

GALAPAGOS CONSERVATION TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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 7-14 Great Dover Street London SE1 4YR
Trustees:	Charmian Caines - Chair Dr Marta Tufet – Vice-Chair Amy Liddy – Honorary Treasurer Philippa Carte (resigned December 2023) Sandra Charity Jane Tozer Vanessa Zampiga Martin Saywell Dr Sally Uren Niall Watson Sara Patricia Zurita Serrano (appointed March 2023)
Key management personnel:	
Chief Executive Officer:	Sharon Johnson (until May 2023) Dr Jen Jones (from May 2023)
Finance Director/ Deputy CEO:	Claire McKinley

HONORARY ROLES

President:	Monty Halls
Ambassadors:	Sir James Barlow Bt Liz Bonnin Angela Darwin Dr Sarah Darwin Julian Fitter Stanley Johnson Randal Keynes (deceased March 2023) Dorothy Latsis Godfrey Merlen (deceased May 2023) Dr Henry Nicholls Dr Antje Steinfurth Jennifer Stone

GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Auditor: Azets Audit Services
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Accountants: Clarity
Iwerne Courtney
Dorset

Bankers: Lloyds Bank plc
1 Legg Street
Essex
CM1 1JS

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4TA

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Welcome from our Chair

To all Galapagos Conservation Trust members and supporters:

2023 was a year of growth and change for GCT, starting with the launch of our 2023-2025 strategy, which focuses on two key pillars: island restoration and ocean protection. Our new strategy builds on our 'science to solutions' approach and addresses the key challenges facing Galapagos, namely invasive species, plastic and other forms of pollution, overfishing and climate change.

We were thrilled to appoint Dr Jen Jones as our new Chief Executive in May. Having worked with Jen for many years, I know that GCT will go from strength to strength under her leadership, with experience, research and connections coming together to allow us to accelerate our goals and protect the wildlife of Galapagos.

Without your support, our work would not be possible. From presenting research at the Our Ocean conference in Panama and expanding our work and connections to influence policy at a local, national and global level, to the restoration of Floreana island, where we are supporting one of the largest and most complex invasive species eradication projects ever conducted on an inhabited tropical island, 2023 was a truly remarkable year for GCT.

It was great to meet so many of you at Galapagos Day in October. Together, we explored the power of rewilding to repair island ecosystems with the help of our speakers, Ambassador Luis Vayas Valdivieso, Dr Sarah Darwin, Dr Birgit Fessl and Professor Alastair Driver. We were also treated to a surprise video message of support from the actor, presenter and national treasure Stephen Fry.

I want to extend our most sincere thanks to everyone who helped us through gifts-in-kind, volunteering and financial donations – your generosity has allowed GCT to continue to fund, implement and evaluate vital conservation projects that are securing a safe future for the people and wildlife that call the Galapagos Islands home. In particular, I would like to thank Pippa Carte, who stepped down from the Board of Trustees during the year, for her invaluable support to the team over the last four years. I am excited to see what the future has in store for GCT and the Islands that mean so much to us.



Charmian Caines
Chair, 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 2023.

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 2022 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 issued in October 2019.

1. OBJECTIVES AND ACTIVITIES

Galapagos is one of the most pristine and protected archipelagos in the world, famed for its unique biodiversity and high levels of endemism (over 80% of land birds, 97% of reptiles and land mammals, 30% of the plant life and 20% of marine species are found nowhere else in the world). However, despite its protected status as one of the first UNESCO World Heritage Sites, over 55 Galapagos species are now listed as Critically Endangered on the IUCN Red List and more than 25 as Endangered, highlighting the urgent need to protect this unique biodiversity, particularly in the face of climate change and continuing pressures from invasive species and the human footprint.

We have nearly 30 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.

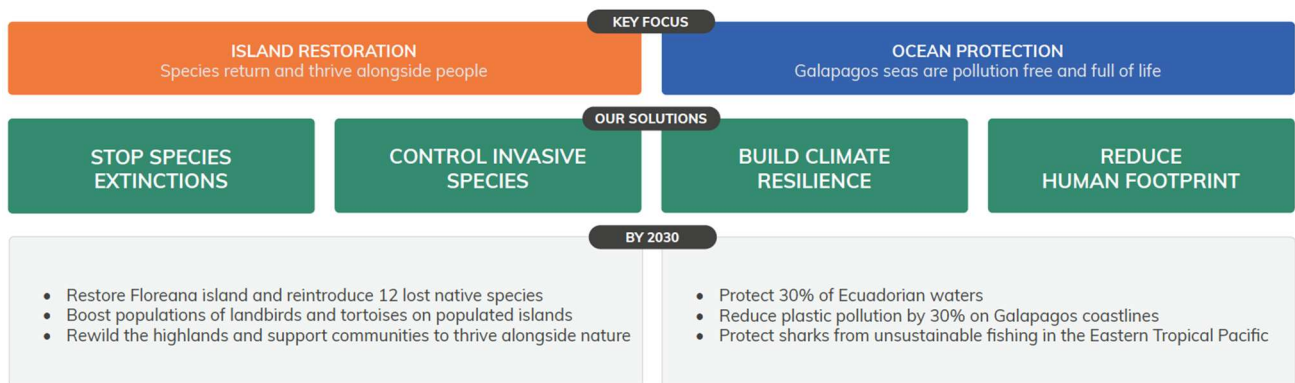
By raising funds and awareness in the UK, we are able to support and deliver projects in Galapagos and respond to key threats facing the Islands, including invasive species, plastic pollution, climate change and overfishing. Together with our project partners we gather the evidence needed for maximum conservation outcomes, whilst ensuring strong educational and communications campaigns garner public and political support for interventions.

Our Vision: Our Vision is of the unique nature and beauty of the Galapagos Archipelago conserved and protected in perpetuity.

