

Trustees' Annual Report

1 April 2023 – 31 March 2024





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Introduction

It's been a landmark year for Global Canopy. By targeting the market forces destroying nature, we drive financiers, corporates and governments to make better decisions for nature, forests and people. And on a global level, it has been a year of significant landmarks that have the potential to accelerate change.

The final COP28 text, agreed in Dubai, was the first time ever that tackling deforestation was included – showing greater global recognition that it is a critical part of climate action. In the EU, the world's first deforestation due diligence law came into force and despite mounting pressures, its significance should not be understated. And after two years of development, the Taskforce on Nature-related Financial Disclosures – an initiative we co-founded – published comprehensive recommendations for nature-related risk management and disclosure.

These historic “firsts” show that sustained, evidence-based advocacy by Global Canopy and our peers can make positive changes in the way financial and regulatory systems impact deforestation.

In a year of milestones, we launched our tenth annual Forest 500 report, assessing the 350 companies and 150 financial institutions with the most influence on commodity-driven tropical deforestation. A decade of work that has shown beyond any doubt that voluntary action alone is not driving change at the speed and scale we need.

In November we published our first full Deforestation Action Tracker report, assessing more than 700 financial institutions with high-profile climate commitments. This crucial resource highlights the inexplicable blindspot the finance sector has on deforestation.

These findings demonstrate why laws are so critical – so we've worked to ensure the EU Deforestation Regulation (EUDR) is effective. Our Trase team has published recommendations for establishing a fair and effective risk benchmarking to underpin strong EUDR enforcement by EU member states. Trase analysis also highlighted how EUDR enforcement would benefit from greater data transparency around legal systems in exporting

countries, like Brazil's Forest Code.

In the UK, the evidence we gave to Parliament's Environmental Audit Committee formed a significant part of their January report that demanded the UK government strengthen proposed due diligence laws here, to cover both legal and illegal deforestation, to regulate the finance sector and to include vital human rights protections. Now the UK Treasury has been tasked with exploring whether existing legal frameworks on deforestation sufficiently address the role of finance.

The launch of Forest IQ was another landmark. A data platform created by us alongside an alliance of leading not-for-profits which, for the first time, brings together the best available, aligned and actionable data on how more than 2,000 major companies are addressing their links to deforestation. It is a powerful new ally for financial institutions to play their part in a rapid marketwide transition away from deforestation.

And then there's our expanded work in Brazil – focusing on the country that will host COP30 in the Amazonian city of Belém. We're looking to transform cattle markets that are responsible for 40% of the country's emissions. We helped organise a finance sector workshop in Brazil to engage with the finance sector on the journey ahead as a reinvigorated government puts nature and forests at the heart of the climate conversation.

Tackling deforestation, nature loss and associated human rights abuses must be at the heart of joined up action on the intertwined climate and nature agendas. Our work over the past year with governments, corporates and financial institutions has narrowed the ever-diminishing set of excuses for inaction.



Niki Mardas
Executive Director,
Global Canopy

Our Strategy & Ambition

In this financial year, Global Canopy has embarked on implementing the organisation's 2023-2030 Strategy. This sets out our vision for impact in the years to 2030 – a crucial period for achieving a global nature and climate transition.

The Strategy continues to focus on three key outcomes that align with and are delivered through Global Canopy's programmatic activities:

1. Open data transparency
2. Strong requirements on markets
3. Action and accountability for deforestation-free finance

These outcomes form the anchor for Global Canopy's plans through 2025. This is a period of critical opportunity for the organisation, as deadlines in high-profile international deforestation targets and the impending climate COP30 in Brazil bring forests more firmly into view for key stakeholders in government, business and finance.

Our main priorities for implementing the Strategy at this time include:

- Driving action toward deforestation-free financial portfolios by 2030, including through building momentum around COP30 in Belém.
- Ensuring the integration of nature into strong climate transition plans, aligned with global targets – including through guidance, metrics and showcasing leadership.
- Deepening and linking best-in-class data on forests and nature and keeping that data open to all.
- Supporting and strengthening key laws and governmental action on deforestation and nature.
- Triage, Transition and Transformation: facilitating a joined up journey to nature recovery.



“This is a stark reminder that continuing with ‘business as usual’ poses a severe threat to our planet, reinforcing the urgent need for a transition to sustainable business practices and to stop the financing of nature destruction.”

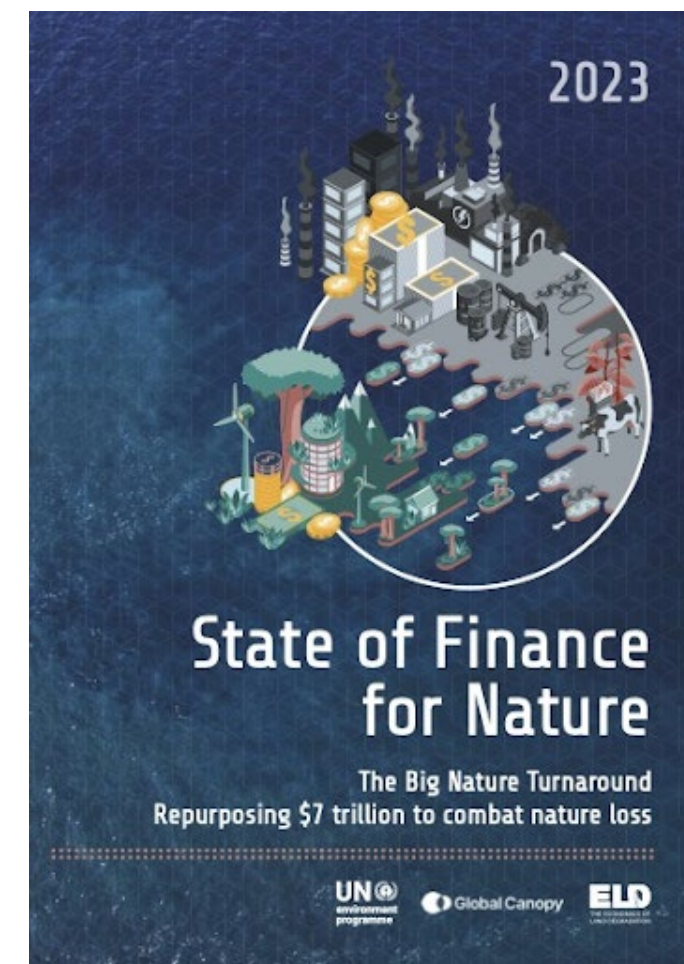
Niki Mardas

Global Canopy Executive Director
in the State of Finance for Nature report

Bringing Nature to the Heart of the Climate Conversation

The nature crisis and the climate crisis are two sides of the same coin. The destruction of forests and natural ecosystems is exacerbating climate change and frustrating progress toward net-zero targets. So nature must be at the heart of the climate conversation.

We used COP28 in Dubai to release Trase data quantifying the greenhouse gas emissions caused by deforestation and peatland degradation linked to countries’ production of five key commodities; beef, soy, palm oil, cocoa and wood pulp. It showed commodity-driven deforestation and peatland loss annually emits more carbon than Germany.



The State of Finance for Nature report

We co-authored the latest State of Finance for Nature report with the UN Environment Programme. For the first time the report quantifies the scale of public and private finance invested globally each year in activities with a negative impact on nature, revealing the scale of financial flows that must be halted and reversed: US\$7 trillion. We were keynote speakers at the launch event and were interviewed by the UN news channel bringing this critical figure to the attention of the finance industry/investing public.

Major summits including COP28, London Climate Action Week and Climate Week New York give Global

Canopy a platform to reach target audiences, work with partners and share our message. We were actively involved at all three summits – speaking

at events and engaging with key networks to ensure nature was on the agenda. Over the course of the financial year 15 different spokespeople from Global Canopy spoke about our tools, data and guidance at over 40 separate events and webinars.

We've published opinion pieces in key media outlets including about our Forest 500 report launch in Reuters and about our guidance work in Environmental Finance. Our projects and spokespeople have been regularly quoted in outlets including the Economist, Bloomberg, AP News and the Financial Times, steering media discussion on key topics such as due diligence legislation, supply chain transparency and forest finance. And high profile interviews have appeared in Impact Investor and on the Grant Thornton podcast.

Over the last year we've also dramatically increased our online presence, with more social media followers, mailing list sign ups and website visitors. Powerful videos, animations and written content have driven this increase. Over the year, 5,000 new followers subscribed to Global Canopy's LinkedIn account and we launched a new Instagram channel. There was also a 40% increase in users of the Global Canopy website, with over 12,000 additional users during the financial year, alongside a 37% uplift in the number of people on the Global Canopy mailing list. This means we are bringing our changemaking data and insights on nature loss and deforestation to a much larger audience than before.

