

GALAPAGOS CONSERVATION TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Company Number: 03004112

Registered Charity Number: 1043470



GALAPAGOS CONSERVATION TRUST

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GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Governing Document: Memorandum and Articles of Association

Charity number: 1043470

Company number: 03004112

Registered Address: Galapagos Conservation Trust
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Trustees: Charmian Caines - Chair
Michael Drake – Vice-Chair
Jonathan Lea – Honorary Treasurer
Philippa Carte
Sandra Charity
Chris Jarrett
Dr Rebecca Nesbit
Jane Tozer
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Key management personnel:

Chief Executive Officer: Sharon Johnson
Deputy Chief Executive Officer: Jen Jones

HONORARY ROLES

President: Monty Halls

Ambassadors: Sir James Barlow Bt
Liz Bonnin
Angela Darwin
Sarah Darwin PhD
Julian Fitter
Stanley Johnson
Randal Keynes
Dorothy Latsis
Godfrey Merlen
Henry Nicholls
Antje Steinfurth
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GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

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GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Welcome from our Chair

To all Galapagos Conservation Trust members and supporters:

GCT began 2020 with a new wave of optimism and energy, with the GCT team posed and raring to implement our new three-year strategic plan. We got off to a fantastic start, however we did not envisage the COVID-19 pandemic and its continued impact a year on. Thanks to our loyal donors, who supported us throughout 2020, GCT maintained a good level of income during the year despite this unforeseen setback, ending 2020 in a much better position than anticipated when the pandemic first struck. Despite the closedown of the islands, we worked closely with our partners on the ground to replan programmes and minimise the impact on our work, enabling us to continue to deliver outstanding science, conservation and education initiatives whilst expanding our efforts to respond to the COVID-19 crisis.

As an immediate response to the pandemic, the GCT Board agreed an exceptional donation to provide essential PPE to islanders, whilst speedily adapting our educational materials for home learning. Looking to longer-term impacts, we are now supporting local livelihoods affected by the reduction in tourism income, such as providing jobs for local people to collect plastic from beaches, which in turn will protect the unique wildlife of these enchanted isles.

Programme work continued both on land and sea throughout 2020. Our Endangered Sharks of Galapagos project focussed on protecting sharks and other marine life against the increasing threats of industrial fishing and negative impacts of climate change. The need for an increase in marine protected areas in the waters surrounding the islands was the theme of our virtual Galapagos Day event, which also formed a core part of our political advocacy work. By continuing to gather critical scientific evidence and continuing efforts in 2021 working with the newly elected Ecuadorian President and his incoming administration, we have high hopes that protection will be granted for the creation of the critical migratory swimway between the Galapagos Marine Reserve and Cocos Island in Costa Rica.

On land, the important eradication phase of our flagship Floreana programme is now scheduled for 2023. Critical research for reintroductions continued in 2020 for several wonderful bird species including the vibrant vermillion flycatcher. The culmination of years of hard work by GCT and all our partners is now very much in sight!

We were very excited to end such a difficult year with the news that in partnership with the University of Exeter, we were successful in our bid for a major four-year grant from the Global Challenge Research Fund, to forge forward with our work to rid the islands of plastic waste. However, we were equally disappointed when we received the news early this year, that our funding had been hit by the ODA (overseas aid) cuts. We are continuing to fight back against the catastrophic impact of these cuts as we continue to lobby the UK government for reinstatement of these funds in 2022.

Like the rest of the world, we are unsure what further impacts lie ahead but, today as I write this, I am buoyed by the news that the islands are now free from COVID-19, and by the support we have received, from you, our incredibly loyal supporters and partners throughout 2020. Although we remain cautious in our plans, we are also optimistic for 2021 and the future.

Our optimism is grounded in our strong staff team and Board of Trustees, but most importantly, it comes from knowing that we have such a loyal group of supporters, who have not forgotten us, or the islands and its wondrous wildlife, during this most turbulent of times. I hope we can share our passion for the islands with you once again, at our Galapagos Day event in October 2021. Our focus will be on the impact of climate change on Galapagos, in the lead up to the UN Climate Change conference (COP26) to be held in Glasgow in November. This will be a key moment for Galapagos and the world, as we gather critical scientific evidence on the impact of climate change on the islands and prepare for local voices to be heard at this significant conference, where nations will come together to strengthen ambitions to protect the most vulnerable to the effects of climate change.

Thank you once again for all your support. We really could not have survived 2020 without you, and neither could the islands and the incredible species and people who live in this, one of the most spectacular places on earth.

Charmian Caines
Chair, Galapagos Conservation Trust

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

The Trustees have pleasure in presenting their Annual Report and financial statements for the year ended 31 December 2021.

The financial statement has been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, 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 published on 16 July 2014 and updated by Bulletin 1.

1. OBJECTIVES AND ACTIVITIES

The Galapagos Islands is one of the most unique and ecologically important, but vulnerable, areas in the world. We have over 25 years of experience supporting impactful conservation programmes across the Archipelago and partner with Ecuadorian authorities, NGOs, local communities and leading scientists, both in Galapagos and worldwide.

By raising funds and awareness in the UK, we are able to support and deliver projects in Galapagos and respond to key threats facing the Islands, focusing on restoring natural habitat, protecting threatened species and driving sustainable solutions, helping to contribute to the overall management of this unique ecosystem.

Our Mission: The Trust supports, develops and promotes projects that achieve measurable conservation, sustainable living, and protection of the environment of Galapagos.

At the start of 2020 we launched a new three-year strategy running until the end of 2022. Despite the COVID-19 pandemic affecting our work in 2020, we continued to work towards our four strategic objectives:

- 1) **Our programmes:** We are balancing the greatest need of the Islands with fundraising and communicating our activities to our donors, whilst keeping wildlife and the protection of species at the heart of our work. Our programmes tackle the most pressing threats to Galapagos: invasive species, climate change and the human footprint. To do this we focus on three pillars of work:
 - i) **Restoring Habitats**, encompassing our first flagship programme, Restoring Floreana Island.
 - ii) **Protecting Species** within four key species groups: Galapagos giant tortoises, land birds, iguanas and sharks.
 - iii) **Driving Sustainable Solutions** through acceleration of our second flagship programme, Plastic Pollution Free Galapagos, and our education programmes, Discovering Galapagos and Connecting with Nature.
- 2) **Our income:** We are investing in our fundraising to meet our programme aspirations. To do this, we are developing our strategy to drive major donor income and secure unrestricted income through a refreshed individual giving programme. We are continuing to diversify our income to ensure it remains reliable by securing multi-year trust and individual donations and increased income from new corporate partnerships.
- 3) **Our communications:** We are integrating our communications with our programme areas and fundraising messaging. We are developing our communications strategy which outlines our proactive approach to the media to support our individual giving drive. We are using our events programme to engage new audiences and secure new and continued support for our programmes.
- 4) **Our organisation:** We have a strong set of values and nurture a culture of growth and development within the GCT family. We are investing in our team to reach our strategic aspirations with additional support across the organisation as we prepare for growth.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE