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

Our Strategic Objectives:

- 1) Our programmes: We will deliver two ecosystem-level programme strategies (islands/oceans) with clear outcomes by 2025 which provide solutions to stop species extinction, control invasive species, build climate resilience and reduce the human footprint. These are linked to the achievement of longer term 2030 goals aligned with international biodiversity and climate targets. We will take a science-to-solutions approach, working collaboratively with others, and building on the successes and lessons learned from our previous strategic period.



- 2) Our income: We will invest in our fundraising to meet our programme aspirations. To do this, we will drive forwards major donor income and secured unrestricted income through a refreshed individual giving programme and increase our focus on large multi-year grants. Maintaining a well-diversified income portfolio remains a priority to help ensure a stable income pipeline.
- 3) Our communications: We will deliver high quality communications which are aligned to our programmes and fundraising messaging. We continue to develop our communications strategy which outlines our proactive approach to the media to support individual giving. We will use 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 team. We are investing in our team to reach our strategic aspirations with additional support across the organisation as we prepare for growth.

Our Values:



GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE

2023 Achievements

From presenting research at the Our Ocean conference in Panama to supporting one of the largest and most complex eradication projects ever conducted on an inhabited tropical island, 2023 has been a truly remarkable year for GCT. We would like to share some of our achievements that we couldn't have accomplished without your support.



a. GCT and PPSS team in front of the Greenpeace art installation in Paris © Jess Howard b. GCT team and panellists at the Our Ocean 2023 conference © GCT c. Alberto the Waved Albatross © Lisa Brown d. The GCT / Co-Galapagos workshop © GCT e. Our Galapagos Day speakers (L-R: Dr Jen Jones, Ambassador Luis Vayas Valdivieso, Dr Sarah Darwin, Dr Birgit Fessel, Charmian Caines, Professor Alastair Driver) © Akemi Yokoyama / GCT

GCT at the Global Plastics Treaty negotiations

In June, the team attended the second round of negotiations for a global agreement to end plastic pollution at UNESCO headquarters in Paris.

During the negotiations, GCT and our Pacific Plastics: Science to Solutions (PPSS) network were invited to share our positions at a GRULAC (Latin American countries and the Caribbean group) meeting and submit a joint action statement to the plenary, which called for world leaders to agree to an ambitious, legally binding Global Plastics Treaty that protects humans, biodiversity and promotes human rights and environmental justice.

Our Ocean conference in Panama

At the beginning of March, the GCT team attended the Our Ocean conference in Panama, where our Chief Executive, Dr Jen Jones, presented preliminary results from the last five years of plastic pollution research in the Galapagos Islands and the wider Eastern Pacific. Jen also shared with those who attended our side event some of the innovative solutions that GCT is supporting, including introducing reusable cups in shopping malls on the South American mainland and developing new bioplastics.

Introducing *Alberto the waved albatross*

In November, we introduced the world to the third storybook in our Galapagos Journey series, *Alberto the Waved Albatross!* Aimed at primary school children (7-11 years old), the book invites us to join Alberto as he reunites with his partner Isabela on Española island, where they, along with 12,000 other breeding pairs, will take on the challenge of rearing a new chick together while overcoming many obstacles, including industrial fishing and plastic pollution.

Bringing Alberto and his family to life has been a long but rewarding journey involving many people in the UK and the Galapagos Islands. We want to thank our supporters for being a part of this journey and helping to shape the next generations of conservationists worldwide.

Connecting with our partners in Galapagos

Following our successful side event at the Our Ocean Conference, the GCT team set off on a three-week trip to visit many of our projects and partners in Galapagos. This included attending several workshops with Fundación un Cambio por la Vida, whom we partner with to deliver our Co-Galapagos project.

During these workshops, the team discussed on how we can most effectively support Co-Galapagos across the range of sustainable development themes the project tackles, including promoting sustainable tourism and improving employment prospects for young residents.

The team also conducted a drone workshop with the Galapagos National Park Directorate coastal clean-up team, during which the group learned how drone technology can assist with removing and documenting plastic pollution from coastal habitats.

Galapagos Day 2023: Rewilding Galapagos

In October, we were thrilled to be joined by so many of our members, supporters and partners, along with many new faces, at our annual Galapagos Day event. This year, our theme was 'Rewilding Galapagos', and together with our expert speakers, we took an in-depth look at some of the ways in which rewilding and island restoration can repair damaged ecosystems, both in Galapagos and here in the UK. A highlight from the evening was a special message from our surprise guest, Stephen Fry, who charmed us all with his tales of the Galapagos giant tortoise and the work that GCT is supporting to reintroduce tortoises to islands such as Floreana.

We would like to thank all of our speakers, our partners and our wonderful volunteers who helped out on the night, along with everyone who attended in person and online.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

2023 Programme Highlights

Despite a year of significant change in 2023, we have made a step change in our delivery, shifting our emphasis from 'science to solutions', a core element of the current GCT strategy. Importantly, these solutions are co-designed and delivered with partners spanning grassroots to government across both island and ocean ecosystems and aligned to global 2030 targets.

Restoring Floreana

This ambitious, long-term and multi-partner restoration programme is driven by a suite of partners including the Galapagos National Park Directorate, Fundación de Conservación Jocotoco, Durrell Wildlife Conservation Trust, University of Vienna, Charles Darwin Foundation, Island Conservation and Re:wild. The overall aim is to ensure the survival of Floreana island's native biodiversity, including the 55 threatened vertebrate species present, as well as to enable conditions to reintroduce 12 locally extinct species, such as giant tortoises, Floreana mockingbirds and little vermilion flycatchers. It is currently in the final stages of its eradication phase, to remove the threat posed by invasive rats, mice and feral cats. In 2023, GCT continued to support biodiversity baseline surveying, including the collection of invertebrate samples which serve as an important indicator of ecosystem health and an essential food source for the endangered birds the programme is designed to protect. While the field teams continue to monitor Floreana, initial results are looking very hopeful for success. The first reintroductions of local extinct species are expected to take place from 2025.