“Deforestation is a huge part of the climate problem. There is no way to get to net zero without action on deforestation.”

Emma Thomson
Forest 500 Lead





Driving Transparency and Increasing Accountability

Transparency and accountability are key to driving change and improving outcomes for nature, forests and people.

2024 Forest 500 report

Our tenth annual Forest 500 report was published in February. To mark a decade of accountability work we set out 10 lessons from 10 years of deforestation data.



There has been progress. In 2014, just 11% of financial institutions in the Forest 500 had published a deforestation policy. Ten years later that figure has risen to 45%. But it's nowhere near enough. Of the companies and financial institutions that have featured in each of the 10 annual assessments since the Forest 500 was established, 23% have still not published a single commitment on addressing deforestation.

The report has received over a thousand downloads and extensive media coverage including from Reuters, IR Mag, Bloomberg, the Independent, ESG Investor and Forbes Brasil. Our data has also been incorporated into the work of other initiatives and campaigning groups that are variously working to advise companies and financial institutions or holding them to account. This includes Planet Tracker's Nature Scorecard, Accounting for Sustainability guidance to pension fund chairs and trustees, the French Sustainable Finance Institute report, and CDP and Proforest work on sustainable beef supply chains.

Drawing on learnings from Forest 500, we will increase efforts to promote strong regulation, especially of finance in both the EU and the UK. We're expanding our focus on Brazil cattle supply chains – one of the most influential sectors in deforestation worldwide. And our guidance and engagement tools are increasingly emphasising the connection between deforestation and climate transition plans.

Deforestation Action Tracker launch

November saw the publication of our first full and detailed stocktake of action on deforestation by more than 700 financial institutions that have strong net-zero commitments as part of GFANZ or related groups.

The Deforestation Action Tracker report has had almost 500 downloads since publication. There was extensive media coverage in leading ESG investor press including Environmental Finance, FT Sustainable Views, ESG Investor and SG Voice. Attendees at the launch webinar included asset managers Aviva Investors and Schroders; banks BNP Paribas, Deutsche bank and Lloyds bank and pension fund Scottish Widows

The Bolivian soy sector

In August, new Trase data shone a powerful spotlight on the deforestation crisis caused by the Bolivian soy sector. It is much smaller than that of powerhouse Brazil - but each tonne it produces is linked to seven times as much deforestation. The findings were presented through both in-person presentations to farmers' associations in Santa Cruz and strong communications collaborations with partners like WWF and Mighty Earth. The data attracted high-profile coverage in international broadsheets like The Guardian and La Vanguardia, as well as trade press and Bolivian publications.



75%

of financial institutions with significant climate commitments have no deforestation policy

10%

of financial institutions assessed have a deforestation policy in place for all highest risk commodities


Human rights briefing

Global Canopy's second annual human rights briefing, published in July, was one of our most downloaded materials of the year. It uses Forest 500 data to take a deeper look at the human rights issues associated with deforestation - once again holding companies and financial institutions to account for their actions.

The webinar, where Global Canopy was joined by speakers from ClientEarth and grassroots Brazilian human rights organisation Terra de Direitos, had 178 attendees - more than double that of the first human rights briefing. Attendees included HSBC, Amaggi, Mongabay, Friends of the Earth and WWF.

Bringing this overlooked issue to the fore we've helped promote the award-winning 'We are Guardians' documentary, hosting screenings in Oxford, London and at COP28 in Dubai. Directed by Edivan Guajajara, Chelsea Greene, and Rob Grobman, and with Executive Producer Leonardo DiCaprio, it tells the story of those on the front line in the battle to protect the Amazon.





“The European Parliament today voted resoundingly in support of forests – approving a new law that will require companies to show that imports into the EU are deforestation-free. This is good news for EU consumers and for the world, which simply cannot afford to lose more carbon-rich ecosystems and irreplaceable natural habitats.”

Helen Bellfield

Deputy Executive Director, Global Canopy

Supporting New Laws on Deforestation

The top lesson from our tenth annual Forest 500 report was clear - voluntary action alone doesn't cut it, regulation is essential to drive effective action on deforestation. And over the last year we've been actively involved advising and lobbying politicians in both the EU and the UK to create effective due diligence laws.

The European Union Deforestation Regulation (EUDR)

In April 2023 the European Parliament approved the EUDR which then came into force at the end of June. Although under mounting pressures, the law has the potential to galvanise action across entire markets and sectors. But careful and informed application is key to ensure it lives up to that potential.

Drawing on our experience with deforestation data, Trase published two policy briefings highlighting lessons for the European Commission (on how best to approach classifying sourcing regions to support enforcement checks) and Member States (on the data available to support assessments of Brazil's soy exports for compliance with national laws). Trase experts have also regularly engaged with media to demystify the EUDR and the data requirements it imposes on companies and regulators, appearing as authoritative commenters in a range of publications including Bloomberg, Reuters, Associated Press and more.

UK due diligence laws

In the UK a due diligence law tackling illegal deforestation was promised as part of the 2021 Environment Act. The law requires secondary legislation yet to be passed by the UK Parliament. In November our Trase programme produced research with Global Witness highlighting that during the two year delay, imports of beef, soy and palm oil to UK markets have been linked to the destruction of an area of tropical forest almost twice the size of Paris.

Effective laws require regulation of the finance sector - currently not

included in either the UK or the EU legislation. This was a key part of our evidence to the Environmental Audit Committee who backed our call in their report on deforestation published in January. Pressure from us and like-minded NGOs has secured a Treasury review to assess whether the current regulation of the finance sector is adequate.

We've published an insight detailing the six key elements effective deforestation regulations must include and we've spoken about our demands at the All Party Parliamentary Group on deforestation. And in September for the first time our Policy Director Helen Bellfield spoke at an event at the Labour party conference.

Our expertise also bolsters the evidence base for campaigns for effective laws in other jurisdictions. The Forest Act is yet to be passed by the US Congress and Trase research with Global Witness (covered in Forbes and the New York Times) showed that an area of tropical forest the size of Los Angeles has been lost in just two years thanks to imports of deforestation-linked palm oil, beef, coffee and other products flooding the US market. Progress from governments now needs to be turbo-charged and we will continue to support advocacy to ensure this happens.



Enabling Action Through Data and Partnerships

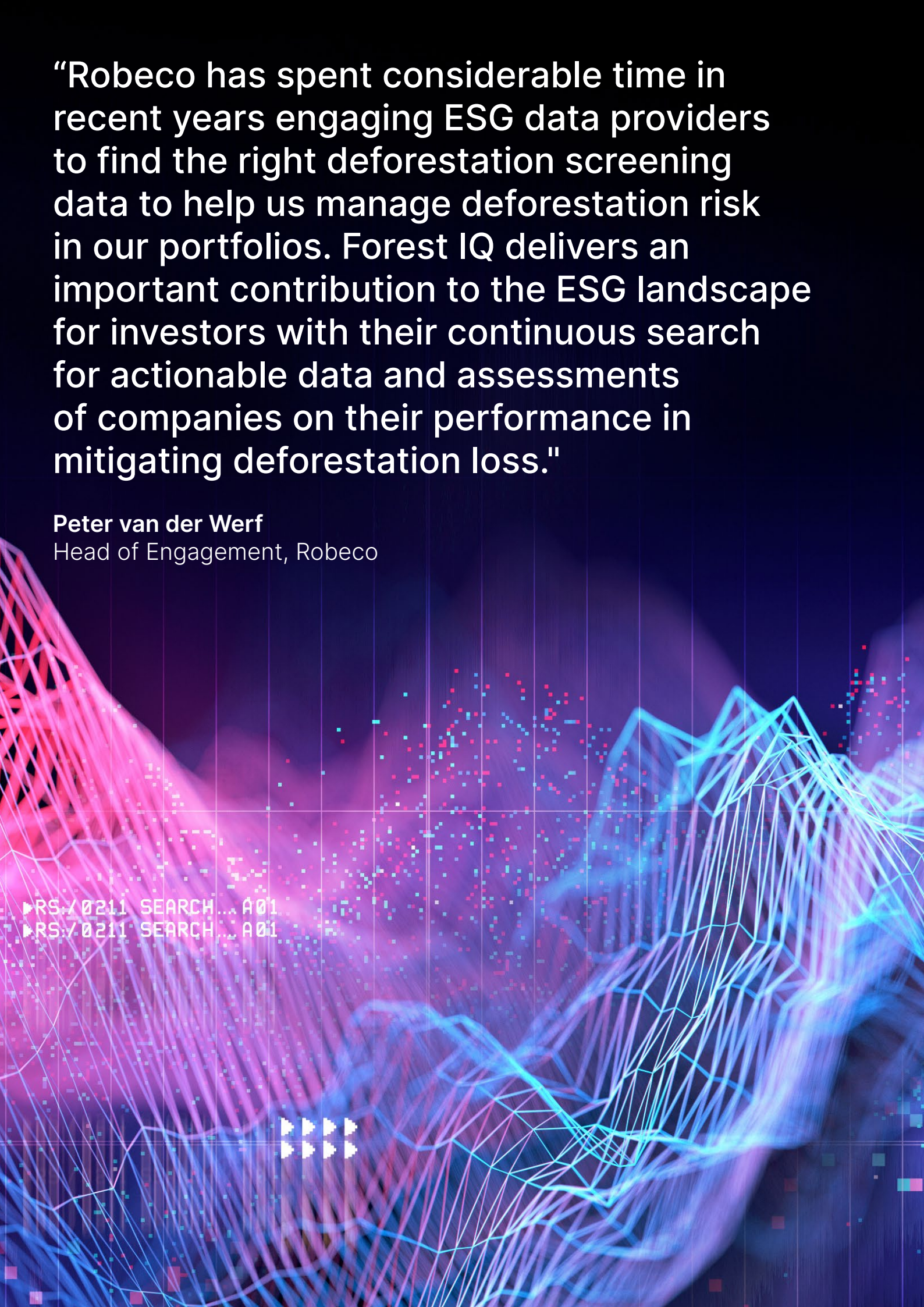
In 2023 the world lost 3.7 million hectares of tropical forest - equivalent to losing 10 football pitches every minute. Such destruction cannot be sustained. Immediate action from companies and financial institutions is essential. Key to our work is enabling that action, giving solutions to those driving the destruction, by identifying where deforestation is taking place and providing tools for investors to effectively tackle it.

