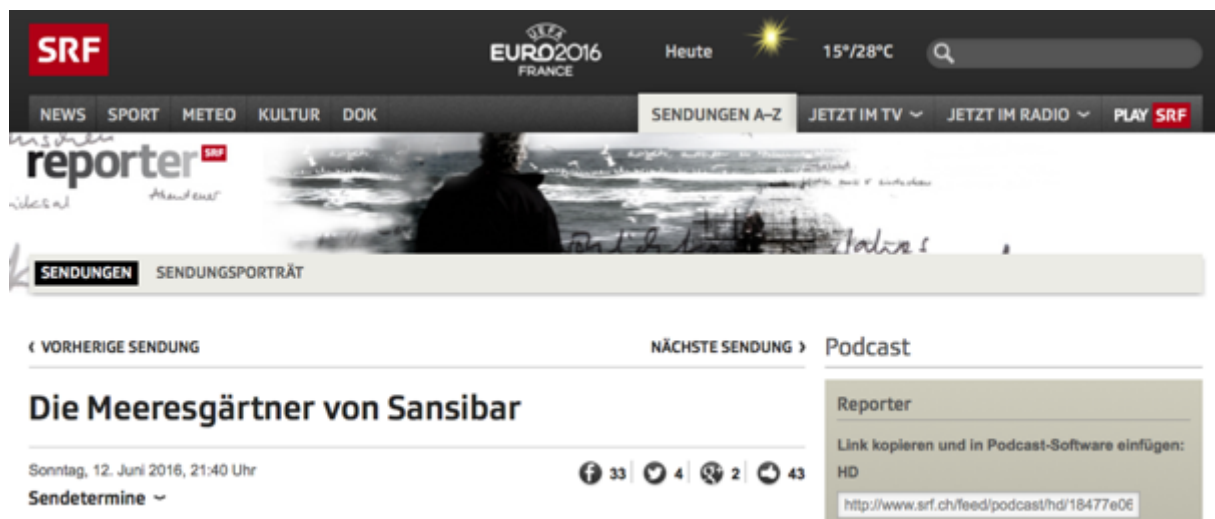
Together with the two former board members Thomas Sacchi (president) and Fabian Bumbak (scientific advisor) Andrea and Patrick form the new managing board. Connie Sacchi, Doro Sacchi and Christian Vaterlaus resigned from the managing board but remain active members of the association; Christian remains managing director.

Revised Statutes

The main intention of the statutes of the association remains unchanged. Most changes were done in the chapter membership. In the sections 'managing board' and 'company management' the duties and responsibilities are now defined in more detail. In the chapter 'liability to contribution' the refunding is regulated more clearly. Both, the old and the new statutes are published on our website.

Public Relations

This year we have received extraordinary media attention and publicity. Besides a portrait of Christian Vaterlaus in the Tages-Anzeiger magazine, there were features in several TV channels.



The screenshot shows the SRF website interface. At the top, there is a navigation bar with 'SRF' logo, 'EURO2016 FRANCE', 'Heute', '15°/28°C', and a search bar. Below this is a menu with 'NEWS', 'SPORT', 'METEO', 'KULTUR', 'DOK', 'SENDUNGEN A-Z', 'JETZT IM TV', 'JETZT IM RADIO', and 'PLAY SRF'. The main content area features a large image of a person in a boat on the water, with the text 'reporter SRF' overlaid. Below the image, there are tabs for 'SENDUNGEN' and 'SENDUNGSPORTRÄT'. The article title 'Die Meerestgärtner von Sansibar' is prominently displayed, along with the date 'Sonntag, 12. Juni 2016, 21:40 Uhr' and 'Sendetermine'. Social media sharing icons for Facebook (33), Twitter (4), and YouTube (2) are visible, along with a share icon (43). A 'Podcast' section on the right provides a link to copy and paste into podcast software: 'http://www.srf.ch/feed/podcast/hd/18477e06'.

Artikel zum Thema



Abenteurer und Macher – damit die Welt eine bessere wird

Anna Gossenreiter über Connie Sacchi und Christian Vaterlaus, die auf Sansibar mit Einheimischen Schwämme züchten.

9.6.2016

We seized this opportunity: With news on our website and our newsletter to our more than 1500 supporters, we used the positive media publicity to further promote our project and our mission. This publicity brought us new members and new sponsors, it also helped to raise awareness for the global challenges, to which our projects want to make a small contribution.