Galapagos Tortoise Movement Ecology Programme

Since 2009, GCT has supported this long-running programme now led by the Charles Darwin Foundation, which addresses many areas of research linking to giant tortoise conservation including studying (i) movement and reproductive ecology, (ii) interactions of tortoises and humans and (iii) health and ecosystem services, contributing to a One Health approach to tortoise conservation. One Health is an approach to optimise the health of wildlife, humans and the environment simultaneously. 2023 was highly productive for the GTMEP, with three new research articles published on the topics of tortoise movement ecology, reproductive ecology, and health and two additional articles under revision for publication in 2024. The movement ecology work using radiotelemetry and GPS units continued and we have now fitted >120 adult tortoises with satellite tags to help us understand tortoise movements. Throughout 2023 there was increasing research addressing the reproductive ecology of tortoises, including detailed monitoring of nests. We have advanced our understanding of nesting success, hatchling survival and gender ratios by monitoring >350 nests and >100 hatchlings. During 2024 we will continue to support across the areas of research detailed above, whilst raising awareness amongst the local and international community and carrying out collaborative environmental education activities in the Galapagos to accelerate solutions to the major threats to tortoises.

Landbird Conservation Solutions

The little vermilion flycatcher population on Santa Cruz, estimated to be only 40 breeding pairs, is declining at an alarming rate, threatened by invasive species, including the avian vampire fly (*Philornis downsi*) and habitat degradation. The project, led by the Charles Darwin Foundation, has continued in 2023, studying breeding success on Santa Cruz and producing baseline health data in potential source populations of the little vermilion flycatcher across the Archipelago for potential reintroductions in the future. Using the insecticide Permacap, self-fumigation (i.e. treating nesting materials provided in a dispenser) and other nest treatment methods have been pioneered and tested in 2023 to tackle the avian vampire fly, with self-fumigation helping the little vermilion flycatcher to ultimately protect their own nests. Efforts in 2023 resulted in the most successful nesting season recorded, with 12 fledglings joining the Santa Cruz population. The plan is to continue testing these methods in Santa Cruz and at a broader scale in 2024.

Landbird Conservation Solutions (continued)

Between February and May 2023, an Ecuadorian PhD candidate at the University of Exeter part-funded by GCT, Cristian Poveda, conducted exploratory surveys in the highlands and lowlands of Floreana island to assess the composition and extent of smooth-billed ani territories. Smooth-billed anis are an invasive bird species that are of concern due to their predation and competition with native species. We are continuing to support Cristian with his PhD into 2024 and will continue to support CDF to build baseline data for seven landbird species on Floreana, to increase bird nesting success through novel control methods, and to maximize breeding success of the little vermilion flycatcher on Santa Cruz through continued nest monitoring, nest injection and self-fumigation trials in the experimental plots, while supporting ongoing education activities.

Land & Marine Iguana Conservation

Following the successful reintroduction of land iguanas to Santiago in 2022, an expedition took place in April 2023, aimed at studying the current population on the island. The team, led by Dr Luis Ortiz-Catedral and the Galapagos National Park Directorate, also visited North Seymour, to determine whether a further translocation of individuals to Santiago could be conducted. Updated estimates of population density and distribution has helped identify better conservation management targets and will assist with the management of the species. A highlight from the April expedition was finding the oldest living male land iguana, first sighted in 1979, and estimated to be between 45 and 65 years old.

Through our partnership with Leipzig University and Universidad San Francisco de Quito, in 2023 we supported efforts to map marine iguana populations and plastic pollution exposure across the islands, through the use of drone surveys and citizen science; the “Iguanas from Above” project. This will be a particularly important baseline, given the onset of the El Niño phenomenon, during which marine iguana populations have previously been negatively affected by changes to their algal diets. In 2024-5 we will continue to support the monitoring of marine iguanas during the ongoing El Niño event via drone survey and with citizen science volunteers counting individuals from the aerial images. We are also supporting a study of the diet of marine iguanas, through non-invasive sampling and molecular techniques to assess if the genetic differentiation among populations is mirrored in their feeding pattern.

Endangered Sharks and Rays of Galapagos

This programme, led by our partners at MigraMar and the Galapagos Science Center/Universidad San Francisco de Quito, aims to improve the management and conservation of sharks and rays in the Galapagos Marine Reserve. In 2023, research expeditions have resulted in a population estimate of 260-545 whale sharks in the south of the Archipelago. Outputs of this phase of the project include four reviewed papers, six dissertations and 12 talks. MigraMar has achieved the establishment of the first IUCN Important Shark and Ray Area (ISRA), consisting of the Pacific Equatorial Front, and the Galapagos nursery complex, where we have been studying newborn hammerhead and blacktip sharks and have tagged seven juvenile scalloped hammerhead sharks and five spotted eagle rays.

In 2024 we will continue to support MigraMar and USFQ to improve the management and conservation of sharks and rays in the Galapagos Marine Reserve. We will support a field trip to collect the first baseline data for the Hermandad Marine Reserve established in 2022 and fund a research assistant to collect underwater video surveys and eDNA samples, important tools in monitoring ocean health. In addition, we are monitoring juvenile sharks, tagging manta rays and studying habitat use of whale sharks. We will continue to support a Galapagos local and global catalogue for Whale Shark identification ‘Wildbook’ to improve knowledge on how populations are connected.

Co-Galapagos

Co-Galapagos was launched in 2021 to promote collaboration, cooperation and coordination to achieve the United Nations' 2030 Sustainable Development Goals (SDGs) Agenda in Galapagos. The SDGs consist of 17 goals which are broken down into 169 targets, 40 of which have been identified as the most urgent targets for the Archipelago. Co-Galapagos aims to support and strengthen the capacity of a local NGO, Fundación un Cambio por la Vida (FUNCAVID), which manages community-led projects as well as a local internship scheme for young Galapagueños to gain experience in a project relating to the 40 targets.