2020 Achievements

A year like no other, 2020 highlighted the urgent need to continue our conservation work whilst supporting local communities during the global pandemic. Like the UK, Galapagos went into lockdown in March 2020 and since then, tourism numbers have remained low. Although this may appear beneficial for the local wildlife, in reality, lockdown meant vital fieldwork was postponed, coastal cleaning ceased and a growing potential threat from overexploitation of the natural resources by people in desperate need of income. The pandemic highlighted GCT's flexibility and ability to adapt as staff and project partners remained working at home, both in the UK and around the world. The perseverance, flexibility and passion of the team has meant that in a year which saw many charities struggle with fundraising, GCT was able to secure vital funds for Galapagos and maintain its direct project spend on the Islands. GCT thrived under strong leadership and at the end of the year managed to invest in its team with the recruitment of two new roles. On the Islands, although cases have fallen, many local restrictions continue. For instance, schools in Galapagos have remained closed since April 2020, impacting children's education, and meaning that many parents face the additional challenge of home-schooling.

Only with prompt action and help from our supporters and project partners, are we able to combat the threats to Galapagos to achieve our vision to conserve, sustain and protect the unique nature and beauty of the Galapagos Archipelago in perpetuity. We want to thank all our members and donors who gave to GCT in 2020 – your generosity has meant GCT can continue to build on its recent successes and drive the vital conservation projects helping to protect the unique habitats of Galapagos.

COVID Relief Projects

In response to the pandemic, GCT had to adapt its programme of activities to needs on the ground in Galapagos, giving GCT the opportunity and challenge to develop new and innovative ways of working. In April, as an immediate response to the pandemic and shortly after it was confirmed that coronavirus had reached Galapagos, the GCT Board agreed a one-off donation to support the Islands. This initial donation was made via our long-term partner, Conservation International, to provide essential PPE to safeguard local farmers and the fishing community whilst making food deliveries.

As the pandemic evolved, two of the largest threats to the conservation of Galapagos were the reliance on tourism income and imported food from the mainland. As both income sources and supply chains were disrupted, scientists on the ground had concerns that native wildlife would be overexploited. In response GCT funded the launch of a new small-scale urban gardening project on San Cristóbal. To date, this project has helped over 90 families mitigate some of the financial hardships of the pandemic by growing their own food. Over 75% of food in Galapagos is imported from the mainland so empowering struggling families to grow their own food is hugely beneficial. As well as seeds and practical gardening tips, the educational gardening packs included links to videos on the importance of building community, and activities to help families bond and connect them to their outside space. The educational outreach contents helped children improve their understanding of plants and the importance of conserving endemic species.

Our outreach activities were severely affected by the pandemic as all field activities were cancelled from April. Our outreach staff created innovative interactive home learning resources for children on the Islands in response to the closure of schools, which has continued into 2021. To support education and outreach on the Islands, GCT produced 'home schooling' packs for parents or teachers to use at home or in virtual classrooms. The packs, produced both in Spanish and English, focused on our marine projects helping students to explore the oceans, the threats facing marine life and potential solutions to tackle them.

As part of our Plastic Pollution Free Galapagos programme, we supported a 'cash for work' scheme launched by the United Nations Development programme (UNDP) Ecuador under their "Save Galapagos Islands, empower its people" campaign. GCT donated to the fund which allowed over 90 local beneficiaries to be paid for their help with local beach cleans across Santa Cruz, Isabela and San Cristobal islands. During two of these clean up events, we trained and supported two young scientists to pilot our Garbology photography methods, using archaeological techniques to study plastic pollution. This data will be uploaded to GCT's Citizen Science portal where the public will be able to analyse their origin and journeys. This will feed into our more comprehensive Plastic Pollution Free Galapagos programme research into plastic sources and accumulation sites.

Like staff in the UK, many of our scientists worked from home and switched focus to crucial insightful data analysis, however some research activities were also able to continue later in the year. Here is a summary of the impact on our science and conservation programmes.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Restoring Habitats

Restoring Floreana Island

This ambitious, long-term programme is currently in the preparation and mitigation phase, with the overall aim of eradicating invasive rats and feral cats and ultimately, completely restoring the ecosystem on Floreana, ensuring the survival of the 55 threatened species present there as well as reintroducing the 12 locally extinct species. Unfortunately, due to the 2020 outbreak of COVID-19, the eradication phase has been delayed, with 2023 the new target. This delay, although unexpected, allows the team to explore and incorporate cost-efficient infrastructure and technologies (such as using drones for baiting instead of helicopters) to significantly reduce spend. In 2020, GCT continued to support the salary of Durrell's Floreana Mitigation Officer who returned to Floreana in November 2020 to undertake mitigation activities which will conclude mid-2021. These activities include building adjustments to the captive holding aviaries so they are ready for the eradication phase; post-release monitoring of finches previously held in captivity during the trials in 2019; baseline biodiversity studies which are critical to assess the impact of the bait during eradication; the removal of invasive predators on Floreana's native fauna; and reintroduction feasibility studies on bird species including vermilion flycatcher, grey warbler-finch, vegetarian finch and Galapagos rail. In the first quarter of 2020, GCT provided financial support to Island Conservation, the lead NGO on the programme, who are continuing to engage the local community on Floreana and work with the biosecurity agency. We were unable to continue our support of the reintroduction phase of this project due to institutional changes at Massey University however this will be a key focus for GCT in the future as the eradication once again draws closer.

Projecting Species

The story of 'Hope' and 'Coco'

GCT has been supporting marine conservation through their **Endangered Sharks of Galapagos programme** which built upon the success of our Galapagos Whale Shark Project and now encompasses several other endangered sharks and marine species found within the Galapagos Marine Reserve (GMR). In May 2020, the team was excited to announce the tracks from a juvenile female whale shark called Esperanza, or 'Hope'. After being tagged in September 2019, Hope travelled over 4000 nautical miles from Galapagos towards the Southern Pacific Ocean around French Polynesia in just a few months. In April 2020 it looked like she was heading back to Galapagos. If she returned, this track would have been the first recorded migration back to the GMR. However, in May, Hope's tag stopped transmitting. Devastated, the team checked her last known position and tracks. What they found was not promising. Although we cannot know for sure, the evidence suggests that Hope may have been caught in an area of high fishing intensity. The story of Hope highlights the high risk to whale sharks whenever they leave a Marine Protected Area (MPA) like the Galapagos Marine Reserve. It also demonstrates the importance of expanding our MPAs and advocating for new laws to protect these endangered species. GCT supports the proposed Cocos-Galapagos Swimway (an area of protection which would link the GMR with Cocos Marine Reserve, Costa Rica) and an expansion of the GMR. Since 2018 GCT has been helping our science partners gather important evidence needed to drive forward the protection of the GMR and the surrounding ocean. In August 2020, GCT part funded the annual research trip to Darwin and Wolf Islands. The team identified a further 25 whale sharks for the global photo-identification database, bringing the total identified in Galapagos to over 600. Six tagged whale sharks transmitted successfully for long enough to provide useful data. Of these six, "Coco" is the first recorded track of a whale shark travelling between the GMR and Cocos Island and further highlights the importance of the proposed Swimway. In 2021, GCT will continue to support this crucial work alongside scientists and others to ensure the sharks of Galapagos are protected throughout their travels.