Facts and Figures (21 June 2016)

Members: Total 99 (93 German speaking, 6 English speaking)

Newsletter subscriptions: 226 German, 271 English speaking

Additional newsletter subscriptions: Blue Solution: 96, CBA: 35, Jambiani & region: 74

Total newsletter: 841

Website access 21 June 2015 – 20 June 2016:

- 6'409 sessions by 4'738 user
- 19'863 page visits; 3,1 pages/session in average
- 27% of visits are from recurrent users



Key on the international TV station Deutsche Welle

We also notice great interest for marinecultures.org with the growing number of visitors to our projects. People from all-over the world are getting in contact with us, and we receive interested visitors on a regular basis. Okala takes care of most visitors and provides them with a professional aquaculture tour. Visits of larger groups, scientists and students of international universities or government representatives take more and more of our time and our resources – which also pays off: Especially the visit of the Blue Solution conference participants demonstrated how useful and important networking in the region and on international level is. Such visits help us to establish new partnerships and to discover new opportunities, including for fundraising.

Human Resources

We currently have 7 employees: 1 manager, 1 local project manager, 2 coral farmers, 2 sponge farmers, 1 care keeper / guard (as of 1 July 2016).

Changes 2016/2017

- After completing their training, the two sponge farmers Nasir and Key became independent on 1 May 2016 and are therefore not employed by marinecultures.org anymore.
- Suleiman had to be dismissed due to the closure of the unproductive sponge farm in Mtende.
- Since April 2016, Moussa, the first male sponge farmer, is employed in probation. He will be employed from 1 June 2016 to 31 December 2016. Probably he will become independent on 1 January 2017, as well as Muzne might do.
- An additional sponge farmer will be employed in probation for three months as soon as allowed by the number of seedlings in the nursery.
- We evaluate whether another person could be employed in the nursery farm; the task would be the production of seedlings to be sold to the new farms. The nursery farms need to break even.
- As of 1 August 2016, our boat captain Abdi will be employed and trained as coral farmer. He needs to do the diving training first.



The ocean as playground / ship races with slit shampoo bottles

Partnerships and Memberships

- 2015 we established a partnership with the Zoo Basel for the 'Oceanium' project. The Oceanium is a large aquarium, which will be realized by the Zoo Basel by 2022/23. The Zoo contributes 10'000 Swiss Francs annually till 2017 and sells our natural sea sponges.



Projected Ozeanium Basel

- Our partnership with the Dutch NGO corralreefcare.com has been mentioned several times in this report.
- Since the beginning of 2016 a student of our partner **Institute of Marine Science Zanzibar (IMS)** is doing research in our sponge farms. She studies the growth of two sponge species.
- With our Reef Ball Partner **Mwambao Coastal Community Network** we have a regular exchange.
- Our Partner **net working AG** confirmed their ongoing support.
- As mentioned above we currently evaluate a possible partnership with **Blue Ventures** from Madagascar.
- At the Blue Solutions Africa Convergence and the following visit of the farms of marinecultures.org we had a fruitful exchange with representatives of the world's largest nature conservation organization **IUCN**. They helped us to scout potential funding partners and we intend to become a member of IUCN this year.
- We decided to expire our membership of the European **Aquaculture Society (EAS)**. Their activities are not focused on ecological sustainability. But we keep our membership of the **World Aquaculture Society (WAS)** mainly to keep access to their database.



Okala controls the cultivated corals on some test reef balls

Fundraising

If we want to safe the achievements of the past and slightly grow, we need more financial resources. In spite of the good growth in 2015 and setting up accruals for 2016, we have not yet covered our financial needs for 2017.

In the future we would like to focus less on big project-specific funds. For a long term safeguarding of our activities we need more annually recurrent funds. A larger base with more but constant contributions prevents as well the bulk risk.

Financial Review

Total income for 2015 amounted to CHF 91'092.50, (2014: CHF 38'865.58)

Total expenditure for 2015 amounted to CHF 70'830.97, (2014: CHF 50'542.96)

From the expenditure for 2015 amounted 94.8b% is spent on carrying out the projects and 5.2 % for governance. 6 of the 7 employees in 2015 were Zanzibaris.

3 Year History	2013	2014	2015
Income			
Members	2'850.00	10'272.11	4'386.50
Donations	11'154.95		13'111.00
Grants	27'309.38	28'049.89	70'990.00
Other Income	16.70	543.58	2'605.00
Special Reserves			-22'500.00
Total Income	41'331.03	38'865.58	68'593.00
Expenditure			
Projects *	34'803.15	44'943.55	67'114.97
Governance **	3'162.37	5'599.41	3'716.00
Total Expenditure	37'965.52	50'542.96	70'830.97
Increase/Decrease Income in %	+ 350 %	- 6 %	+ 76.5 %
Percentage of governance	8.3 %	11.1 %	5.2 %

* incl. 90% of the project manager salary and social benefit

** incl. 10% of the project manager salary and social benefit

Appendix:

- Independent auditor's report, Financial Statement 2015

Argo Revi- sionen

Ottikerstrasse 27 GmbH
CH-8006 Zürich

+41 44 362 52 20

aufdermauer@argo.ch
www.argo.ch

Report of the statutory auditor
on the limited statutory examination
with financial statements as of 31 December 2015
to the General Meeting of

VEREIN MARINECULTURES.ORG
ZÜRICH

Argo Revi- sionen GmbH

Report of the statutory auditor on the limited statutory examination.