During 2023, GCT supported the delivery of 15 projects and 20 internships across communications, projects, research and policy themes. The paid internship scheme has major potential to continue growing to develop local skills and generate relevant work experience for young adults in Galapagos. This project has empowered 17 young adults by supporting their leadership or contribution to projects progressing priority SDG targets and filling a notable gap in opportunities for paid work and skills development. In 2023, this project was kindly supported by a Darwin Initiative Capability & Capacity grant and the Evolution Education Trust. We will continue our support in 2024 with the aim of further enabling community-led projects to achieve the SDGs.

Connecting with Nature Education Programme

Our Connecting with Nature programme, carried out in coordination with a number of Galapagos partners, continues to engage young people, their families and teachers with the wildlife of Galapagos and conservation work. Activities carried out in 2023 included mentoring for reading sessions with our series of educational children's storybooks (160 participants), running family science events (150+ participants), workshops and the 10th annual community Shark Day in San Cristobal island (500+ participants), something GCT has supported since the beginning.

The Gills Club (Chicas con Agallas) aims to engage more girls in shark science in Galapagos and is supported by GCT as part of our education and outreach work. A new cohort of the Gills Club was started in 2023 in Santa Cruz island, in addition to the group on San Cristobal, so we are now supporting 20+ local girls between the ages of 8-12 to learn about conservation, including plastic pollution, habitat degradation, use of citizen science tools etc.

In 2024 we will continue our Connecting with Nature programme by growing our outreach activities in Galapagos and we will promote our Discovering Galapagos website to teachers and educators.

Fog Harvesting

During 2023, GCT co-led a fog/rainwater harvesting pilot in the highlands of Santa Cruz led by water expert Dr Charlie Ferguson, in partnership with FUNCAVID and supported by the Co-op and Co-op Foundation in the UK. The project aimed to reduce the need for municipal water supplies currently being transported via truck (up to 17 trucks a day), saving money and reducing the carbon footprint of water needed for farming. In this 18-month project, fog harvesting installations in 16 sites have collected 65,000 litres of water— this equates to a direct saving of approximately 0.2 tons of CO₂ for the first year that they have been installed. We anticipate that if maintained correctly, each fog net could last around seven years – in order to ensure optimum sustainability, we have mapped opportunities to upcycle the nets when they are no longer fit for this purpose. Most of the sites for fog nets are situated on local farms and we will continue to support projects with local farmers to improve conditions for biodiversity and to adopt sustainability measures such as water harvesting that we have learned from this important project.

Plastic Pollution Free Galapagos

Throughout 2023, our flagship plastic programme continued to grow, engaging from grassroots to governments. To mitigate the negative effects of plastic pollution in Galapagos, we have worked with local partners to identify key capacity and knowledge gaps, which has led us to supporting the Galapagos National Park Directorate in developing their 2030 Strategic Plan for Marine Plastics Management in the Galapagos Marine Reserve. This includes recommendations for improving the effectiveness of coastal clean-ups, and establishing robust long-term monitoring and data collection, using standardised sharing protocols for sampling coastal plastic, discarded fishing gear and Fish Aggregating Devices (FADs) which have drifted into the marine reserve where their use is illegal. We have provided training to the Park on drone flight and aerial plastic surveys, coastal and urban sampling methods, data management, analysis and visualisation. The work to embed the 2030 Strategic Plan for Marine Plastics Management will continue to be a major focus in 2024, with key stakeholders brought together to share knowledge and resources, and accelerate potential solutions.

To prevent future plastic pollution, we have accelerated our work on policy, becoming key advisors to the Ecuadorian delegation for the Global Plastics Treaty negotiations. The evidence we have built in Galapagos over the last five years is directly contributing to these global discussions and also to local policy work with the Galapagos municipalities and the Inter-Institutional Commission for the Responsible Use of Plastics to strengthen existing single-use plastics bans and improve waste management. This work is reinforced by our circular economy solution trials, with a community innovation call that will be launched in the first quarter of 2024. 2023 also saw the outset of a circular economy research project in Galapagos, filling key knowledge gaps around plastic imports, consumer purchasing, use and disposal.

Pacific Plastics: Science to Solutions (PPSS), our international plastics research network co-managed with the University of Exeter, has accelerated our impact over the last year. A total of 29 papers have been published across the network, with results helping to develop the 2023 Strategic Plan for Marine Plastics Management.

Partnerships

GCT is recognised as a trusted advisor and partner, as well as a leading supporter and promoter of projects that achieve measurable conservation, sustainable living and protection of the environment of Galapagos. Our programmes tackle broader global issues such as plastic pollution and climate change. We continue to work closely with a broad range of organisations including the Galapagos National Park Directorate, the Consejo de Gobierno de Galápagos and 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. Key partners include the Charles Darwin Foundation, MigraMar, Conservation International Ecuador, WildAid, Fundación de Conservación Jocotoco, Island Conservation, Galapagos Hub, CSIRO, Utrecht University, University of Exeter, Durrell Wildlife Conservation Trust, FUNCAVID, FIRMAG and Universidad San Francisco de Quito (Galapagos Science Center) and others. GCT remains a Governing Member of the Charles Darwin Foundation.

Partnerships (continued)

During the last strategic period, GCT continued to develop relations with Ecuadorian government ministries. GCT is working with the Ecuadorian Ambassador to the UK to support Ecuador's commitment to a legally binding global treaty on plastics, covering the 'full lifecycle' of plastics from production to disposal. GCT will continue working with the Ecuadorian Government to support delivery of the UN Plastics Treaty in 2024 and leading up to the signing of the Treaty in 2025, possibly in Galapagos.