Galapagos Tortoise Movement Ecology

This programme has been running, with GCT support, for over ten years. The project team, led by Dr Steve Blake, continues to track the movements of hatchling tortoises on Santa Cruz island. In 2020, the team tagged 21 hatchlings from two different nesting zones. The team will analyse the data collected as part of the lifetime tracks project in 2021 to determine how environmental conditions influence the survival of Galapagos tortoises, including egg mortality and hatchling growth and mortality. Work continued on tortoise health studies to understand the impact of human activities. Baseline health samples have now been collected from over 600 individual tortoises. There were plans to publish the results from this data in 2020, however this is now likely to happen in 2021. In 2020, the team hired a new Principal Investigator (PI) in Galapagos. This role is vital in implementing conservation management actions, including invasive species management to improve nest security and Galapagos National Park liaison. It is hoped that 2021 will be a new chapter in the conservation of this species, building on the high-quality research undertaken over the last ten years.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Land Birds of Galapagos Project

This programme area encompasses our long-running Mangrove Finch Project and Little Vermilion Flycatcher Project launched in 2019. 2020 was the third year that the Mangrove Finch Project team focussed entirely on techniques to protect nestlings in their natural nests during the peak of the breeding season. Unfortunately, due to the closure of all Protected Area Networks in Ecuador in response to the pandemic, the team had to cut short their field trip meaning that no nest was fully treated to protect chicks from the invasive fly *Philornis downsi* and, even more tragically, the team do not know whether any of chicks fledged at all for the whole breeding season. A positive is that the team did, for the first time in several years find more breeding pairs, with a total of fourteen recorded compared with ten in 2019 and 12 in 2018. The first year of the Little Vermilion Flycatcher Project was successful despite the fieldwork being stopped early in 2020. The team cleared six plots of invasive plant species which improved access to vital feeding grounds for the vermilion flycatchers on Santa Cruz. Reducing predator pressure via rat control was another key objective achieved. After placing bait stations in the six plots last October, only one nest out of 11 failed due to predation in comparison to 22% of nests outside of the controlled plots. The team also saw the successful fledging of six chicks from three nests, all of which had been treated with insecticide to protect against the parasitic fly *Philornis downsi*.

Driving Sustainable Solutions

Plastic Pollution Free Galapagos

In 2020, we continued to develop this programme which launched in 2017. Its aim is to tackle plastic pollution across the Archipelago, reducing the negative impact of the growing number of people living on and visiting the Islands, waste coming from sources at sea (ie fishing vessels) and drifting in from key mainland sources. The main activities for this programme in 2020 included:

- Supporting Conservation International's (CI) Galapagos clean-up project. Although activities were stopped due to the pandemic in March, they were able to resume in September abiding by local COVID regulations. The team cleaned over 168km of coastal and underwater sites, with 512 participants collecting 10,950 kg of waste. The team mostly found plastic items (87% of items at remote sites and 84% at sites near ports), including bottles, bottle caps, toothbrushes and combs. These clean-ups support outreach on the Islands through volunteer participation and support economic alternatives to local Galapagos fishermen by renting their boats and paying for their labour. In 2020 the project also supported humanitarian efforts by delivering food kits to vulnerable people during the pandemic. GCT will continue to support monitoring and clean-up of coastal sites in Galapagos in 2021.
- An assessment of the suitability of drone survey methodologies in Galapagos to support the broader plastics programme. The assessment included whether drones could be easily deployed in the field; the training and capacity requirements for local organisations to adopt the techniques; whether drone technology can support the citizen science aspect of the overall programme; and to understand the logistical and field requirements for an Archipelago-wide survey. The results of this assessment have been compiled, and in 2020 GCT launched their first drone training programme. Using a 'train the trainer' model, GCT plans to train 2 trainers, who will then go onto train 10 researchers and park guides in 2021 which will enable the first ever archipelago-wide coastal survey later in the year. A survey of this scope will not only support the plastics programme but will also provide data for coastal species assessments (such as the marine iguana) and a baseline to study coastal changes over time.
- GCT partner Dr Erik van Sebille (University of Utrecht), has developed cutting-edge oceanographic software to investigate the timescales and pathways of plastics reaching Galapagos. The published results found the majority of plastic arriving from mainland South America is likely to come from a narrow area of coastal Southern Ecuador and Northern Peru allowing us to focus on these coastal regions for awareness-raising and policy change. From the beach clean-up data, there is a strong indication that significant quantities of plastic pollution reaching Galapagos originate from international fishing operations outside the GMR, raising questions about waste management practice in these industrial fleets. GCT is funding the next stage of Dr Sebille's oceanography research, to develop a high-resolution model that will pinpoint local sources of plastics and predict how the plastic moves within the GMR once it has arrived. This will help focus beach clean-up efforts and enable the removal of plastic litter before it harms wildlife or breaks up into microplastics that can never be removed.
- To understand more about the impacts of plastic on the wildlife and ecosystems in Galapagos, GCT has supported two PhD studies. The first set of results of this work should be published in 2021. GCT's Head of Programmes, Jen Jones, undertook her final year of her PhD in 2020 investigating the risks of microplastics in the marine ecosystems in Galapagos. As part of this work, a rapid assessment of marine vertebrates identified 27 priority species likely to be most at risk from plastic pollution but more research is needed into how much this risk contributes to species decline. Despite the challenges posed by COVID, Jen supported researchers from the Universidad San Francisco de Quito and the Galapagos National Park Directorate to monitor plastic pollution in important visitor sites to measure the impact of the pandemic on plastic pollution, vital data to understand risks to wildlife.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Communication

GCT saw media successes in 2020 including coverage Daily Telegraph, Daily Mail, Bird Watching magazine and Wild Photo Planet magazine amongst others. Despite the pandemic, we held two virtual events to raise awareness and funds for our work. These were attended by nearly 600 GCT members, supporters and the general public:

- **Plastic Pollution Free Galapagos webinar.** For GCT's first ever webinar in July we had a panel of speakers presenting the latest news from our Plastic Pollution Free Galapagos programme. Host Andy Donnelly, GCT's Project Lead gave an interesting update on the project. Andy was joined by Jen Jones, GCT's Head of Programmes, who discussed the preliminary results from her PhD on microplastic impacts in Galapagos and Dr Erik van Sebille from Utrecht University who is mapping the currents of Galapagos to better track the ways in which plastic pollution move into and around the Galapagos Marine Reserve.
- **Galapagos Day:** Our annual Galapagos Day event was held as an online webinar, 989 people registered from 48 countries around the world including 108 from Ecuador making this the most international event GCT has ever held. We raised £4,070 on the night and topped this up with an additional £3,052 donated after the event to our 'Fund for Hope' appeal. A great introduction from GCT's Chair, Charmian Caines, highlighted the threats to Galapagos from industrial fishing and plastic pollution. Then GCT's President, Monty Halls, introduced Norman Wray, President of the Governing Council of Galapagos, who inspired us all. Norman stressed that Galapagos is at a turning point and is deeply suffering the consequences of the pandemic, warning that poverty could be another threat to the vital ecosystem and emphasised that we need to find a way to support both people and nature. We were then joined by our panellists, Yolanda Kakabadse, ex-Minister of Environment for Ecuador and former President of WWF International, Jonathan Green, founder of the Galapagos Whale Shark Project, and Professor John Schofield, a contemporary archaeologist or 'garbologist' from the University of York, who discussed with Monty the key threats of industrial fishing and plastic pollution. On the night we launched our new citizen science portal showcasing a number of initiatives that supporters could get involved with including GCT's garbology project. A comment from a supporter emphasising that we should 'never give up' really resonated with both the panellists and the audience, and became the take-home message from the webinar, inspiring all that attended.

Partnerships

GCT continued to strengthen its political partnerships with the Ecuadorian and British Embassies and, in 2020, secured a further grant towards our plastics work from the British Embassy Quito and began building stronger partnerships with the UK government agencies including Minister for the Pacific and Environment. We continue to work closely with the Galapagos National Park and the Governing Council of Galapagos along with the Swiss Friends of Galapagos Organisation who supported GCT's projects through trust applications and appeals.

We have active partnership agreements in place with all project partners delivering programmes in Galapagos, ensuring a strong and successful working relationship. Our partners include the Charles Darwin Foundation, Migramar, Conservation International, Island Conservation, Utrecht University, University of Exeter and Durrell Wildlife Conservation Trust.

GCT remains a Governing Member of the Charles Darwin Foundation.

Organisational

Although planned recruitment was delayed, in December we filled two new roles: Head of Finance and Head of Fundraising and Communications, with both new team members due to start in Spring 2021. The lease for our offices at 28 Portland Place expired in June 2020 which allowed GCT to downsize into a flexible, serviced office saving rent while all staff worked from home.

In April, the Trustees decided to furlough all GCT staff for 3 weeks as the pandemic unfolded. GCT then secured funding including through a successful appeal which allowed all staff to come back full time. It was agreed that further furlough periods would negatively impact GCT's fundraising opportunities and the ability to drive and re-shape our projects through the pandemic.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

3. FINANCIAL REVIEW

The Trustee Annual Report and Accounts for the year ended 31 December 2020 is prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS102) and the FRS102 Charity Statement of Recommended Practice (SORP).

Total income for the year to 31 December 2020 is £714,647 - a decrease of 15% on the year to 31 December 2019 largely due to the impact of Covid.

Total expenditure for the year to 31 December 2020 is £799,680 - a decrease of 8.6% on the year to 31 December 2019 again due to the impact of Covid. This included a reduction of 24% in the cost of raising funds, which has resulted in an increase in the proportion of expenditure relating to charitable activities in 2020.

The net deficit for the year ended 31 December 2020 is £76,500 (in 2019 the deficit was £37,525).

Long terms investments held at 31 December 2020 totalled £158,971 (2019: £50,438). This increase reflects our policy to invest general funds to maintain and, if possible, enhance the value of the invested funds to enable the charity to effectively carry out its purposes in the future.

Reserves

The year ended with an expected deficit of £76,529 (2019: £37,525 deficit). At 31 December 2020, we carried forward total reserves of £633,030, of which £108,821 were restricted. The Trustees have decided to designate £177,000 of general funds to our strategic programmes. In 2019, £99,954 of designated funds were used for programme spend (see note 20.1), and the remaining £220,046 was released into general funds to mitigate any reduction to revenue as a direct result of the pandemic.

Reserves Policy

GCT needs to hold unrestricted general funds in order to:

- Mitigate against unexpected reductions in income
- Provide working capital
- Allow for operational deficits when future planning
- Assist with cash flow

At the end of 2020, our general funds were £347,209 which is temporarily outside our usual range of reserves (i.e., £270k to £300k). This is to cover an expected deficit in unrestricted funds during 2021.

Risk Management

As part of the annual planning process, the Trustees and CEO identify the major risks facing the Charity over the coming year categorised under each committee area: operations (including financial and governance/compliance), programmes, partners and grants, and fundraising and communications. Each risk is assessed according to the inherent likelihood and potential impact and residual likelihood and impact. Existing controls are then assessed, and any further action to control the risks are agreed. The actions are implemented by the CEO and staff.

COVID-19 continued to be the main risk that GCT needed to mitigate against going into 2021. The ongoing pandemic is affecting both operations and fundraising in the UK as well as project delivery in Galapagos.

COVID-19

The immediate impact of the pandemic on the Charity was the high level of uncertainty on income. A Board meeting was held at the start of lockdown in late March 2020 which focussed on reforecasting income and expenditure. This was swiftly followed by an additional follow up meeting in April. At that meeting, the Trustees agreed to a three-week furlough period for all staff (except for one on maternity leave) to mitigate against loss of income. A second furlough period was considered by the Trustees, however, after conducting a cost benefit analysis exercise, it was decided that a second furlough period would not be the most effective course of action as it would risk potential fundraising activities and GCT's ability to respond to the economic and environmental threats facing Galapagos. At the start of the first lockdown, all staff moved to home working. Through staff surveys, staff wellbeing remained a high priority and regular online meetings allowed staff to remain working close together as possible. In August 2020, GCT moved its office from 28 Portland Place to a smaller, more flexible serviced office space near London Bridge. One staff member has continued to visit the office to manage membership packs and merchandise mailing, maintaining these fundraising streams. In compliance with the latest government guidelines, staff continue to work from home with face-to-face meetings and office work where needed.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

3. FINANCIAL REVIEW (continued)

COVID-19 – continued

For our programmes, all fieldwork in Galapagos was shut down as Ecuador introduced a similar lockdown to the UK. More worryingly, tourism - which makes up 80% of the local economy – came to a halt on the Islands. The poverty rate on the Islands is expected to increase with 8% of families already living below the poverty line. Economic hardships could increase wildlife trafficking, and overexploitation of natural resources on the Islands, an area GCT is monitoring closely. In response to the situation in Galapagos, GCT made an exceptional donation to Conservation International for essential personal protective equipment to help the local community face the crisis. Furthermore, GCT launched a home learning education and outreach project and has delivered resources in both English for a UK audience and in Spanish for an Ecuadorian audience to support awareness-raising of the environmental issues in Galapagos to mitigate against these additional potential impacts to the wildlife of Galapagos.