Forest IQ

Forest IQ, a powerful new ally for financial institutions, was launched at a high profile event at London Zoo. Created by Global Canopy, ZSL and the Stockholm Environment Institute, the data platform brings together the best available aligned and actionable data on how more than 2,000 major companies are addressing their links to deforestation. Developed in close consultation with financial institutions, it is specifically designed to meet their needs for comprehensive deforestation data - sweeping away a key excuse for inaction.



**In 2023 the world lost
3.7 million hectares of
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"Robeco has spent considerable time in recent years engaging ESG data providers to find the right deforestation screening data to help us manage deforestation risk in our portfolios. Forest IQ delivers an important contribution to the ESG landscape for investors with their continuous search for actionable data and assessments of companies on their performance in mitigating deforestation loss."

Peter van der Werf
Head of Engagement, Robeco

The platform was trailed at events at the Sustainable Investment Festival, in the heart of the City, and London Climate Action Week. The launch event at ZSL in November featured a keynote address from renowned science and natural history broadcaster Liz Bonnin and a panel session with senior representatives from the TNFD, the PRI, Federated Hermes and Aviva Investors.

To date the data has had over 800 signups. Media coverage has included an opinion piece authored by Freya Bannochie, Forest IQ Lead, in Environmental Finance, as well as coverage in key ESG outlets such as Impact Investor, ESG Clarity and ESG Investor.

Two months after the launch, Forest IQ held an event at EY's offices to raise awareness of deforestation within the wider climate context and position Forest IQ as a key tool to support climate and nature transition plans. Attendees included Barclays (who requested the licensed data and a meeting with Forest IQ the day after the event), Aviva Investors, Goldman Sachs, HSBC, Lloyds and Schroders.

Building accessibility and collaboration for Trase

Trase reached more companies, financial institutions and policy-makers than ever this year, through targeted, user-friendly content. Trase.earth relaunched in January 2024 with a new look, offering fresh and intuitive tools to explore and display data. Key aspects of Trase methods were demystified for users through a series of short, accessible FAQ videos and regular drop-in webinars, enabling greater uptake of Trase data and insights.

Bespoke webinar and digital content, timely reactions to global events (such as President Lula's visit to China) and strategic partner collaborations enabled Trase to reach new audiences in China - the world's biggest importer for key forest risk commodities such as Brazilian beef and soy and Indonesian palm oil. With an opinion piece on the Brazilian cattle sector, jointly authored with the Tropical Forest Alliance China and published by the World Economic Forum, and WeChat articles created with BellaTerra to disseminate translated Trase insights, Trase is opening the door to deeper and longer-term collaborations on supply chain action with this key import market.

Supporting the Taskforce on Nature-related Financial Disclosures

In September, after two years of design and development, the Taskforce on Nature-related Financial Disclosures (TNFD) - an initiative we helped

create - published its Final Recommendations for nature-related risk management and disclosure.



By January 320 companies and financial institutions had signed up as early adopters to start their TNFD nature-related corporate reporting. And they represent a significant tranche of the economy. The companies represent US\$4 trillion in market capitalization, the financial institutions represent US\$14 trillion in Assets under Management. And throughout the year, we've played a crucial role supporting companies and financial institutions to understand nature in relation to business and finance, and to build their capacity to implement the TNFD Final Recommendations.

We helped the TNFD produce and release its educational resource, TNFD in a Box – a vital asset for inhouse sustainability teams looking to enhance colleagues' understanding of nature in business and finance contexts, and to help them secure buy-in from senior leadership in their organisations to start adopting the TNFD.

We piloted the TNFD recommendations prior to its launch with several multinational organisations. Three of them, AECOM, JGP and PIDG went on to become Early Adopters of the TNFD. The case studies have received over 1,600 downloads through the Global Canopy website. Relatedly, we launched a report investigating financial institutions' abilities to obtain critical geographic location data about the operations and supply chains of

companies in their portfolios in Brazil, Peru, Ecuador and Colombia.

We helped create vital TNFD sector guidance for the food and agriculture and aquaculture industries, and worked with the World Business Council for Sustainable Development (WBCSD) in producing the TNFD's forestry, pulp and paper sector guidance.

Our work with the TNFD also included supporting it to develop the UNDP Learning for Nature Course, in which more than 1,500 organisations have enrolled.

Exploring Natural Capital Opportunities, Risks and Exposure - ENCORE

Throughout the year the ENCORE platform – Global Canopy's partnership with UNEP-FI and UNEP-WCMC – gained increasing recognition as the starting place for organisations to explore their exposure to nature-related risk. There are now over 6,000 registered users. We have grown our international reach, providing support and building capacity to use ENCORE among organisations in Colombia, Indonesia, Peru and South Africa.

It's also been highlighted as a crucial tool for financial institutions using the TNFD framework. The TNFD Recommendations demand financial institutions evaluate dependencies and impacts on nature. ENCORE enables them to refine their focus and prioritise key companies in relevant sectors.



Road to COP30 in Belem

Home to a wealth of biodiversity, action from Brazil is crucial if we're to succeed in tackling the twin climate and nature crises. With the national government taking a global leadership role, COP30 in Belem will be a significant moment - bringing the climate COP to the heart of the Amazon rainforest.

In August we worked with the Science Panel for the Amazon, and the UN Climate Champions initiative to organise the Finance for Zero Deforestation Amazon workshop, during the Presidents' Summit in Belém.

It galvanised leading financial institutions, scientists, and civil society to collaborate. Five individual work programmes have been established, three looking at scaling up forest positive finance in Brazil and two focusing on reducing the flow of forest risk finance into the agriculture sector.

Deforestation-free Finance for Brazil's Cattle Sector

The cattle sector in Brazil is the single biggest driver of deforestation in the world. Any plan to end market-driven deforestation must address the unique role of this sector. In this financial year, Global Canopy continued to bring transparency to the supply chains of beef exports from Brazil through new Trase data releases and continued investment in the Do Pasto Ao Prato initiative, which maps the flow of products within the domestic market, from slaughterhouses to the points of sale across the country. This work on the domestic market is particularly crucial because three-quarters of Brazilian beef is consumed within the country.

