

CHAGOS CONSERVATION TRUST

England & Wales · Charity number 1155836

Details

Other names CCT

Status Registered

Legal form CIO

Registered 2014-02-18

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: TO PROMOTE AND UNDERTAKE ENVIRONMENTAL CONSERVATION, SCIENTIFIC AND HISTORICAL RESEARCH, AND ADVANCE EDUCATION CONCERNING THE CHAGOS ARCHIPELAGO.

Activities: Promoting and undertaking environmental conservation, scientific and historical research, and advancing education concerning the Chagos archipelago

Classification

- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Environment/conservation/heritage
- **Who:** People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£40,171	£126,864	-	-
2024-08-31	£5,608	£95,385	-	-
2023-08-31	£17,418	£152,320	-	-
2022-08-31	£64,102	£146,199	-	-
2021-08-31	£20,556	£57,713	-	-

Trustees

Name	Role	Appointed
CHRISTOPHER STANLEY DAVIES	Chair	2013-12-18
Dr Bryan Wilson		2023-10-12
Dr COLIN PETER CLUBBE		2013-12-18
Dr JOHN TURNER		2013-12-18
Dr Joshua Daniel Greatorex-Davies		2024-10-17
Dr Kenneth Johnson		2018-03-14
Dr Nicole Pozas Esteban		2024-01-05
James Edmund Bruce Clarke		2023-05-11
Jean-Francois Nellan		2021-10-19
Steve Cole		2017-08-23

CHAGOS CONSERVATION TRUST

England & Wales - Charity number 1155836

Accounts



Chagos Conservation Trust

Report of the Trustees

The Trustees present their report and the accounts of the charity for the year to 31st August 2025.

Highlights from the year

The political landscape dominated this reporting year, with the Chagos Conservation Trust (CCT) releasing a statement reiterating its political neutrality and “commitment to working with any and every person, government and organisation committed to the continued protection of the unique and precious environment of the Chagos Archipelago, and the seas around them” in October 2024. Plus, a similar statement in March 2025, after a virtual signing of the sovereignty Treaty between the Mauritian and UK governments.

Due to the potential impending sovereignty changes, a media training session for Trustees and members of the Chagossian community in conjunction with the fellow conservation charity, Blue Marine, was held in London, UK, in December 2025 at Somerset House. This will ensure the Board are upskilled to deal with the increase in media interest in CCT if there are any changes.

Trustees continue to help CCT further its mission, with many papers authored and Dr Nicole Esteban winning the prestigious Zoological Society of London (ZSL) Marsh Award for Marine and Freshwater Conservation, plus endemic Chagos brain coral expert Dr Bryan Wilson giving evidence to the UK Parliament’s House of Lords in June 2025 on the potential environmental implications of Chagos sovereignty transfer deal - written evidence was also submitted by the CCT Director.

By the end of the reporting period, CCT was told it had been successful in all three of its solo applications to the value of nearly £1m in relation to delivering its key rewilding programme *Healthy Islands, Healthy Reefs* (HIHR): a Darwin Plus grant; plus two Darwin Local grants for smaller projects also related to invasive species eradication.

After completing the Rat Eradication Operational Plan and the Vegetation Management Operational Plan, HIHR Project Manager Dr Pete Carr undertook a data gathering expedition to complete the overall Rewilding Operational Plan, to be ready to commence the project. He then handed the Project Manager reins to an invasive species expert, Peter Haverson, becoming an advisor on the programme before the scientific work is due to commence in the next reporting cycle.

CCT’s five-year strategy was launched in August 2023. This sets out the charity’s vision and mission, its strategic objectives, and how these are to be achieved. The Board held a strategy

session at Swansea University in October 2024 to update it at its half-way mark - this will become an annual event.

A candidate for CCT's first-ever Patron was identified and met, to discuss the role. It is hoped they will accept the offer during the next reporting period.

The Trust continued to assist the Chagossian community group, Chagossian Voices, with ongoing support for their website. Including ongoing, on-the-job training and a community member as a part-time Content Officer, using the remaining Chagos Connect funding.

A series of presentations were held at ZSL after the Annual General Meeting in March 2025 to showcase the Trust's work, concurrent scientific research in the area, with the hope that this will help boost awareness, membership and donations over the longer term.

To add to the membership offering, a first online members' talk was also held in March 2025 by US-CCT co-founder Dr Sam Purkis on coral reef conservation. Members' talks will be held quarterly moving forward.