GCT replanned many of its usual fundraising activities, including the 2020 Supporter Galapagos Cruise which has been further rescheduled to 2022. Galapagos Day was run as a webinar in 2020 but will hopefully return to the Royal Geographical Society in October 2021. Despite raising less income in 2020 than originally budgeted, the pipeline remains strong as we drive forwards the implementation of the current strategy.

4. PLANS FOR THE FUTURE

2021 will be an important year for GCT as we work through the impacts of the pandemic and continue with the implementation of our three-year strategy, all whilst still operating in very different circumstances due the COVID pandemic. In the second year of our current strategy, we have identified below the top priorities for 2021 within each of our four Strategic Objectives:

Programmes	<ol style="list-style-type: none">1. Develop a programme strategy for our habitat pillar.2. Launch the four-year regional plastics programme which encompasses the activities we deliver as part of the Plastic Pollution Free Galapagos programme.3. Grow policy and advocacy links through our ocean programmes.4. Continue development of our Endangered Sharks programme as our third flagship programme.5. Support local livelihoods projects in line with our strategic objectives to help mitigate the negative impacts resulting from the pandemic
Income	<ol style="list-style-type: none">1. Review and improve the donor experience and engagement through a refreshed membership programme.2. Focus on the acquisition of new individual givers especially through links with corporate partnerships and tour operators.3. Grow the pipeline of mid-level and major donors.4. Secure new trust and corporate opportunities, especially multi-year.
Communication	<ol style="list-style-type: none">1. Review GCT's website focusing on the donor journey to maximise donations and engagement.2. Develop social media as a key fundraising and marketing tool.3. Ensure GCT is a good source of information about current projects and events happening in Galapagos.4. Focus on more intimate major donor fundraising through smaller events tailored to match donors' interests.5. Ensure that digital communications are compelling to ensure uptake of our digital content amongst supporters.
Organisation	<ol style="list-style-type: none">1. Continue to engage staff with GCT's vision, mission and new strategy, ensuring everything we do is aligned with our core organisational values.2. Maintain the financial integrity of the charity through streamlining of our finances, implementation of an investment policy and robust cash flow management.3. Review and improve the reporting processes for large donors.4. Ensure the needs of GCT and our staff are met.5. Continue to invest in staff wellbeing, ensuring all staff feel like valued members of the GCT team.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

Galapagos Conservation Trust was established in 1995 as a UK registered charity and is a company limited by guarantee, governed by its Memorandum and Articles of Association. The members of the company, whose liability is limited to £1, are the Trustees. The Trust's objectives are to support the conservation and sustainable development of the Galapagos Islands and its unique biodiversity. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The Board of Trustees is responsible for approving the strategy and business plan for the Trust, approving the annual budget, grant-making, monitoring performance and for policies on investment, reserves, remuneration and risk management. The Board of Trustees normally meets four or five times a year. In addition, the Board operates committees for Operations and Finance, Fundraising and Communications, and Programmes and Grants that meet prior to each full Board meeting while the Nominations and Recruitment Committee meets as required.

All Trustees give their time freely, and no Trustee received remuneration in the year. Details of expenses reimbursed to Trustees are disclosed in note 14 to the accounts. There are no related party transactions.

The day-to-day operations of the charity, the implementation of the business plan and the processing and handling of grant applications prior to consideration by the Trustees are delegated to the Chief Executive.

Trustee appointment and induction

New Trustees are appointed by the members of the company and serve for a period of three years from the AGM at which their appointment is confirmed, after which time they may be re-appointed, normally for up to two further terms (nine years in total). The Memorandum and Articles of Association of the company require a minimum of three Trustees, with no maximum.

The Trustees who served during the year were:

Charmian Caines – Chair
Michael Drake – Vice-Chair
Jonathan Lea – Honorary Treasurer
Philippa Carte
Sandra Charity
Chris Jarrett
Dr Rebecca Nesbit
Jane Tozer
Dr Marta Tufet

The Board keeps the skill requirements for the Trustee Body under review, and in the event that a Trustee retires or additional new Trustees are required, the Nominations and Recruitment Committee is responsible for an open and rigorous recruitment process which includes, where possible, advertising in the GCT magazine, on the GCT website, on other appropriate appointment websites and in wider media. GCT is committed to diversity and welcomes applicants irrespective of gender, sexual orientation, disability, religion, race or age. All new potential Trustees are interviewed, and if provisionally accepted, they are invited to attend a Trustee meeting before they are formally invited to join the Board.

On joining, each Trustee is provided with an induction that includes full details of their roles and responsibilities and terms and conditions of service, plus information about the charity including our strategy, business plan and financial plan.

Key Management Personnel

The Key Management Personnel of the charitable company are the Trustees, Chief Executive and the Deputy Chief Executive.

Data Protection

Data protection has been ingrained in how GCT operates and communicates, and all staff are aware and practice good data management within their roles. GCT continues to undertake work to ensure compliance with both the Data Protection Act and GCT's own data protection and data privacy policies. In 2021 we will review our data retention guidance. The Fundraising and Communications Committee are regularly updated on our compliance with data protection regulations.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

5. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising Disclosure

The majority of GCT's fundraising is from its members, individual donors, trusts and corporates. We do fundraise from the general public through our events and through print and online advertising. Our employees and volunteers carry out all our fundraising, and we do not employ any professional fundraisers or commercial participators to carry out fundraising on our behalf. GCT is a member of the Fundraising Regulator and abides by the Fundraising Codes of Practice. We ensure our fundraising activities are in keeping with our values and complies with all relevant legislation. We do not sell lists of supporters to other organisations, nor do we purchase lists of other charities' donors. Policies are in place to ensure that we protect vulnerable people and members of the public while we are fundraising. In 2020 GCT received five (2019: 6) complaints, of which four were related to our fundraising activities which included two events, over 8,000 appeal letters sent and a monthly eNewsletter to over 9,000 people. All complaints were logged and recorded by the relevant staff member and were resolved at stage one of the complaint process. Two complaints were answered outside of our usual 4 working day limit, the first was a postal complaint which was not picked up due to irregular office presence resulting from the lockdown at the time and the second as it was sent via email at a time when our email server had changed over and so was sent to our old email server. The Trustees have no reason to be concerned at this time. All complaints are treated seriously, and full and detailed responses mean that the complainant is usually satisfied with our response.

Staff and training

GCT is committed to improving the skills of its staff and supporting staff in their roles. An annual review of the Staff Handbook and HR policies is undertaken to ensure that they are kept up to date.

The Trustees and Chief Executive are committed to staff development both to support the effective development of the Trust and of individuals. Staff training undertaken in 2020 includes mastering complex applications, building rapport, digital marketing, charity communications conference, legacy communication, Institute of Fundraising conference, due diligence and reputational risk, how to manage hybrid teams, grants and financial management, Adobe premiere pro software and science communication, writing and storytelling. Furthermore, GCT is committed to the wellbeing of its staff with tickets to relevant lectures and events, access to an occupational health provider and regular staff away days. As the team moved to home working, ensuring that staff wellbeing remained high was paramount. Regular surveys were undertaken along with virtual events to ensure staff felt supported, connected and valued while working from home.