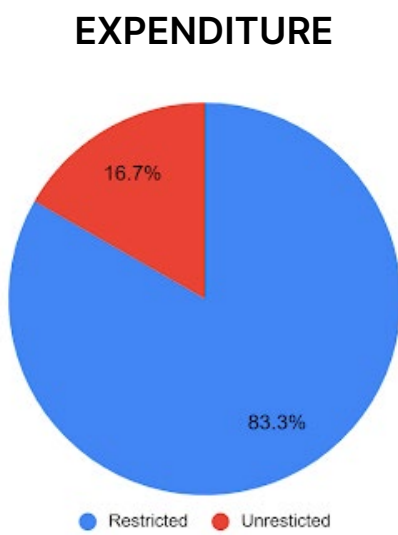
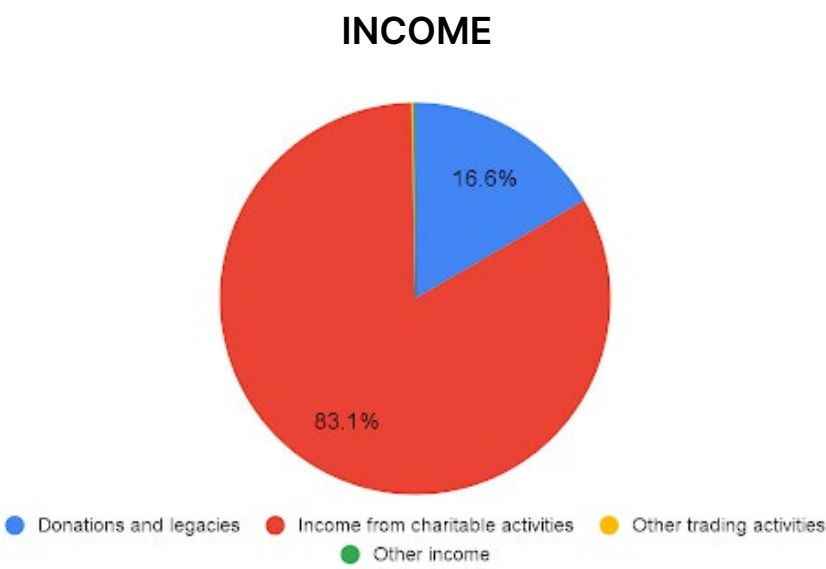
In the run-up to COP30 in the Amazon, building on Brazil's pledges to end deforestation by 2030, Global Canopy is also ramping up efforts to transform cattle financing in Brazil. We have expanded the size of our team based in Brazil and are customising our tools and guidance for business, finance, government and civil society in Brazil. In the coming year, we will bring new baseline assessments and sectoral guidance to the key major global financial institutions and networks with the greatest influence on Brazil's cattle sector - charting a clear path and setting global expectations for immediate and strategic action on their portfolios.

Financial Review

Global Canopy divides its work into different programme streams so we can group activities together in terms of outputs and fundraising.

- Our Supply Chain Transparency work covers our Trase programme - a partnership with the Stockholm Environment Institute.
- Our Corporate Performance workstream focuses on the Forest 500, Forest IQ, the Deforestation Action Tracker and our Deforestation-free Finance work.
- Our Nature-related Finance programme covers the ENCORE partnership and our work with the TNFD.
- Our Brazil Programme & Other workstream covers the expansion of our activities in Brazil and also our cross-cutting focus on human rights and education and training for the finance sector.

Financially Global Canopy has continued its growth trajectory and maintained a strong financial position during the year ended March 2024. Despite the challenging economic climate income has grown by 37% and expenditure has increased by 27% as compared to last year. This has enabled the Trustees to maintain the £300k designated reserve of unrestricted funds to use for investment in impact and organisational growth for the year beginning April 2024.



Building on a stable financial picture at the end of March 2023, overall funds being carried forward to 2024/25 are £3.69 million (£2.48 million in March 2023), split between unrestricted funds of £1.28 million and restricted funds of £2.42 million. This level of unrestricted funds continues to provide us with stability and the ability to invest in future development.

Income

Our income for the year ending 31 March 2024 increased by 37% to £7.05 million (£5.16 million in 2023).

Restricted income grew by 34% from £4,519k in 2022/23 to £6,045k in 2023/24. This was due to continued success in growing programmatic income, most notably in the growth of our Corporate Performance and Brazil programmes.

Income from contracts was £195k in 2023/24 which is higher than the previous year (£84k). Voluntary unrestricted income also increased to £790k in 2023/24, up from £551k in the previous year. Overall this increased income reflects our investment in resourcing our development team. With a new strategy and planned business plan we will continue to explore and develop new income streams in the future, making an important contribution to how we deliver our work. Global Canopy also plans to invest further in its fundraising capacity in 2024/25.

INCOME				
£'000	2020-21	2021-22	2022-23	2023-24
Restricted income	1,791	3,566	4,519	6,045
Contract income	252	249	84	195
Voluntary unre- stricted income	310	668	551	790
Other trading activities			8	10
Other income	8	6	1	12
Total Income	2,361	4,489	5,163	7,052

Expenditure

Global Canopy’s expenditure increased by 27% in the year to March 2024. This is the result of Global Canopy’s success in securing new programmatic funding, most notably in the Corporate Performance and Brazil programmes. The table below shows the total expenditure on charitable activities by programme.

EXPENDITURE				
£'000	2020-21	2021-22	2022-23	2023-24
Corporate Performance	616	1,158	1,775	2,403
Supply Chain Transparency	1,173	1,063	1,368	1,160
Nature Related Finance	602	928	1,128	1,729
Other activities	22	117	121	335
Charitable expenditure by Programme (including support costs)	2,413	3,266	4,392	5,627

The cost of raising funds increased by £11k to £197k in 2023/24 up from £186k in 2022/23. This was mainly due to investment in the fundraising team especially to support growth of our growing programmes and explore new funding opportunities.

Cashflow

The cash flow statement shows that cash has increased by £1.32m during the year to £2.91m at the end of March 2024. This mainly due to cash received in 2023/24 for activities related to 2024/25.

We are mindful of the uncertainties around future funding and continue to monitor the increased costs of operation. We therefore continue to look out for efficiencies in our operations and are looking to invest some of our resources in the development of a new strategy and keep improving our fundraising. We will also invest in our systems and structures to support anticipated growth and create an organisation fit for the future.

Reserves

- Global Canopy’s policy is to hold reserves for the following reasons:
- to provide working capital – for example when funding is received after expenditure
 - to cover the costs related to any adverse events that may occur – for example an unexpected legal bill or gaps between funding
 - to allow exploration of new areas or to exploit new opportunities.

A target range of General free reserves based on several scenarios where levels of risk that have a financial impact on Global Canopy materialise is set by the board. We will take a view that all unrestricted funds are not renewed and we do not receive any other unrestricted funding. In the short term, we will consider keeping only some staff and unavoidable non-staff costs which will allow six to nine months to replenish or to take corrective action.

RESERVES				
	2021	2022	2023	2024
Unrestricted funds	628	792	944	975
Designated Funds		200	300	300
Restricted Funds	180	914	1,235	2,419
Total funds at 31 March	808	1,906	2,479	3,694

Restricted funds of £2,419k represents the unspent amount of grants received for specific purposes which are allocated to particular ongoing projects and are therefore not regarded as free reserves. Designated funds of £300k have been set aside by the Trustees to fund investment in impact and organisational growth over the next 2 to 3 years. Included within unrestricted funds is £17k relating to tangible fixed assets, which could only be realised by disposing of those assets and are therefore not regarded as free reserves. After deducting this amount from the unrestricted funds the free reserves held by the charity are £958k. This is equivalent to 8 months of core costs and within the target range set by the trustees.

Diversity & Inclusion

As an organisation identifying and addressing the market forces destroying nature we see and understand the historic and systemic barriers in achieving more sustainable and equitable production and consumption systems. We aim to ensure meaningful representation and voices throughout our content and our organisation.

Deforestation is often associated with human rights abuses. Indigenous peoples and local communities around the world face land invasions, land expropriation, violence and – in some cases – assassinations for defending their territory against deforestation. Workers rights abuses, including forced labour and child labour, are also issues in forest-risk supply chains.

Many groups, such as smallholder farmers and Indigenous peoples who participate in or are directly affected by forest-risk supply chains are also excluded and underrepresented in decision-making processes in global supply chains and international fora.

Systemic inequalities are also found within the UK charity sector. There are significant barriers preventing those from lower income backgrounds from entering the sector and Black, Indigenous and People of Colour (BIPOC) are still woefully under-represented. A lack of representation in NGOs not only reproduces structural inequality, it leaves NGOs poorly equipped to tackle society's most complex problems, including deforestation.

At Global Canopy, we believe a diversity of voices, lived experiences and backgrounds leads to better decisions and outcomes and is needed for us to deliver our mission and goals as an organisation. We commit to tackling such inequalities and the ways in which they intersect, both within our team and our programmatic work. We focus our actions on the following areas:

1. Recruitment and progression – we ensure that our recruitment and progression processes are inclusive. Our job advertisements are

prepared with neutral language, and avoid use of phrases that could perpetuate bias to encourage applications from a diverse range of candidates. All identifying factors, as far as reasonably practicable, are removed from applications prior to shortlisting and where suitable, multiple people are involved in the recruitment process to minimise opportunity for unconscious bias. We will conduct an annual equity pay review, ensuring internal consistency and external competitiveness.