Communications

Raising awareness of our programmes and providing educational information is a vital part of our work. During 2023 we engaged with 800 people at 3 events, redesigned our website, had coverage in over 20 printed and online news publications, and 17 scientific papers were published as a result of our work.

Organisational

During the current strategic period, we are focusing on ensuring we have the structure and resources in place to grow and support the team (both in the UK and in Galapagos); embedding our new strategy and values into the organisation and ensuring all our activities are fully operational by investing in both GCT's physical (office) and digital infrastructure.

Our key areas of organisational objectives are set out below:

- 1) Continue to focus on staff development, wellbeing and diversity, ensuring everyone has access to training opportunities, celebrating individuals' achievements, and ensuring all staff are engaged with GCT's values, mission, vision and strategy
- 2) Develop our on-Island team, to support our programme impact, deliver better communications locally and build our reputation
- 3) Continue to build our fundraising capacity to realise our fundraising ambitions
- 4) Maintain good governance and a robust control environment

3. PLANS FOR THE FUTURE

2024 will be an important year for GCT as we continue with the implementation of our three-year strategy. We have a new CEO supported by a motivated and talented team, ready to drive forward the current strategy and start laying the foundations for the next as we strive to achieve our longer-term goals for 2030, ensuring we are building the resilience we need to succeed. We will continue to invest in our people with a special focus on building our team on the Islands to support local delivery of our programmes and communications, and to further inform and build our reputation with local policymakers.

In the second year of our current strategy, we have identified below the top priorities for 2024 within each of our four Strategic Objectives:

- 1) Programmes: we will continue to work at an ecosystem-level (islands and oceans), employing four key strategic themes: restoring human-populated islands, connecting communities and nature, ensuring effective ocean protection and implementing plastic pollution solutions at scale. A major priority for 2024 is to undertake a comprehensive evaluation with our local partners of the last decade of our investments in environmental education to inform our future strategic planning. In parallel, we will continue to convene the Pacific Plastics Science to Solutions network to optimise the timing of the Global Plastics Treaty negotiations in 2024 and 2025 to ensure that island voices are at the top of the agenda.
- 2) Income: we continue to aim for steady growth (excluding one off legacies) across a diversified income portfolio by delivering the objectives set out in our fundraising strategy. The priorities for 2024 will be to explore other options for funding through our existing network of trusts, government grants and major donors. We will link this to our key programme themes, i.e. oceans/climate and land/biodiversity. We will remain mindful of the importance of our unrestricted income and maintain this through our appeals, membership and other supporter activities.
- 3) Communications: we will ensure that our communications are aligned with our strategic goals to support policy outcomes and programme impact, as well as fundraising and awareness building in our priority audiences. We plan to boost our communications presence on the Islands and ensure we collaborate closely with our project and delivery partners to access the latest news from Galapagos, to support their projects and to be more effective in changing policy and campaigning, and we will leverage global events to raise voices from Galapagos and get our collective work to restore and protect biodiversity seen and heard.
- 4) Organisation: we will continue to operate as an inclusive and driven organisation, ensuring we invest in and develop our teams both in the Galapagos and the UK. Diversity, equity and inclusion remains a key priority for us as we continue to promote a culture where everyone's voice can be heard.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

4. FINANCIAL REVIEW

The Trustee Annual Report and Accounts for the year ended 31 December 2023 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 was £1,815k (2022: £1,271k) - an increase of 43% compared to 2022. This increase was largely driven by two exceptional legacies received during the year (£449k) and an increase in major donor income.

Total expenditure for the year was £1,337k (2022: £1,332k) – broadly in line with the prior year as we continued to invest in and deliver high-impact programmes.

The net surplus for the year was £506k (2022: deficit of £83k) was largely driven by several large gifts in wills generously received from supporters during 2023.

Long terms investments held at 31 December 2023 totalled £249k (2022: £221k). This increase reflects movements in the market over the past 12 months.

Reserves

The Trustees have agreed that GCT should hold between three and six months of unrestricted operating costs in reserves in order to operate in the event if any unforeseen and significant reduction in income.

As at 31 December 2023, reserves total £1,093k (2022: £586k), of which £134k were restricted (2022: £123k). The Trustees have decided to designate £96k of general funds to our programmes fund and legacy income of £450k to a new conservation fund to support conservation projects and local communities in the Galapagos. In the prior year, £110k of general funds were designated to our strategic programmes. During the year, £104k (2022: £136k) of designated funds were used for programme spend (see note 20).

At the end of 2023, our general funds were £390k (2022: £337k) which is in-line with our usual range of reserves (£370k-£410k).

At the end of 2023, our restricted funds were £134k (2022: £123k).

Going concern

The management team continues to focus on high-quality forecasting for 2024 to ensure a robust pipeline of income matched to programme demands. The Trustees have assessed the financial position and are confident that the financial resources are sufficient to meet liabilities for the next 12 months. There are no material uncertainties about the charity's ability to continue as a going concern.

4. FINANCIAL REVIEW (continued)

Fundraising

We are committed to ensuring that all fundraising is undertaken in an ethical, clear and transparent manner. The majority of GCT's income is from its members, individual donors, transformational gifts, trusts and corporates. We do fundraise from the general public through events, 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 comply 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 2023 GCT received six (2022: four) complaints, which were treated seriously and are used as opportunities to improve our future processes and service. All complaints were logged and recorded by the relevant staff member and were resolved at stage one of the complaint process and within the four-day working limit.

Risk Management

The Trustees and CEO oversee a formal risk management process, identifying the major risks facing the Charity from both internal and external factors. Each risk is assessed according to its inherent likelihood and potential impact, along with the residual likelihood and impact following any mitigating actions.

Each Committee (Finance, Audit and Risk, Programmes and Fundraising and Communications) takes responsibility for maintaining the risk register for their area. The risk register is updated at Committee meetings every six months and approved by the board of Trustees on an annual basis. Existing controls are assessed, and any further action to control the risks are agreed. The actions are implemented by the CEO and staff.