The pay of the staff is reviewed annually in December by the Operations and Finance Committee and the Chair, following an annual appraisal, which takes place in September.

Volunteers

As an organisation with a small team of staff, GCT relies on the hard work of volunteers. They make a vital contribution to our office and membership administration as well as at our events, and we are extremely grateful to them for their commitment and support. Support was provided in a variety of ways, including:

- Administration support
- Processing of appeal, membership and other transactions
- Supporting our communications including producing content for our website, blogs and social media
- Undertaking research tasks around our projects and networks
- Digital marketing content and analysis
- Spanish translations
- Work on our Discovering Galapagos website

Associated Activity

Galapagos Conservation Trust holds a voting position on the General Assembly of the Charles Darwin Foundation, a not-for-profit organisation registered in Belgium that operates the Charles Darwin Research Station in the Galapagos Islands. This position does not give GCT any significant influence or control over CDF. GCT has two managers on the Christ's College Cambridge Charles Darwin and Galapagos Islands Fund as well as one representative on the Fund's Board.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Trustees' responsibilities statement

The Trustees (who are also directors of Galapagos Conservation Trust for the purposes of company law) 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).

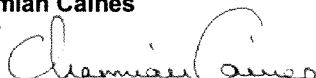
Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the 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 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

By Order of the Board

Charmian Caines
Chair



Date: 27/07/2021

Jonathan Lea
Treasurer



29/7/2021

GALAPAGOS CONSERVATION TRUST

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS

I report on the accounts of the Galapagos Conservation Trust for the year ended 31 December 2020 set out on pages 15 to 31.

Responsibilities and basis of report

As the charity Trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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 The Institute of Chartered Accountants in England and Wales, 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts 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 accounts to be reached.



M A Wilkes (FCA)
For and on behalf of Azets Audit Services
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date: 17 August 2021

GALAPAGOS CONSERVATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Including the Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income:					
Donations and legacies	2	132,984	342,871	475,855	579,973
Memberships	3	121,924	-	121,924	119,680
Other trading activities	4	84,009	19,590	103,599	134,787
Investment income	5	1,094	-	1,094	2,278
Other income	6	12,175	-	12,175	-
Total income		352,186	362,461	714,647	836,718
Expenditure:					
Raising funds	7	90,742	-	90,742	118,976
Charitable activities	8	242,694	466,273	708,967	755,705
Total expenditure	9	333,436	466,273	799,709	874,681
Net gain on investment	16	8,533	-	8,533	438
Net income/(expenditure)		27,283	(103,812)	(76,529)	(37,525)
Net movements in funds		27,283	(103,812)	(76,529)	(37,525)
Reconciliation of funds:					
Total funds brought forward		496,926	212,633	709,559	747,084
Total funds carried forward	22	524,209	108,821	633,030	709,559

All income and expenditure derive from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes on pages 18 to 31 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

BALANCE SHEET

COMPANY NUMBER: 03004112

AS AT 31 DECEMBER 2020

	Notes	2020	2019
		£	£
Fixed assets			
Tangible fixed assets	15	203	1,318
Investments	16	158,971	50,438
		159,174	51,756
Current assets			
Debtors	17	91,280	112,338
Investments	18	50,000	50,000
Cash and bank		435,475	516,495
		576,755	678,833
Creditors: Amounts falling due within one year	19	(102,899)	(21,030)
Net current assets		473,856	657,803
Net assets		633,030	709,559
Restricted funds	20	108,821	212,633
Unrestricted funds			
Designated funds	21	177,000	-
General funds		347,209	496,926
Total funds	22	633,030	709,559

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

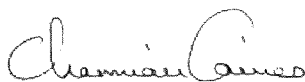
- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board on the

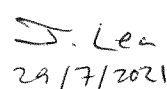
and signed on its behalf by:

Charmian Caines
Chairman



27/07/2021

Jonathan Lea
Treasurer



The notes on pages 18 to 31 form part of these financial statements.

GALAPAGOS CONSERVATION TRUST

CASHFLOW STATEMENT

AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Cash generated from operations	25	17,886	(41,235)
Net cash provided by (used in) operating activities		<u>17,886</u>	<u>(41,235)</u>
Cash flows from investing activities:			
Bank Interest received		1,094	2,278
Investments purchased		(100,000)	(50,000)
Net cash provided by (used in) investing activities		<u>(98,906)</u>	<u>(47,722)</u>
Change in cash and cash equivalents in the reporting period		(81,020)	(88,957)
Cash and cash equivalents at the beginning of the reporting period		566,495	655,452
Cash and cash equivalents at the end of the reporting period		<u>485,475</u>	<u>566,495</u>
 Cash and cash equivalents consist of:			
Cash at hand and in bank		435,475	516,495
Short term deposits		50,000	50,000
Cash and cash equivalents at the end of the reporting period		<u>485,475</u>	<u>566,495</u>

The notes on pages 18 to 31 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

(a) General information and basis of preparation

The Galapagos Conservation Trust is a company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 4.

The charitable company constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2015 (as updated through Update Bulletin published on 2 February 2019), the Financial Reporting Standard applicable in the United Kingdom (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2016.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going Concern

The COVID-19 pandemic continues to create a level of uncertainty around grant income for the charity. The management team continues to focus on high quality forecasting for 2021 to ensure a robust pipeline of income matched to programme demands. The Trustees have assessed the financial consequences of COVID-19 and are confident that the charity's financial resources are sufficient to meet its liabilities for 12 months from authorising these financial statements and the budgeted income and expenditure remains sufficient with the level of reserves for the charity to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

(c) Funds

Unrestricted funds - represent funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific purposes or projects.

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

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

(d) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies are recognised in the financial statements when the Trust is convinced that there is entitlement to the income, there is certainty of receipt and the amount in question is measurable. Any administration fee is charged is recognised as unrestricted income.

Subscription income is accounted for at the time of receipt.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

(e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes all costs in relation to generating voluntary income, fundraising events and fundraising trading;
- Expenditure on charitable activities includes costs in relation to Driving Sustainable Solutions, Protecting Species and Restoring Habitats programmes.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such as awards being recognised as expenditure when the conditions attached to the grants are fulfilled. Grants offered subject to conditions that have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Staff costs are allocated between cost headings according to the function of each employee.

(f) Allocation of support and governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to the independent examination, statutory audit and legal fees.

Support and Governance costs have been allocated across the charitable activities based on an analysis of the time spent on each project.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight line basis over the asset's estimated useful lives as follows:

Fixtures and fittings	25% - straight line
Computer equipment	33% - straight line

(h) Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SOFA.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposits and cash equivalents with a maturity of less than one year.