2. Programmatic work – we have increased the visibility of social justice in our work and, where we can, amplify the voices of groups that are excluded from decision-making processes including smallholders, Indigenous peoples and local communities and civil society in tropical forest countries.

3. Culture and values – our flexible and agile approach to work supports the removal of traditional barriers and helps create an environment more conducive to an employee's individual needs, creating greater opportunity for success. We regularly review roles and responsibilities across the organisation to engage employees as to how their work directly contributes to Global Canopy's success. In addition, reviewing our policies and processes with diversity, equity, and inclusion at the centre, we will continue to develop our culture that empowers our employees through engagement and sets an example of the standards expected to tackle prejudice, privilege and bias in the workplace.

We have a staff working group on diversity, equity and inclusion (DEI) that is focused on raising awareness and actively championing their importance across the organisation. We have a Leadership Team working group on DEI in recognition that ownership, oversight and accountability by the leadership team is essential in making more progress on DEI issues and to achieve the organisational change required. This group actively champions and promotes DEI in the organisation with accountability for developing, prioritising and implementing an organisation-wide action plan across these priority areas of work that leads to tangible changes in the organisation's culture and practice.

Reference & Administrative Details

Registered name: Global Canopy

Charity registration number: 1089110

Company registration number: 4293417

Address of principal office: 3 Frewin Chambers, Frewin Court, Oxford OX1 3HZ

Trustees who served during the reporting period or when report approved:

- Hylton Murray-Philipson, Chair
- Sara Beck
- Thomas Bible
- Danielle Carreira (started October 2023)
- Rose Dale
- Dougal Freeman
- Talia Goldman
- Justin Mundy
- Johanna von Braun
- Gabriel Quijandria (resigned January 2024)

Senior management staff:

- Niki Mardas, Executive Director
- Helen Bellfield, Deputy Executive Director and Policy Director, Trase lead
- Jolene Tan, Strategic Communications Director
- Emma Gollub, Strategic Engagement Director
- Ronald Bwanika Kansere, Finance Director
- Rachel Rank, Chief Operating Officer

Our advisors:

- **Auditors:** Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP
- **Solicitors:** Charles Russell Speechlys, 8-10 New Fetter Lane, London, EC4A 1RS
- **Bankers:** Triodos Bank UK Ltd, Deanery Road, Bristol, BS1 5AS and Barclays Bank Plc, 211-213 Banbury Road, Oxford, OX2 7HH

Structure, Governance & Management

Global Canopy is registered as a charity (registered number 1089110) and is incorporated as a company limited by guarantee (registered number 04293417). Our financial statements will be delivered to the Registrar of Companies.

Global Canopy was founded through, and is governed by, a memorandum and articles of association. The Board of Trustees approves the budget and accounts of the organisation. They offer guidance and set strategic direction in pursuit of Global Canopy's objectives. The day-to-day management of the organisation and staff is delegated to the Executive Director and the Leadership Team.

As part of the organisation governance, we have two board committees. One focuses on Finance, Audit and Risk; the other focuses on People and Organisational Development. Committee members include a minimum of two trustees. Up to two external members can be appointed to a committee by the trustees. The committees meet between 2-4 times each year, offering additional time to discuss priority topics such as the annual budget, audited accounts, organisational development and structure.

Global Canopy has several strategic partnerships central to delivering its work. Some of the most significant include:

- Stockholm Environment Institute (SEI), the joint founder of the Trase initiative with Global Canopy, and who are also partners on the Forest IQ initiative
- Zoological Society of London (ZSL) who are joint partners on Forest IQ.
- UNEP Finance Initiative and UNEP World Conservation Monitoring Center (WCMC) partners on our ENCORE work.

Subsidiaries

Global Canopy Initiatives Limited was established in May 2005, as a wholly owned subsidiary of the charity through which it ran canopy training activities. Until 2023 it was called Canopy World Ltd. Now Global Canopy Initiatives Limited supports mission-aligned 'products' we provide to the market. It is a subsidiary run as a social enterprise, with a permanent locked-in commitment to social or environmental benefit.

Appointment of trustees

Global Canopy has a recruitment pack for trustees, which is shared with interested persons. Following applications, screening and meetings with the Chair, selected trustees and the Executive Director, new trustees are appointed by the board.

New trustees receive an induction pack containing information about the organisation, guidance for trustees and other relevant documents. As part of their induction process and ongoing training, they meet with members of the Leadership Team.

Reward & Remuneration

The pay for the Executive Director is set by the board and a pay review is carried out and agreed by the Chair of the board. The Executive Director is, in turn, responsible for setting the pay of the other senior management team members.

The organisation set salary bands following an external benchmarking exercise against market comparators within a similar sector and geography, with a view to being competitive in attracting and retaining talent by paying in the 70th percentile. In setting pay within those bands, the know-how, problem solving and accountability required for each of the roles as well as affordability are taken into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based on individual performance, equity adjustments or to recognise increased accountability / responsibility. required for each of the roles as well as affordability are taken into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based

on individual performance, equity adjustments or to recognise increased accountability / responsibility.

Risk management

We have robust procedures in place to identify, mitigate and manage risk. The trustees have overall responsibility for ensuring that the organisation has an appropriate system of controls in place. On a quarterly basis, the trustees review the risk register where major risks and uncertainties to which the organisation is exposed are presented. An in-depth review of the risk profile is done on an annual basis, and the trustees believe that systems and procedures are in place to mitigate the major risks identified and potential changes to the risk profile. During the year we also introduced a Finance and Risk committee of the board which undertakes a quarterly in depth review of our risk profile.

The following table shows the major risks that were identified by the trustees in 2023/2024and the plans and strategies for managing those risks:

Category	Risk	Plans and strategies for managing risks
Financial sustainability	Ability to raise sufficient funding to cover staff costs and core organisational costs	<ul style="list-style-type: none">• Strategy process being developed in 2023 to give clarity to future programme direction and enable a pipeline of projects/funding to be developed• Explore potential for earned income revenue streams• Continue investment in unrestricted fundraising
People	Unable to recruit and retain key staff and trustees	<ul style="list-style-type: none">• Improve management and leadership capacity• Implementation of an ongoing People Plan to improve Human Resource management and practices.• Investment in internal Human Resources function including expanding the team with further internal capacity and specialist external support
Commercialisation of our data	We have only started developing this area of our programming	<ul style="list-style-type: none">• Developing a clear strategy on how to manage our social enterprise work• Brought in external capacity to support with the development and growth of this programme• Reviewing our Finance and operations systems to effectively support social enterprise work
Delivery through partners	Lack of clear strategy for partnerships, engagement leads to ineffective work and poor results	<ul style="list-style-type: none">• Assessing before work with partners to highlight key areas of support• Continuous review and support on capacity building in countries where we work• Strong links and partnerships with Indigenous people's organisations
Information Technology and Data Security	Financial and reputation implications from ransomware and hacking	<ul style="list-style-type: none">• Review data security processes and service providers• All laptops are managed centrally and updated with anti virus software• Increase capacity to manage Information Technology systems

Combat of Financial Irregularities

Global Canopy has a variety of measures in place to combat financial irregularities, including:

A) Clear procedures and processes

Global Canopy has strong written procedures and processes across all areas of risk to do with financial operations. Specific examples include the following:

- That all payments are subject to dual authorisation
- A clear schedule of delegated authority from the board
- Third party evidence is collated to account for all expenditure
- Agreements in place with sub-grantees and contractors
- Assessments of any sub-grantees before we enter into a contract.

B) Regular outside scrutiny

As an organisation in receipt of significant amounts of public funds, and operating within the UK charity regulatory framework, we are subject to regular scrutiny from outside of the way our funds are managed. Specific examples include the following:

- Our annual financial statements are subject to audit by an independent statutory auditor, who follow international auditing standards.
- We are fully transparent with our donors in accordance with the expectations they place on us. For example, regular reporting against budgets, submission of transaction lists and individual project/grant audits – in accordance with their requirements.
- Our governance board, which has full control and oversight of our operations is independent and unpaid. The members are legally prohibited from benefiting from Global Canopy's activities.

C) Safeguards, policies and codes of practice

We have various high level safeguards in place, such as clear whistleblowing policies and procedures, into which all staff are inducted when joining the organisation. Our code of conduct is signed by staff,

subcontractors and partners and sets clear expectations for ethically dealing with any irregularities.

The above items and our way of working combine to create a strong control environment. We seek to create an open culture within the organisation where everyone is comfortable raising concerns and sees it as their role to address something which is inadequate and to improve the way that we work.

There have been no identified cases of financial irregularities in the past year within Global Canopy's operations.

This statement is produced in accordance with the requirements of Global Canopy's funding from the Norwegian Government.