Data Protection

Data protection is ingrained in how GCT operates and communicates, and we only process information where we have a legal basis to do so. All staff are aware of the data protection requirements and practice good data management within their roles. Internal policies governing data are reviewed regularly and updated where necessary.

GCT strives to be a transparent and trustworthy organisation and to live our values through all our actions. In line with these values, our privacy policy is available to view on our website.

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 Trustees who served during the year are noted on page 1.

The Trustees are responsible for approving all significant decisions and ensuring they are delivered. The Board meets at least four times a year. In addition, the Board operates committees for Finance, Audit and Risk, 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 13 to the accounts. There are no related party transactions.

Trustee appointment and induction

The Trustees are appointed by the Members 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 Board undertakes a bi-annual skills analysis and effectiveness review to ensure it has the appropriate skills to fulfil its duty as a Board. If a Trustee retires or additional new Trustees are required, GCT runs an open and rigorous recruitment process for new Trustees who have the appropriate skills and experience. The recruitment process includes where possible, advertising in the GCT magazine, on the GCT website and in the 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 formally join the Board.

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

We are thrilled to have welcomed one new Board member during 2023:

Sara Patricia Zurita Serrano

Staff and training

The Trustees and Chief Executive are committed to both staff development and wellbeing to support the effective development of the Trust and of individuals. To support this, staff have attended a variety of training courses, events and team days during the year. We have a small serviced London office and combine office and home working to offer flexible options to staff members. Our in-person team days help ensure the team remain connected and work in a collaborative and effective way.

The pay of the staff is reviewed annually in December by the Finance, Audit and Risk Committee and the Board, following an annual appraisal, which takes place in the last quarter.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

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 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
- Supporting our communications including producing content for our website, blogs and social media
- Event support
- Sourcing raffle prizes
- Undertaking research tasks around our projects and networks
- 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 one manager on the Christ's College Cambridge Charles Darwin and Galapagos Islands Fund

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

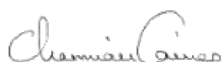
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved on behalf of the board on 2nd July 2024 and signed on their behalf by



Charmian Caines
Chair



Amy Liddy
Treasurer

Date: 2/07/24

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GALAPAGOS CONSERVATION TRUST

Opinion

We have audited the financial statements of Galapagos Conservation Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GALAPAGOS CONSERVATION TRUST

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GALAPAGOS CONSERVATION TRUST

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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

Azets Audit Services Limited

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

Date: 3 July 2024

GALAPAGOS CONSERVATION TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income:					
Donations and legacies	2	818,295	751,961	1,570,256	1,048,598
Memberships	3	109,704	-	109,704	111,758
Other trading activities	4	82,613	45,231	127,844	108,777
Investment income	5	7,082	-	7,082	1,463
Total income		1,017,694	797,192	1,814,886	1,270,596
Expenditure:					
Raising funds	6	201,926	-	201,926	166,694
Charitable activities	7	348,497	786,089	1,134,586	1,165,265
Total expenditure	8	550,423	786,089	1,336,512	1,331,959
Unrealised (losses)/gains	16	27,728	-	27,728	(21,876)
Net movements in funds		494,999	11,103	506,102	(83,239)
Reconciliation of funds:					
Total funds brought forward		463,742	122,728	586,470	669,709
Total funds carried forward	21	958,741	133,831	1,092,572	586,470

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 25 to 39 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

BALANCE SHEET

COMPANY NUMBER: 03004112

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible fixed assets	14		-		-
Intangible fixed assets	15		30,514		16,200
Investments	16		249,030		221,302
			<u>279,544</u>		<u>237,502</u>
Current assets					
Debtors	17	79,302		161,975	
Cash and bank		847,467		257,457	
		<u>926,769</u>		<u>419,432</u>	
Creditors: Amounts falling due within one year	18	(113,741)		(70,464)	
Net current assets			813,028		348,968
Net assets			<u>1,092,572</u>		<u>586,470</u>
Restricted funds	19		133,831		122,728
Unrestricted funds					
Designated funds	20		568,738		126,343
General funds			390,003		337,399
Total funds	21		<u>1,092,572</u>		<u>586,470</u>

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 2nd July 2024

and signed on its behalf by:



Charmian Caines
Chairman



Amy Liddy
Treasurer

The notes on pages 25 to 39 form part of these financial statements.

GALAPAGOS CONSERVATION TRUST

CASH FLOW STATEMENT

AS AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Cash generated from operations	23	600,016	(180,145)
Net cash provided by (used in) operating activities		<u>600,016</u>	<u>(180,145)</u>
Cash flows from investing activities:			
Bank Interest received		7,082	1,463
Purchase of intangible assets		(17,088)	(16,200)
Net cash provided by (used in) investing activities		<u>(10,006)</u>	<u>(14,737)</u>
Change in cash and cash equivalents in the reporting period		590,010	(194,882)
Cash and cash equivalents at the beginning of the reporting period		<u>257,457</u>	<u>452,339</u>
Cash and cash equivalents at the end of the reporting period		<u>847,467</u>	<u>257,457</u>
Cash and cash equivalents consist of:			
Cash at hand and in bank		847,467	257,457
Short term deposits		-	-
Cash and cash equivalents at the end of the reporting period		<u>847,467</u>	<u>257,457</u>

The notes on pages 25 to 39 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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 in October, the Financial Reporting Standard applicable in the United Kingdom (FRS 102), the Charities Act 2022, 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 management team continues to focus on high-quality forecasting for 2024 to ensure a robust pipeline of income matched to programme demands. The Trustees have assessed the financial position and are confident that the financial resources are sufficient to meet liabilities for the next 12 months. There are no material uncertainties about the charity's ability to continue as a going concern.

(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.

1. ACCOUNTING POLICIES - continued

(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.