The annual CCT publication, *Chagos News*, was published in January 2025, featuring a coconut crab cover and articles relating to research in the Chagos, and is available on the CCT website and from the British Library's archives. The next issue is due to be published in January 2026.

During the period of the report, one Trustee joined the Board, Josh Greatorex-Davies, who will help start and host online members' talks, plus all CCT digital issues.

CCT launched its first internship programme in partnership with Swansea University, recruiting its first-ever intern, Martina Reina Canitrot, who started in September 2024 and took a year out from their marine biology degree. Deemed a success for helping increase the Director's capacity, and helping to train the next generation in how to run a conservation charity, a second intern, Jenny Tait, was also recruited. To increase the engagement of younger members, a Youth Ambassador scheme was devised, and is due to launch in October 2025.

Relationships between partner organisations, especially ZSL and the Royal Botanic Gardens Kew were deepened, including between the UK and US Trust, with US-CCT Board members being invited to attend online Board and other meetings.

The website redesign moved forward and is in its final stage by the end of the reporting period. A team to lead on the proposed Chagos Information Portal upgrade were also identified and trained in the website's CMS system.

Social media activity and the five platforms' (LinkedIn, Instagram, YouTube, Facebook, X/Twitter) followers increased, and a CCT Social Media Policy devised and passed at Board, helping to raise awareness of both CCT's work and the environment it seeks to conserve, protect, and educate the world about. Several other policies were also devised and updated for the Darwin applications to ensure CCT is operating professionally.

1. Objectives and activities

Vision and mission

CCT's vision is to ensure the globally important natural environment of the Chagos Archipelago is well protected, conserved and understood, inspiring the better management and protection of our planet and the wildlife and people that populate it. Its mission is to promote and undertake environmental, scientific and historical research, and advance education concerning the Chagos Archipelago.

Key aims

To build a Trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation. This enables the Trust to play a leading role in conservation, research, and raising awareness about the environment of the Chagos Archipelago. We will ensure CCT is managed through best practice operating systems, diversifying income for sustained growth, and securing a pipeline of programme funding in line with our strategic priorities.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago globally, and building an international network of supporters championing its protection. Our activities include increasing the reach of science, conservation, and history within diverse audiences, including the Chagossian community, CCT members, donors, the media, plus our partners. We continue to build strategic partnerships to undertake more conservation work.

Protecting a global asset

CCT is committed to working towards fully understanding the globally important and precious natural environment of the Chagos Archipelago, ensuring it is well-protected and conserved for the benefit of our planet, and all those who populate it – both animals and people.

All research has been completed and funding secured to start our *Healthy Islands, Healthy Reefs* programme, with expeditions planned for November 2025 and March 2026.

By eradicating rats and managing the abandoned coconut plantations, a more natural environment will regenerate, resulting in healthier islands. These create a refuge for native species from the iconic coconut crabs to breeding (threatened) turtles and native seabirds. The transfer of nutrients from breeding seabirds on islands assists coral reefs recover from, and builds resilience to the effects of climate change, with the additional effect of helping marine ecosystems to flourish.

Strategy

CCT's 2023-2028 Strategic Business Plan (launched in August 2023) explains the importance of conserving the Chagos Archipelago's valuable natural environment, including how it can act as an exemplar for conservation and management of similar environments across the planet. This strategy was revisited at a session in October 2024, before the half-way mark, and updated. It will also be revisited in December 2025 at the annual CCT Board Away Day to ensure it reflects the start of scientific work in the region - and the change in the political landscape.

In a world ravaged by destruction and exploitation, the Archipelago remains a rich and precious marine environment. The Trust continually strives to preserve this collection of over 55 islands and

274km² of reefs for the many species that call it home, and for future generations to appreciate. With the right care, the Archipelago can be a reminder of how tropical reefs flourished many hundreds of years ago - and can offer vital insight into how they might be saved for generations to come.

We support and carry out conservation work, plus scientific and historical research, and strive to highlight the global importance of this incredible marine ecosystem. We recognise that we are not the only organisation interested in science, cultural and/or conservation work in the Chagos Archipelago, and nor do we want to be. We believe the more interest there is from others in protecting this global asset, the more likely we are to achieve our ultimate aims and mission.

We consult and work with the Chagossian community and other like-minded organisations including the Zoological Society of London, the Royal Society for the Protection of Birds, and the Royal Botanic Gardens Kew. We particularly recognise the invaluable role of the Bertarelli Programme in Marine Science, and the many scientists involved in its work.