VEREIN MARINECULTURES.ORG

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of Verein Marinecultures.org for the year ended 31 December 2015.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Zürich, 24 June 2016

Argo Revisionen GmbH, Zürich



Giovanni Auf der Mauer

Enclosures: Financial statements (balance sheet, statement of operations)

Financial Statement Association marinecultures.org
at 31.12.15

Number and Description	Incoming Resources	Resources Expended	Balance at 31.12.2015
Incoming Resources			
Floating Capital			
1000 Cash Box Zanzibar TSH	682.55		682.55
1001 Cash Box CH	798.02		798.02
1003 Cash Box Zanzibar USD	1'455.25		1'455.25
1010 Account PostFinance KK	63'564.91		63'564.91
1030 Taccount Travelcard / Mastercard	2'710.45		2'710.45
Total Floating Capital	69'211.18		69'211.18
Fixed Capital			
1110 Machinery & Equipment	3'900.00		3'900.00
1120 Boot & Accessories	1'800.00		1'800.00
Total Fixed Capital	5'700.00		5'700.00
Total incoming resources	74'911.18		74'911.18
Resources Expended			
Outside Capital			
2000 Accrued Liabilities		2'521.20	2'521.20
2070 Accrued Expenses		12'500.00	12'500.00
2090 Accrual Sponge Farming		10'000.00	10'000.00
2091 Accrual Coral Farming		10'000.00	10'000.00
Total Outside Capital		35'021.20	35'021.20
Equity Capital			
2100 Capital of the Association		39'626.58	39'626.58
Total Equity Capital		39'626.58	39'626.58
Total Resources Expended		74'647.78	74'647.78
Profit/Loss		263.4	263.4
Check Sum	74'911.18	74'911.18	0

Income Statement 1.1.2015 -31.12.2015

Number / Description	Expense	Revenue	2015	2014
Expense				
<i>Project Investments</i>				
3000 Spongefarming	10'065.36		10'065.36	0.00
3070 Carrying Costs	399.51		399.51	0.00
3005 Mooring Buoys Project	5'825.71		5'825.71	2'539.75
3006 Reef Ball Project	5'950.39		5'950.39	0.00
3002 Coral Farming	11'111.57		11'111.57	1'705.90
Total Projects	33'353.54		33'353.54	4'245.55
<i>Operating Expenses</i>				
4000 Salaries	31'450.61		31'450.61	33'629.47
4050 Social Contribution	11'312.66		11'312.66	
4100 Rent Costs	36.67		36.67	0.00
4200 Interest Expense	257.34		257.34	0.00
4300 Maintenance and Repairs	8'211.95		8'211.95	3'573.98
4400 Amortization	1'418.21		1'418.21	1'064.91
4500 Insurance Rates	229.65		229.65	1'056.69
4600 Energy Costs	1'266.48		1'266.48	1'202.71
4700 General Administrative Costs	237.75		237.75	941.16
4710 Phone, Internet	202.56		202.56	414.02
4800 Advertising, PR, Marketing	148.25		148.25	1'328.25
4810 Travel Costs	2'706.30		2'706.30	3'086.22
Total Operating Expenses	57'478.43		57'478.43	46'297.41
Total Aufwand	91'687.70		91'687.70	50'519.56
Revenue				
<i>Revenue of the Association</i>				
6000 Membership Fees		4'386.50	4'386.50	10'272.11
6001 Donations		13'111.00	13'111.00	
6003 Support Contributions		70'990.92	70'990.92	28'049.89
6010 Other Revenues		534.73	534.73	0.00
6004 Sponge Sale		2'927.95	2'927.95	520.18
Total Revenue		91'951.10	91'951.10	38'842.18
<i>Financial Expenses / - revenues</i>				
6700 Interest Income			3.50	-23.40
7250 Exchange Difference			-367.32	0.00
7400 Exceptional Expenses			-492.91	0.00
Total Ubr. Ertrag			-856.73	-23.40
Total Expense			91'687.70	50'519.56
Profit / Loss	263.40		263.40	-11'677.38



marinecultures.org

Sustainable Aquaculture Development
& Marine Protection

Headquarter:
Verein marinecultures.org
Kalkbreitestrasse 6
8003 Zürich, Schweiz
+41 79 479 48 01

Zanzibar Branch:
Association marinecultures.org
P.O.Box 210, Jambiani / Kibigija
Zanzibar
+255 783 357 357
+255 777 430 519

Bank: Postfinance
Account No: 85-51774-9
IBAN: CH77 0900 0000 8505 1774 9
BIC / SWIFT: POFICHBEXX

contact@marinecultures.org
www.marinecultures.org