(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 Awareness raising, Oceans and Islands.

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.

1. ACCOUNTING POLICIES - continued

(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, amortisation, 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 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) Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

Amortisation is provided on all intangible 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:

Website	20% - straight line
---------	---------------------

(i) 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.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

(q) 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 14 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.

Useful economic lives of intangible assets

The annual amortisation charge for intangible 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 and economic utilisation. See note 15 for the carrying amount of the website, and note (1h) 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.

2. DONATIONS AND LEGACIES

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Donations	251,906	749,961	1,001,867	931,490
Legacies	518,158	-	518,158	60,629
Tax recoverable under Gift Aid	48,231	2,000	50,231	56,479
	<u>818,295</u>	<u>751,961</u>	<u>1,570,256</u>	<u>1,048,598</u>

In 2022, £324,816 of donations and legacies income was attributable to unrestricted funds and £723,782 was attributable to restricted funds.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. MEMBERSHIP INCOME

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Memberships	109,704	-	109,704	111,758

In 2022, all of the income from charitable activities was attributable to unrestricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Fundraising events	32,503	-	32,503	19,100
Appeals and raffles	23,686	45,028	68,714	63,903
Fundraising trading	26,424	203	26,627	25,774
	82,613	45,231	127,844	108,777

In 2022, £87,550 of income from other trading activities was attributable to unrestricted funds and £21,227 was attributable to restricted funds.

5. INVESTMENT INCOME

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Bank interest	7,082	-	7,082	1,463

In 2022, all of the investment income was attributable to unrestricted funds.

6. RAISING FUNDS

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Costs of generating voluntary income	201,926	-	201,926	166,694

In 2022 all of the expenditure was attributable to the unrestricted fund.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

7. CHARITABLE ACTIVITIES

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Awareness raising	148,918	-	148,918	136,462
Oceans	143,326	360,626	503,952	592,526
Islands	56,253	425,463	481,716	436,277
	348,497	786,089	1,134,586	1,165,265

In 2022 £418,440 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £746,825 being attributable to the restricted fund.

8. ANALYSIS OF EXPENDITURE

	Direct Charitable £	Grant Making (note 9) £	Support Costs (note 10) £	Total 2023 £	Total 2022 £
Raising Funds:					
Generating income	167,569	-	34,357	201,926	166,694
Charitable Activities:					
Awareness raising	123,796	-	25,122	148,918	136,462
Oceans	148,927	311,496	43,529	503,952	592,526
Islands	115,990	323,604	42,122	481,716	436,277
	556,282	635,100	145,130	1,336,512	1,331,959

9. ANALYSIS OF GRANTS COMMITTED DURING THE YEAR

	2023 £	2022 £
Restricted		
<u>Island</u>		
Climate Smart Communities	48,916	28,253
Community Innovation	45,136	78,090
Environmental Education	42,761	26,590
Island Restoration	80,456	102,710
Plastic Free Galapagos – Island	91,447	-
Galapagos Tortoise inc CwN	14,888	31,942
Green Jobs – Barcoding Galapagos	-	31,900
Land Iguanas	-	18,500
<u>Oceans</u>		
Oceans	76,324	156,710
Plastic Free Galapagos - Ocean	235,172	222,659
Total grants committed	635,100	697,354

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

9.1 RECONCILIATION OF GRANTS PAYABLE

	2023	2022
	£	£
Commitments at 1 January 2023	29,080	21,118
Grants committed during the year	635,100	697,354
Grants paid during the year	(645,372)	(689,392)
	<u>18,808</u>	<u>29,080</u>
Commitments at 31 December 2023		

10. SUPPORT COSTS

	2023	2022
	£	£
Governance costs (note 11)	45,222	47,471
Administrative office function	41,509	46,619
Amortisation	2,774	-
HR & Recruitment	27,019	15,808
Premises costs	28,606	19,180
	<u>145,130</u>	<u>129,078</u>

11. GOVERNANCE COSTS

	2023	2022
	£	£
Auditors remuneration		
Audit fee for the year	11,400	10,440
For other services	1,080	990
	<u>12,480</u>	<u>11,430</u>
Staff costs	32,742	32,610
Board meeting costs and expenses	-	3,431
	<u>45,222</u>	<u>47,471</u>

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

12. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2023	2022
	£	£
This is stated after charging:		
Amortisation	2,774	-
Auditors remuneration	12,480	11,430
Operating lease costs	27,901	18,532
	<u> </u>	<u> </u>

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

	2023	2022
	£	£
Salaries and wages	463,845	431,171
Social security costs	49,146	38,671
Pension costs	10,168	11,173
	<u> </u>	<u> </u>
	523,159	481,015
	<u> </u>	<u> </u>

The total average monthly number of employees (full-time equivalent) during the year were as follows:

Generating funds	3	3
Charitable activities	11	10
	<u> </u>	<u> </u>
	14	13
	<u> </u>	<u> </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 £70,000 to £79,999 (2022: one employee £70,000 to £79,999).

During 2023 and 2022, no Trustees were paid or received any other benefits from employment with the charitable company. Also, no Trustees (2022; £nil) were reimbursed expenses.

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 £155,775 for 3 employees (2022: £226,471 for 4 employees).