(i) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income is measured at the amount due to be received.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

(j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(k) Creditors and provisions

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Other creditors and accruals are recognised at their settlement amount due.

(l) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(m) Operating Leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities as incurred.

(n) Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. All exchange differences are reflected in the Statement of Financial Activities.

(o) Tax

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(p) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the fixtures and equipment and computer equipment, and note (1g) for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. DONATIONS AND LEGACIES

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Donations	88,191	340,871	429,062	475,154
Legacies	5,358	-	5,358	57,664
Tax recoverable under Gift Aid	39,435	2,000	41,435	47,155
	<u>132,984</u>	<u>342,871</u>	<u>475,855</u>	<u>579,973</u>

In 2019, £167,599 of donations and legacies income was attributable to unrestricted funds and £412,374 was attributable to restricted funds.

3. MEMBERSHIP INCOME

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Memberships	121,924	-	121,924	119,680
	<u>121,924</u>	<u>-</u>	<u>121,924</u>	<u>119,680</u>

In 2019 all of the income from charitable activities was attributable to unrestricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Fundraising events	7,123	-	7,123	38,515
Appeals and raffles	52,786	19,590	72,376	75,969
Fundraising trading	24,100	-	24,100	20,303
	<u>84,009</u>	<u>19,590</u>	<u>103,599</u>	<u>134,787</u>

In 2019, £57,399 of income from other trading activities was attributable to unrestricted funds and £77,388 was attributable to restricted funds.

5. INVESTMENT INCOME

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Bank interest	1,094	-	1,094	2,278

In 2019, all of the investment income was attributable to unrestricted funds.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. OTHER INCOME

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Job retention scheme income	12,175	-	12,175	-

7. RAISING FUNDS

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Costs of generating voluntary income	90,742	-	90,742	118,976

In 2019 all of the expenditure was attributable to the unrestricted fund.

8. CHARITABLE ACTIVITIES

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Driving Sustainable Solutions	183,298	226,260	409,558	393,910
Protecting Species	51,307	174,840	226,147	253,072
Restoring Habitats	8,089	65,173	73,262	108,723
	242,694	466,273	708,967	755,705

In 2019 £211,730 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £543,975 being attributable to the restricted fund.

9. ANALYSIS OF EXPENDITURE

	Direct Charitable £	Grant Making (note 10) £	Support Costs (note 11) £	Total 2020 £	Total 2019 £
Raising Funds:					
Generating income	73,852	-	16,890	90,742	118,976
Charitable Activities:					
Driving Sustainable Solutions	158,519	201,923	49,116	409,558	393,910
Protecting Species	51,405	153,313	21,429	226,147	253,072
Restoring Habitats	12,383	54,873	6,006	73,262	108,723
	296,159	410,109	93,441	799,709	874,681

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. ANALYSIS OF GRANTS COMMITTED DURING THE YEAR

	2020	2019
	£	£
Restricted		
<u>Driving Sustainable Solutions</u>		
Discovering Galapagos	9,208	11,947
Outreach in Galapagos	-	24,310
Plastic Pollution Programme	187,875	117,634
Teacher Training in Galapagos Project	-	5,000
Connecting with Nature	4,840	-
 <u>Protecting Species</u>		
Vermillion Flycatcher Project	-	10,000
Giant Tortoise Movement Ecology Project	21,302	20,000
Mangrove Finch Project	20,000	20,000
Iguana Population Status Project	-	15,340
Endangered Sharks Programme	100,011	70,554
Marine Invasive Project	12,000	22,125
 <u>Restoring Habitats</u>		
Flagship: Floreana Native Species Restoration	54,873	82,332
 Total grants committed	410,109	399,242

10.1 Reconciliation of grants payable

	2020	2019
	£	£
Commitments at 1 January 2020	5,804	-
Grants committed during the year	410,109	399,242
Grants paid during the year	(352,222)	(393,438)
 Commitments at 31 December 2020	63,691	5,804

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

11. SUPPORT COSTS

	2020	2019
	£	£
Governance costs (note 12)	23,330	29,974
Administrative office function	35,904	41,060
Depreciation	1,115	1,710
HR & Recruitment	465	778
Premises costs	32,627	46,792
	93,441	120,314

12. GOVERNANCE COSTS

	2020	2019
	£	£
Independent examination fee		
- Fee for the year	4,260	4,000
- (Over)/under provision in prior years	(60)	140
	4,200	4,140
Staff costs	19,052	21,802
Board meeting costs and expenses	78	4,032
	23,330	29,974

13. NET INCOME/ (EXPENDITURE) FOR THE YEAR

	2020	2019
	£	£
This is stated after charging:		
Depreciation	1,115	1,710
Independent examination fee	4,200	4,140
Operating lease costs	25,431	44,701

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

14. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2020	2019
	£	£
Salaries and wages	239,813	257,497
Social security costs	17,879	20,764
Pension costs	7,174	6,909
	<u>264,866</u>	<u>285,170</u>
The total average monthly number of employees (full-time equivalent) during the year were as follows:		
Generating funds	2	2
Charitable activities	8	7
	<u>10</u>	<u>9</u>

Employee time has been allocated to direct costs and support costs allocated on a percentage basis of time spent.

One employee received annualised remuneration in the band £60,000 to £69,999 (2019: one employee £60,000 to £69,999).

During 2020 and 2019, no Trustees were paid or received any other benefits from employment with the charitable company.

The key management of the charitable company comprise the Trustees, the Chief Executive Officer and the deputy Chief Executive Officer. The Trustees do not receive any remuneration for this role.

The total employee benefits of the key management personnel of the charitable company were £88,404 (2019: £92,203).

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NOTES TO THE FINANCIAL STATEMENTS
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15.	TANGIBLE FIXED ASSETS	Fixtures and Fittings £	Computer Equipment £	Total £
	Cost			
	At 1 January 2020	13,256	35,871	49,127
	Disposals	(8,196)	(627)	(8,823)
	At 31 December 2020	5,060	35,244	40,304
	Depreciation			
	At 1 January 2020	13,256	34,553	47,809
	Charge for the year	-	1,115	1,115
	Disposals	(8,196)	(627)	(8,823)
	At 31 December 2020	5,060	35,041	40,101
	Net Book Value			
	At 31 December 2020	-	203	203
	At 31 December 2019	-	1,318	1,318
16.	INVESTMENTS			
		2020	2019	
		£	£	
	Listed investments held in the UK	158,971	50,438	
	At 1 January	50,438	-	
	Additions	100,000	50,000	
	Unrealised gains	8,533	438	
	Market Value at 31 December 2020	158,971	50,438	
	Cost	150,000	50,000	

All of the investment is held within the COIF Charities Investment Fund Accumulation Units.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. DEBTORS

	2020	2019
	£	£
Accrued income	74,252	96,052
Tax recoverable under Gift Aid	9,211	14,042
Other debtors and prepayments	7,817	2,244
	91,280	112,338