Public benefit

All of Global Canopy's activities are directed towards the vital public benefit of a transition to a nature-positive global economy. These activities focus on three areas:

1. Holding companies to account through greater transparency
2. Providing the data and tools that enable leaders to act
3. Supporting forest jurisdictions to transition to sustainable land use.

The information and insights we provide help increase the effectiveness, efficiency and equity of global efforts to tackle tropical deforestation and other market impacts on nature.

Forests are vital in the fight against climate change. Ending tropical deforestation and restoring forests can provide up to a third of the emissions reductions envisaged in the Paris Agreement to keep temperature rises under 2 degrees.

Tropical forests contain more than half of all remaining species on Earth. They are vital for regional water security, and over 1.6 billion of the world's people depend on them for their livelihoods.

Protecting tropical forests is an urgent global priority for all life on earth.

The trustees have complied with the duty in Section 17 (5) of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

Statement of trustee's responsibilities

The trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations. Company law requires the trustees to prepare accounts for each financial year. Under that law, the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

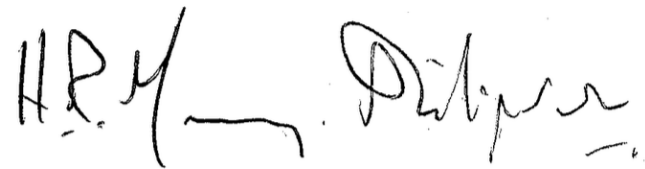
So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken all steps that s/he ought to have taken as a director in order to

make herself or himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Trustees

Name: Hylton Murray-Philipson

Date: 15th October 2024

Signature: 

Audit Report and Accounts

Independent auditor's report to the members of Global Canopy

Opinion

We have audited the accounts of Global Canopy (the "Charity") for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Statement of Cash Flows and the notes to the accounts, including a summary of 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 accounts:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 March 2024 and of the Group's 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 accounts section of our report.

We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 entity's ability to continue as a going concern for a period of at least 12 months from when the accounts 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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement 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 strategic report and the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' 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:

- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows: the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- the engagement partner ensured that the engagement team collectively has the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-

compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing accounts disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing the terms of grant agreements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Colin Mills (Senior Statutory Auditor)

For and on behalf of Critchleys Audit LLP (Statutory Auditor), Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP

Date: 17 October 2024.

Consolidated Statement of Financial Activities

For the year ended 31 March 2024

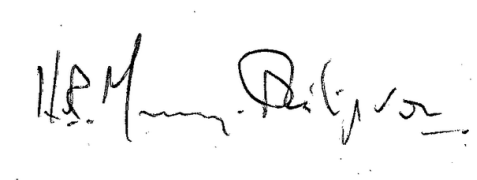
	Note	Unrestricted Funds	Restricted Funds	Total Funds Year to March 24	Total Funds Year to March 23
		£'000s	£'000s	£'000s	£'000s
Income and endowments					
Donations and legacies	3	790	383	1,173	1,015
Income from charitable activities	4	195	5,662	5,857	4,139
Other trading activities		10	-	10	8
Other income		12	-	12	1
Total income and endowments		1,007	6,045	7,052	5,163
Expenditure					
Expenditure on raising funds	5	177	20	197	186
Expenditure on charitable activities	6	786	4,841	5,627	4,392
Other Expenditure		13	-	13	12
Total Expenditure		976	4,861	5,837	4,590
Net movement in funds		31	1,184	1,215	573
Reconciliation of funds					
Funds brought forward		1,244	1,235	2,479	1,906
Funds carried forward		1,275	2,419	3,694	2,479

Consolidated and Charity Balance Sheets

31 March 2024

	Note	Group At 31 March 2024	Group At 31 March 2023	Charity At 31 March 2024	Charity At 31 March 2023
		£000s	£000s	£000s	£000s
Fixed assets					
Tangible assets	11	17	36	17	36
Investments	12	-	-	-	-
		17	36	17	36
Current assets					
Debtors	13	1,133	1,084	1,228	1,084
Current Asset Investments	12	400	-	400	-
Cash at bank		2,914	1,595	2,914	1,595
		4,447	2,679	4,542	2,679
Creditors: amounts falling due within one year					
	14	770	236	785	236
Net current assets		3,677	2,443	3,757	2,443
Net assets		3,694	2,479	3,774	2,479
Funds:					
Unrestricted funds	16	975	944	1,055	944
Designated funds	17	300	300	300	300
Restricted funds	18	2,419	1,235	2,419	1,235
		3,694	2,479	3,774	2,479

The notes on pages 55 to 68 form part of these accounts. The accounts on pages 52 to 68 were approved by the board on 15 October 2024 and signed on its behalf by Hylton Murray-Philipson



Statement of cashflows

For the year ended 31 March 2024

	Group At 31 March 2024	Group At 31 March 2023	Charity At 31 March 2024	Charity At 31 March 2023
	£000s	£000s	£000s	£000s
Net movement in funds for the reporting period(as per the statement of financial activities)	1,215	573	1,295	573
Adjustments for:				
Depreciation charges	19	23	19	23
Loss on disposal of investment in subsidiary	-	-	-	-
(Increase) / decrease in debtors	(49)	(575)	(144)	(575)
Increase / (decrease) in creditors	534	(148)	549	(148)
Net cash provided by (used in) operating activities	1,719	(127)	1,719	(127)
Cash flows from investing activities:				
Purchase of Current Asset Investments	(400)	-	(400)	-
Purchase of property, plant and equipment	-	(21)	-	(21)
Net cash provided by (used in) investing activities	(400)	(21)	(400)	(21)
Change in cash and cash equivalents in the reporting period	1,319	(148)	1,319	(148)
Cash and cash equivalents at the beginning of the reporting period	1,595	1,743	1,595	1,743
Cash and cash equivalents at end of the reporting period	2,914	1,595	2,914	1,595
Analysis of cash and cash equivalents:				
Cash in hand	2,914	1,595	2,914	1,595
Total cash and cash equivalents	2,914	1,595	2,914	1,595

Notes to the accounts

Statutory accounts – year to March 2024

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of accounting

Global Canopy, the charity is a public benefit entity. The financial statements are prepared under the historical cost convention and in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (for FRS 102), and FRS 102, The Financial Reporting Standard, applicable in the UK and Republic of Ireland.

b) Income

Income is recognised in the period in which Global Canopy is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Donated services and facilities are included at their estimated value to the charity when received. Income received in the year is deferred where it relates to services that will be provided after the year-end.

c) Expenditure

Expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities or costs of generating funds. Support costs are allocated in proportion to the days worked on each programme area, function or activity. Grants payable are recognised as expenditure when payment is due to the partner organisation in accordance with the terms of the agreement.

d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation. Items costing less than £5,000 are not capitalised. Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

- Leasehold property improvements: Lease period remaining
- Office furniture and fixtures: 10 years
- Computer and office equipment: 3 years

e) Pensions – defined contribution scheme

Contributions are charged to the profit and loss account as they become payable under the scheme rules.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

g) Funds

Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund. Unrestricted funds are available for use at the trustees' discretion in furtherance of the general objects of the charity.

h) Cash at bank

Cash at bank includes cash in hand, balances at banks with original maturities of 3 months or less. Deposits with original maturities of over 3 months are presented as current asset investments.

i) Legal status of the charity

Global Canopy is a charitable company limited by guarantee incorporated in the UK. Its registered office is 3 Frewin Chambers, Frewin Court, Oxford, OX1 3HZ.

j) Group accounts

The financial statements consolidate the results of the charity and its wholly owned subsidiary Global Canopy Initiatives Limited (previously known as Canopy World Limited) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

k) Preparation of the accounts on a going concern basis

As at 31 March 2024 the balance of unrestricted funds is £975k (group). After adjusting for the carry value of fixed assets, free reserves are £958k. This is within the trustees target reserves range of £807k to £1.2m. On this basis and given that there are no material uncertainties about the charity’s ability to continue, the trustees are of the view that the charity is a going concern.

2. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity’s wholly owned subsidiary, Global Canopy Initiatives Limited, which began trading again during 2023-24, and was previously known as Canopy World Limited. The financial performance of the charity alone is:

	Unrestricted Funds	Restricted Funds	Total Funds Year to March 24
	£'000s	£'000s	£'000s
Income and endowments			
Donations and legacies	790	383	1,173
Income from charitable activities	270	5,663	5,933
Other trading activities	10	-	10
Other income	12	-	12
Total income and endowments	1,082	6,046	7,128
Expenditure			
Expenditure on raising funds	177	21	198
Expenditure on charitable activities	782	4,841	5,623
Other Expenditure	12	-	12
Total Expenditure	971	4,862	5,833
Net movement in funds	111	1,184	1,295
Reconciliation of funds			
Funds brought forward	1,244	1,235	2,479
Funds carried forward	1,355	2,419	3,774

3. DONATIONS AND LEGACIES

The consolidated statement of financial activities includes the results of the charity’s wholly owned subsidiary, Global Canopy Initiatives Limited, which began trading again during 2023-24, and was previously known as Canopy World Limited. The financial performance of the charity alone is:

	2024	2023
	£'000s	£'000s
Unrestricted donations		
Trusts & Foundations	588	462
Corporate Supporters	103	25
Community Groups	20	-
Individuals	79	64
	790	551
Restricted donations		
Trusts & Foundations	383	464
	1,173	1,015

Corporate Supporters included a donation of £100k by Unisea Shipping Ltd in 2023-24. In 2022-23, they made an unrestricted donation of £25k and a restricted grant of £41k.

4. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£'000s	£'000s
Nature Related Finance	1,690	1,398
Corporate Performance	1,945	1,506
Supply Chain Transparency (Trase)	1,049	1,189
Brazil Programme	1,173	-
Other	-	46
	5,857	4,139

5. EXPENDITURE ON RAISING FUNDS

	2024	2023
	£'000s	£'000s
Salaries	127	116
Direct costs	6	16
Support costs	64	54
	197	186

6. EXPENDITURE ON CHARITABLE ACTIVITIES

In year to March 2024	Grant funding	Activities undertaken directly	Support costs (note 7)	Total 2024
	£'000s	£'000s	£'000s	£'000s
Corporate Performance	564	1,330	509	2,403
Supply Chain Transparency (Trase)	80	772	308	1,160
Nature Related Finance	297	1,152	280	1,729
Brazil Programme	167	75	29	271
Other	-	53	11	64
	1,108	3,382	1,137	5,627

In year to March 2023	Grant funding	Activities undertaken directly	Support costs (note 7)	Total 2023
	£'000s	£'000s	£'000s	£'000s
Corporate Performance	393	1,080	302	1,775
Supply Chain Transparency (Trase)	67	913	388	1,368
Nature Related Finance	2	877	249	1,128
Other	-	107	14	121
	462	2,977	953	4,392

Grant funding of activities was via the following organisations:	2024	2023
	£'000s	£'000s
CDP Worldwide	50	2
Zoological Society of London	564	393
Amigos da Terra	117	-
GFI PMO Ltdt	297	-
University of California (UCSB)	80	67
	1,108	462

7. SUPPORT COSTS

	2024	2023
	£'000s	£'000s
Office costs	167	159
HR function	218	190
Central Accounting function	230	187
Management and leadership	148	137
Central Communications function	240	195
IT Costs	80	73
Programme Development	96	64
Other operational costs	20	-
Governance	2	2
	1,201	1,007

Support costs include costs as described in the table above. Support costs are allocated in proportion to staff days worked on each programme area, activity or function. Support costs have been allocated to the following activities and functions:

	2024	2023
	£'000s	£'000s
Charitable activities (note 6)	1,137	953
Fundraising (note 5)	64	54
Other trading activities	-	-
	1,201	1,007

	2024	2023
Support function costs for each day worked on programme activities is	£133/day	£120/day
Support function costs as a % of direct charitable expenditure	34%	32%

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

	2024	2023
	£'000s	£'000s
Wages & salary costs	2,308	1,849
Social security costs	275	206
Pension contributions	237	191
	2,820	2,246

Termination costs, included above, amounted to £39k (2022/23: nil), all of which was settled in the year. The average monthly number of employees, during the year was made up as follows:

	2024	2023
Directors	7	7
Programmes & Support	46	38
The number of full-time equivalent employees during the year was	49.1	42.5

The number of employees whose total emoluments exceeded £60k in the year was:		
£60k - £70k	2	2
£70k - £80k	4	1
£80k - £90k	-	1
£90k - £100k	1	-

For these higher paid employees, the annual pension contributions were	£51,812	£29,281
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In 2023-24, two trustees received reimbursement of expenses totalling £78. In 2022-23, one trustee received reimbursement of expenses totalling £20. No trustee received any other remuneration or reimbursement of expenses.

The directors consider the board of directors, who are the charity’s trustees, and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The senior management team comprises 6 posts at 31 March 2024, namely the Executive Director, Policy Director, Strategic Communications Director, Strategic Engagement Director, Development Director and Finance Director. The total employee benefits including employer pension costs of the key management personnel of the charity were:

	2024	2023
	£’000s	£’000s
Senior management benefits, including employer pension costs	655	534

9. RELATED PARTY TRANSACTIONS

	2024	2023
	£’000s	£’000s
Donations and grants received from trustees & other related parties	217	21

During 2023-24, the following transactions took place between the charity and its wholly owned subsidiary, Global Canopy Initiatives Ltd:

- The provision of services and payments made on behalf of the subsidiary totalling £101,875, all of which was outstanding as at 31 March 2024 (2022-23: £nil)

There were no other outstanding balances with related parties as at 31 March 2024 (2023: £nil)

10. NET INCOME/EXPENDITURE

	2024	2023
	£’000s	£’000s
Is stated after charging		
Depreciation	19	23
Auditor’s remuneration for the organisational audit	7	6
Auditor’s remuneration for grant audits	10	9
Auditor’s remuneration for payroll and HR services	4	4
Auditor’s remuneration for Tax advice	-	-
Rent payable	73	72

11. TANGIBLE FIXED ASSETS

	F&F	Computer & office equipment	Leasehold improvements	Total
	£’000	£’000	£’000	£’000
Cost				
At 1 April 2023	5	84	40	129
Additions	-	-	-	-
At 31 Mar 2024	5	84	40	129
Depreciation				
At 1 April 2023	4	63	26	93
Charge	1	14	4	19
At 31 Mar 2024	5	77	30	112
NBV – at 31 March 2024	-	7	10	17
NBV – at 31 March 2023	1	21	14	36

12. INVESTMENTS

	2024	2023
	£’000s	£’000s
Investments in subsidiary companies bf and cf	-	-
Current Asset Investments	400	-

Current Asset Investments represent amounts held on Fixed Term Deposit with Triodos Bank Limited.

The Charity owns 100% of the issued share capital of Global Canopy Initiatives Limited, a company incorporated in England and Wales.

It was previously known as Canopy World Limited and was dormant, but began trading again during 2023-24. A summary of the results is shown below:

	2024	2023
	£’000	£’000
Balance Sheet		
Debtors	22	-
Bank	-	-
Creditors	(102)	-
Net liabilities	(80)	-
Share capital	-	-
Profit & loss	(80)	-
Shareholders’ funds	(80)	-

13. DEBTORS

	Group 2024 £'000s	Group 2023 £'000s	Charity 2024 £'000s	Charity 2023 £'000s
Trade debtors	62	15	62	15
Amounts owed by Group undertakings	-	-	102	-
Grants receivable	578	546	578	546
Prepayments	39	13	32	13
Accrued income	454	510	454	510
	1,133	1,084	1,228	1,084

14. CREDITORS

	Group 2024 £'000s	Group 2023 £'000s	Charity 2024 £'000s	Charity 2023 £'000s
Trade Creditors	192	97	192	97
Other taxes & social security	71	68	86	68
Accruals	333	71	333	71
Deferred Income	174	-	174	-
	770	236	785	236

Deferred income relates to income received during 2023-24 for services to be delivered during the 2024-25 financial year. When the work is complete, the income will be recognised in line with the service contract agreements.

15. COMMITMENTS

The Foundation had the following commitments at 31 March 2024.
Operating leases

As at 31 March 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	2024 £'000s	2023 £'000s
Land and buildings		
Amounts payable within one year	72	72
Amounts payable between one and five years	90	162
Amounts payable after more than five years	-	-

The charity had committed the following amount in grants to international projects which will form part of the grants allocated in future years. The current Aligned Accountability grant from the Norwegian Government will provide the income to cover these costs when they are payable.

	2024 £'000s	2023 £'000s
Grants which expire within one year	318	613
Grants which expire between one and five years	54	452

Grants to international projects contain certain performance related conditions, which determine when expenditure is recognised in the SOFA. Performance conditions under commitments noted above had not been fulfilled at 31 March 2024.

16. UNRESTRICTED FUNDS

	2024 £'000s	2023 £'000s
At 1 April	944	792
Transfers from Unrestricted to Designated funds	-	(100)
Net income / (expenditure) for the year	31	252
At 31 March	975	944

17. DESIGNATED FUNDS

	2024 £'000s	2023 £'000s
At 1 April	300	200
Transfers from Unrestricted to Designated funds	-	100
Net income / (expenditure) for the year	-	-
At 31 March	300	300

Designated funds represent £300k reserved by the board to fund investment impact and organisational growth.