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2023	148	6,786	6,934
At 31 December 2023	148	6,786	6,934
Depreciation			
At 1 January 2023 and 31 December 2023	148	6,786	6,934
Net Book Value At 31 December 2023	-	-	-
At 31 December 2022	-	-	-

15. INTANGIBLE FIXED ASSETS

	Website £	Total £
Cost		
At 1 January 2023	16,200	16,200
Additions	17,088	17,088
At 31 December 2023	33,288	33,288
Amortisation		
At 1 January 2023	-	-
Charge for the year	2,774	2,774
At 31 December 2023	2,774	2,774
Net Book Value At 31 December 2023	30,514	30,514
At 31 December 2022	16,200	16,200

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

16. INVESTMENTS

	2023 £	2022 £
Listed investments held in the UK	249,030	221,302
At 1 January 2023	221,302	243,178
Unrealised gains/(losses)	27,728	(21,876)
Market value at 31 December 2023	249,030	221,302
Cost	203,000	203,000

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

17. DEBTORS

	2023 £	2022 £
Accrued income	51,602	129,360
Tax recoverable under Gift Aid	10,332	19,783
Other debtors and prepayments	17,368	12,832
	79,302	161,975

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accruals and deferred income (note 18.1)	92,625	40,109
Grants payable (note 9.1)	18,808	29,080
Other creditors	2,308	1,275
	113,741	70,464

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

18.1 DEFERRED INCOME

	2023 £	2022 £
At 1 January	25,000	28,500
Additions during the year	77,141	25,000
Amounts released to income	(25,000)	(28,500)
At 31 December 2023	77,141	25,000

In 2023, grant income was received for the period ending 2023.

19. RESTRICTED FUNDS – Current year

	1 January 2023 £	Income £	Expenditure £	31 December 2023 £
Restricted funds				
<u>Island</u>				
Climate Smart Communities	6,273	38,610	(44,883)	-
Community Innovation	5,374	58,816	(64,190)	-
Environmental Education	11,311	38,055	(47,366)	2,000
Island Restoration	18,807	134,481	(75,530)	77,758
Plastic Free Galapagos - Island	-	123,943	(117,537)	6,406
Galapagos Tortoise inc CwN	-	26,412	(11,120)	15,292
<u>Ocean</u>				
Oceans	60,310	68,619	(123,619)	5,310
Plastic Free Galapagos - Ocean	20,653	308,256	(301,844)	27,065
	122,728	797,192	(786,089)	133,831

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

19. RESTRICTED FUNDS – Current year (continued)

Oceans:

Our ocean protection programme aims to keep the seas pollution free and full of life, through implementing projects to support the safeguarding of marine protected areas, deliver coastline cleanups and ocean based plastic pollution solutions at scale, strengthen shark and fishing policies, and engage communities in conservation through green jobs and circular economy opportunities.

Islands:

With the aim of returning species in a way that they thrive alongside people, our funds under this category are focussed on the eradication of invasive mammal and plant species, preparing the way for species recoveries and reintroductions, protecting giant tortoises from plastic and chemical pollution, boosting sustainable livelihood options for island communities and supporting young islanders to experience nature and the Park.

The structure of our programmes has evolved during 2023 from our previous pillars (driving sustainable solutions/ protecting species and restoring habitats) to better reflect the two ecosystem levels that we operate at. Within Oceans and Islands, we have four sub-pillars: ocean protection, plastic solutions, rewilding islands and community and nature.

19. RESTRICTED FUNDS – Prior year

	1 January 2022 £	Income £	Expenditure £	31 December 2022 £
Restricted funds				
<u>Driving Sustainable Solutions</u>				
Discovering Galapagos	15,000	14,955	(24,192)	5,763
Fog Harvesting	-	38,610	(32,337)	6,273
Plastic	39,378	306,543	(325,268)	20,653
Connecting with Nature	-	18,845	(13,297)	5,548
Sustainable Development	-	69,030	(63,656)	5,374
<u>Saving Species</u>				
Giant Tortoise	-	14,176	(14,176)	-
Birds of Galapagos	-	20,000	(11,693)	8,307
Iguanas	10,000	14,818	(24,818)	-
Endangered Sharks Programme	29,186	73,646	(77,832)	25,000
Barcoding Galapagos	-	6,575	(6,575)	-
<u>Restoring and Protecting Habitats</u>				
Floreana Island Restoration	-	47,664	(37,164)	10,500
Ocean Protection	30,980	120,147	(115,817)	35,310
	124,544	745,009	(746,825)	122,728

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

20. DESIGNATED FUNDS – Current year

	1 January 2023 £	New designation £	Designations released £	Transfers £	31 December 2023 £
Designated funds					
Programmes fund	126,343	96,762	(104,367)	-	118,738
Conservation fund	-	450,000	-	-	450,000
	<u>126,343</u>	<u>546,762</u>	<u>(104,367)</u>	<u>-</u>	<u>568,738</u>

As at the end of 2023, £97k has been designated to programmes spend in 2024. Additionally, £450k has been designated to a conservation fund following several large gifts in Wills generously received from supporters during 2023. These fabulous donations will enable the new fund to support conservation projects and local communities in the Galapagos.

These reserves provide us with a strong base from which to implement our strategy to achieve our goals set out on pages 4-5 of the annual report.

20.1 DESIGNATED FUNDS – Prior year

	1 January 2023 £	New designation £	Designations released £	Transfers £	31 December 2023 £
Designated funds					
Programmes fund	210,929	110,000	(194,586)	-	126,343

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

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2023 are represented by:			
Intangible fixed assets	30,514	-	30,514
Fixed Asset Investments	249,030	-	249,030
Current Investments & Cash at bank and in hand	654,814	192,653	847,467
Other net current assets	24,383	(58,822)	(34,439)
	<u>958,741</u>	<u>133,831</u>	<u>1,092,572</u>

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

21. ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Prior year

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2022 are represented by:			
Intangible fixed assets	16,200	-	16,200
Fixed Asset Investments	221,302	-	221,302
Current Investments & Cash at bank and in hand	197,116	60,341	257,457
Other net current assets	29,124	62,387	91,511
	463,742	122,728	586,470

22. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	506,102	(83,239)
Adjustments for:		
Gains on investments	(27,728)	21,876
Bank Interest	(7,082)	(1,463)
Amortisation charges	2,774	-
(Increase)/decrease in debtors	82,673	(116,875)
Decrease/(increase) in creditors	43,277	(444)
Net cash/(used in) provided by operating activities	600,016	(180,145)