18. CURRENT ASSET INVESTMENTS

	2020	2019
	£	£
Short term deposits	50,000	50,000

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Accruals and deferred income (note 19.1)	34,208	9,072
Grants payable (note 10.1)	63,691	5,804
Other creditors	5,000	6,154
	102,899	21,030

19.1 DEFERRED INCOME

	2020	2019
	£	£
At 1 January	-	-
Additions during the year	25,000	-
At 31 December 2020	25,000	-

In 2020, grant income was received for the period ending 2021.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

20. RESTRICTED FUNDS – Current year

	1 January 2020	Income	Expenditure	Transfers	31 December 2020
	£	£	£	£	£
Restricted funds					
<u>Driving Sustainable Solutions</u>					
Discovering Galapagos	250	24,507	(18,273)	902	7,386
Outreach in Galapagos	12,572	-	-	(12,572)	-
Plastic Pollution Programme	107,193	111,351	(201,772)	(1,177)	15,595
Connecting with Nature	-	8,550	(6,215)	-	2,335
<u>Protecting Species</u>					
Giant Tortoise Movement Ecology Project	9,755	17,785	(24,023)	2,200	5,717
Mangrove Finch Project	-	21,082	(24,500)	3,500	82
Iguana Population Status Project	5,787	-	-	-	5,787
Vermillion Flycatcher Project	-	8,912	-	-	8,912
Endangered Sharks Programme	20,517	107,891	(114,317)	10,647	24,738
Marine Invasive Project	-	12,000	(12,000)	-	-
<u>Restoring Habitats</u>					
Floreana Native Species Restoration Fund	56,559	50,383	(65,173)	(3,500)	38,269
	212,633	362,461	(466,273)	-	108,821

Driving Sustainable Solutions:

Funds held under this category are focussed on delivering education through our Discovering Galapagos programme; outreach activities for local communities and our flagship programme to reduce plastic pollution on the Islands. These projects inspire conservation values and sustainable living in local and visiting Galapagos communities.

Protecting Species:

Funds held under this category are focussed on combined population ecology and saving endemic species. The tortoise project supports the understanding of tortoise movement and ecology on the Islands; the mangrove finch project undertakes head starting for this critically endangered finch species and our endangered shark work focusses on the migration of the whale shark and conservation status of other shark species.

Restoring Habitats:

Funds held under this category are focussed on habitat restoration. The restoration of Floreana island is our flagship programme to restore the island and reintroduce 12 locally extinct species including the Floreana mockingbird and racer.

Transfers:

In 2020, transfers between restricted funds of similar nature were allocated in line with the terms given by the donors, any additional spending within the projects was funded by our general funds. During the year general funds totalling £43,823 have been used in the year as planned, primarily into our plastics programme which was a major focus; and our Protecting Species programme to support our Endangered Sharks, Giant Tortoise and Mangrove Finch programmes. During 2019, additional spending of £99,954 was funded by the designated fund.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

20.1 RESTRICTED FUNDS – prior year

	1 January 2019	Income	Expenditure	Transfers	31 December 2019
Restricted funds	£	£	£	£	£
<u>Driving Sustainable Solutions</u>					
Discovering Galapagos	-	11,060	(16,847)	6,037	250
Outreach in Galapagos	-	23,171	(39,310)	28,711	12,572
Plastic Pollution Programme	65,993	172,536	(171,627)	40,291	107,193
Teacher Training in Galapagos Project	-	-	(6,750)	6,750	-
<u>Protecting Species</u>					
Giant Tortoise Movement Ecology Project	-	34,755	(25,000)	-	9,755
Mangrove Finch Project	4,219	20,000	(25,000)	781	-
Iguana Population Status Project	-	24,895	(19,108)	-	5,787
Vermillion Flycatcher Project	-	10,000	(12,500)	2,500	-
Endangered Sharks Programme	10,000	97,625	(97,773)	10,665	20,517
Marine Invasive Project	-	22,125	(22,125)	-	-
<u>Restoring Habitats</u>					
Floreana Native Species Restoration Fund	86,680	73,595	(107,935)	4,219	56,559
	166,892	489,762	(543,975)	99,954	212,633

21 DESIGNATED FUNDS – Current year

	1 January 2020	New designation	Designations released	Transfers	31 December 2020
	£	£	£	£	£
Designated funds					
Programmes fund	-	177,000	-	-	177,000

At the end £177,000 has been designated to programme spend in 2020 . These reserves provide us with a strong base from which to implement our strategy to increase our impact in Galapagos.

GALAPAGOS CONSERVATION TRUST
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21.1 DESIGNATED FUNDS – Prior year

	1 January 2019	New designation	Designations released	Transfers	31 December 2019
	£	£	£	£	£
Designated funds					
Science and Conservation	160,000	-	-	(160,000)	-
Education and Sustainability	160,000	-	-	(160,000)	-
	<u>320,000</u>	<u>-</u>	<u>-</u>	<u>(320,000)</u>	<u>-</u>

22. ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Current year

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Tangible fixed assets	203	-	203
Fixed Asset Investments	158,971	-	158,971
Current Investments & Cash at bank and in hand	382,581	102,894	485,475
Other net current assets	(17,546)	5,927	(11,619)
	<u>524,209</u>	<u>108,821</u>	<u>633,030</u>

22.1 ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Prior year

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2019 are represented by:			
Tangible fixed assets	1,318	-	1,318
Fixed Asset Investments	50,438	-	50,438
Current Investments & Cash at bank and in hand	428,058	138,437	566,495
Other net current assets	17,112	74,196	91,308
	<u>496,926</u>	<u>212,633</u>	<u>709,559</u>

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23. OPERATING LEASE COMMITMENTS

The charity had total commitments under an operating lease as follows:

	Land and buildings	
	2020	2019
	£	£
Expiry date:		
Within one year	1,958	22,350

Until August 2020, Galapagos Conservation Trust was renting its office space from the Royal Society for Public Health which is an independent, multi-disciplinary charity dedicated to the improvement of public's health and wellbeing and supporting communities and who lets part of its premises to other charities. GCT was on a short lease running until the end of June 2020 when it expired. GCT moved offices in August 2020 to a flexible, shared office space with CAN Mezzanine, a registered charity who provide flexible office space for other charities and social enterprises.

24. RELATED PARTY TRANSACTIONS

GCT is supporting the CEO to carry out professional job related training over a two year period, which started in 2020. The CEO is repaying all the training fees to GCT as part of a monthly salary sacrifice agreement. As at 31 December 2020 £1,194 remained unpaid (2019: £1,208).

25. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(76,529)	(37,525)
Adjustments for:		
Gains on investments	(8,533)	(438)
Bank Interest	(1,094)	(2,278)
Depreciation charges	1,115	1,710
Decrease in debtors	21,058	16,995
Increase/(Decrease) in creditors	81,869	(19,699)
Net cash (used in) provided by operating activities	17,886	(41,235)