18. RESTRICTED FUNDS

		Balance at 1 Apr 2023	Incoming resources	Expenditure	Balance at 31 Mar 2024
1	Norwegian Government, NORAD, Aligned Accountability	296	1,291	1,343	244
2	Bezos Earth Fund	-	983	60	923
3	Swiss Government (SECO) via WCMC	213	492	328	377
4	German Government, IKI, via UNDP	-	429	429	-
5	Norwegian Government, NORAD, TNFD	181	424	546	59
6	Norwegian Government, NORAD (via SEI)	-	357	357	-
7	Arcadia	-	333	333	-
8	Climate Arc	-	300	85	215
9	The Packard Foundation, US	-	214	123	91
10	The Call by Chief Raoni	-	196	196	-
11	The Gordon & Betty Moore Foundation (via SEI)	453	192	255	390
12	Quadrature Climate Foundation (via SEI)	1	174	175	-
13	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	2	148	150	-
14	United Nations Environment Programme (UNEP)	-	125	119	6
15	The Global Commons Alliance (via Rockefeller Philanthropy Advisors)	-	100	7	93
16	Global Environment Facility (via UNEP Finance Initiative)	17	100	117	-
17	The Foundation for the Promotion of Well-being	-	35	35	-
18	Finance for Biodiversity Foundation	-	33	33	-
19	Synchronicity Earth	-	25	14	11
20	WWF (US), Trase Bolivia	9	15	24	-
21	Global Returns Project	-	15	15	-
22	Norwegian Government, NMFA (via SEI)	-	13	3	10
23	Unisea Shipping Ltd	23	-	23	-
24	CHK Foundation	40	-	40	-
31	Other Funders	-	52	52	-
		1,235	6,046	4,862	2,419

18. RESTRICTED FUNDS (CONTINUED)

Movement in the year to March 2023		Balance at 1 Apr 2022	Incoming resources	Expenditure	Balance at 31 Mar 2023
1	Norwegian Government, NORAD, Aligned Accountability	433	1,177	1,314	296
25	UK Government, FCDO, FGMC	-	683	683	-
5	Norwegian Government, NORAD, TNFD	-	327	146	181
6	Norwegian Government, NORAD (via SEI)	-	307	307	-
11	The Gordon & Betty Moore Foundation (via SEI)	433	287	267	453
7	Arcadia	-	250	250	-
3	Swiss Government (SECO) via WCMC	-	222	9	213
12	Quadrature Climate Foundation (via SEI)	32	200	231	1
13	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	-	195	193	2
26	Still Water Foundation (via PBAF)	-	164	164	-
16	Global Environment Facility (via UNEP Finance Initiative)	-	163	146	17
9	The Packard Foundation, US	-	131	131	-
18	Finance for Biodiversity Foundation	-	125	125	-
27	John Ellerman Foundation	-	50	50	-
25	Unisea Shipping Ltd	-	41	18	23
28	Swiss Government (FOEN) via WCMC	-	40	40	-
26	CHK Foundation	-	40	-	40
18	The Foundation for the Promotion of Well-being	-	35	35	-
21	WWF (US), Trase Bolivia	-	33	24	9
20	Synchronicity Earth	-	25	25	-
29	German Government, GIZ	5	11	16	-
30	The Rainforest Foundation Norway, Brazil Programme	-	10	10	-
31	Other Funders	11	3	14	-
		914	4,519	4,198	1,235

1. A grant from Norad, the Norwegian Government Development agency, for the Aligned Accountability project to fund a common database to drive accountability and action on deforestation
2. A grant from the Bezos Earth Fund, Catalysing strategic market action for a faster transition to deforestation-free cattle
3. Funds from SECO, the Swiss Government's State Secretariat for Economic Affairs, via United Nations Programme World Conservation Monitoring Centre (WCMC) to support the second phase of the ENCORE project
4. Funds from IKI, the German Government International Climate Initiative, via United Nations Development Programme (UNDP), Enabling and Scaling up Nature-related Financial Disclosures (TNFD)
5. Funds from Norad, the Norwegian Government Development agency to support the Task Force for Nature Related Financial Disclosure (TNFD)
6. Funds from Norad, the Norwegian Government Development agency to support the development of the Trase platform, a joint initiative with SEI
7. A grant from Arcadia for core support to Global Canopy
8. A grant from Climate Arc, via Rockefeller Philanthropy Advisors, to expand the depth & breadth of Global Canopy's data and tracking on market-driven deforestation
9. A grant from the David and Lucille Packard Foundation to support the development of the Trase Platform in the context of Indonesian palm oil
10. Various grants which funded The Call by Chief Raoni: A historic gathering of Indigenous Leaders of Amazonia and Global Partners
11. Funds from the Gordon and Betty Moore foundation to support the development of the Trase platform, a joint initiative with SEI
12. Funds from Quadrature Climate Foundation to support the development of the Trase platform, a joint initiative with SEI
13. A grant from the United Nations Development Programme to provide coordination, engagement, communications, and technical support for the Taskforce on Nature Related Financial Disclosure (TNFD) Project. This project is funded by the Swedish & US Governments
14. Funds from the United Nations Environment Programme (UNEP) to fund the State of Finance for Nature project
15. A grant from Global Commons Alliance, via Rockefeller Philanthropy Advisors (RPA) to support the Deforestation-free Transition (DEFT) Pathway
16. Funds from the Global Environment Facility (GEF), via the United Nations Environment Programme Finance Initiative, to support the establishment of a Taskforce on Nature-related Financial Disclosures (TNFD) to develop and disseminate a global framework for corporates and financial institutions to assess, manage and report on their dependencies and impacts on nature
17. A donation from the Foundation for the Promotion of Well-being to support our Brazil Programme work
18. A grant from the Finance for Biodiversity Foundation to collaborate on the project “Risk Management for Deforestation Free Finance (TRASE)”
19. A grant from Synchronicity Earth to support the Deforestation-free finance Common Investment Mandate
20. A grant from the World Wildlife Fund (US) for Trase - Mapping soy supply chains in Bolivia
21. A grant from the Global Returns Project to fund Forest 500 assessments

22. A grant from the Norwegian Ministry of Foreign Affairs, via SEI, to fund ‘Do pasto ao prato’ a step-change in transparency of the domestic meat market in Brazil
23. Funds from UNISEA Shipping Ltd, to support the Deforestation, conversion and abuse free (DCAF) investment mandate targeted at family offices and foundations
24. A grant from CHK Foundation for our Brazil programme, allowing us to invest in the long-term sustainability of this programme, including the development of a Brazil-focused version of the Forest 500, and a media strategy and launch event
25. A grant from the UK Government Foreign Commonwealth and Development Office’s Forest Governance, Markets and Climate programme, to support Global Canopy’s Forest 500 work and its Trase work
26. Funds from Still Water Foundation, via the Permian Basin Area Foundation, to be used for general operating support
27. A grant from the John Ellerman Foundation towards Global Canopy's core costs, including senior staff salaries
28. Funds from FOEN (Swiss Federal Office for the Environment), via United Nations Programme World Conservation Monitoring Centre (WCMC) to further enhance ENCORE, building on the success of the biodiversity module to date, to enable alignment of financial institutions’ portfolios with biodiversity goals
29. Funds from GIZ, the German Government Development agency to support our Trase work on Programme Sustainability and Standards in global Agriculture Value Chains
30. Funds from the Rainforest Foundation Norway to support our Brazil Programme work
31. Grants from other funders supporting Global Canopy's key initiatives

19. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds	Restricted funds	Total Funds
	£'000s	£'000s	£'000s
2024			
Fixed assets	17	-	17
Net current assets	1,258	2,419	3,677
	1,275	2,419	3,694
2023			
Fixed assets	36	-	36
Net current assets	1,208	1,235	2,443
	1,244	1,235	2,479

20. SOFA FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted funds	Restricted funds	Total Year to March 2023
	£000s	£000s	£000s
Income and endowments			
Donations and legacies	551	464	1,015
Income from charitable activities	84	4,055	4,139
Other trading activities	8	-	8
Other income	1	-	1
Total income and endowments	644	4,519	5,163
Expenditure			
Expenditure on raising funds	161	25	186
Expenditure on charitable activities	219	4,173	4,392
Other expenditure	12	-	12
Total expenditure	392	4,198	4,590
Net movement in funds	252	321	573
Reconciliation of funds			
Funds brought forward	992	914	1,906
Funds carried forward	1,244	1,235	2,479



globalcanopy.org
forest500.org
forest-iq.com
encorenature.org
tnfd.info
trase.earth