We will work with the community, these institutions, and others, to implement actions that are complementary to their work - for example, our major *Healthy Islands, Healthy Reefs* rewilding programme. Throughout our work, we are very conscious of the damaging effects of climate change on the coral reefs of the world, including those of the Chagos.

By maintaining (or where necessary restoring) these islands and reefs as unpolluted and in as natural a state as possible, we are providing the best possible conditions for corals - including the endemic and endangered Chagos Brain coral - to survive in a world which is likely to be a very challenging future environment for these wonderful and economically important species.

It is the voices of passionate citizens that will protect this Archipelago for years to come. By sharing knowledge and understanding, we aim to convince people of its value to the world, and to more than a thousand different types of fish and coral that call it home. We want to be an enduring voice of support for the Archipelago. By building a solid organisation, we can maintain and strengthen our role as a leading protector, researcher, and educator in this area.

CCT's financial strategy is to invest the great majority of the founder's legacy in order to generate a return averaging 5% a year; this should allow us to preserve the value of our assets, subject to any decisions to invest additional funds in progressing the Trust's objectives, with any surplus being used to fund the organisation's work. The Trust will also seek donations from external funding organisations and individuals - these funds, together with some of the legacy capital each year, provide support for research and conservation projects.

Staff

CCT employs a full-time Director who works with CCT's Trustees to take forward our conservation, fundraising and communications work. It has also contracted a Project Manager to lead on the Trust's *Healthy islands, Healthy Reefs* rewilding project, plus a member of the Chagossian community to spend a few hours per week managing a CCT-sponsored Chagossian community website. All other work between September 2024 and August 2025 was performed by the Trustees, and other individuals on a voluntary basis.

2. Achievements and performance

How our activities deliver public benefit

The Chagos Archipelago, and the seas surrounding its islands, have been designated as one of the world's largest fully protected Marine Protected Areas by the UK Government.

The CCT's charitable purpose is carried out for the public benefit, through a mixture of direct research and conservation work, communication and outreach.

Increasing the knowledge and understanding of the importance of the Chagos Archipelago, its scientific, historical and cultural value, is at CCT's core.

Communicating science to the public helps build an understanding of the urgent need to conserve areas such as the Chagos Archipelago, which provide a refuge for biodiversity in the face of threats such as climate change and invasive species.

CCT has developed the Chagos Information Portal, an online, open-source library of research, data, educational tools and communication materials such as photos and videos for use by the public.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Charities and Public Benefit.

How our activities deliver environmental benefit

The Chagos Archipelago is home to some of the richest and most diverse coral reefs on the planet. Three hundred types of coral, and 800 species of fish are found in the Archipelago's waters, including rays and more than 50 different types of shark. The islands are globally important breeding sites for the endangered green and critically endangered hawksbill turtle, the vulnerable coconut crab is common throughout and over a million seabirds are present in the Archipelago.

Today, this important ecosystem is under new pressure as the damage caused by invasive species, illegal fishing, and the historic loss of native forests is being compounded by the effects of climate change, leaving it facing an uncertain future unless we take action.

The British Indian Ocean Territory (BIOT) Administration, which currently administers the Archipelago, has identified 11 conservation and environmental priorities to ensure the protection of the Chagos Archipelago's environment for the future. CCT has been approached to help deliver two of these priorities: (1) Restoring the islands through eradicating invasive rats, cats, and controlling invasive plants, both of which threaten native seabird populations and impact the delicate balance of BIOT's ecosystem, and (2) Understanding more about BIOT's unique terrestrial environment.

CCT plans to deliver these priorities through its *Healthy Islands, Healthy Reefs* programme, led by a contracted Project Manager who is an expert in the region, Dr Peter Carr, who was replaced by an invasive species expert, Peter Haverson, once funding to do scientific work was secured at the end of the reporting period - Dr Carr remains an advisor.

Healthy Islands, Healthy Reefs is based on sound science highlighting the significant linkages between the health of the islands of the Chagos Archipelago and their surrounding coral reefs and marine environs. In 2018, scientists discovered a relationship between healthy seabird populations on islands and healthy reefs and surrounding seas. The researchers found that after seabirds forage for food in the ocean, they return to the islands and their droppings act as a natural fertiliser for the surrounding seas.

By rehabilitating environmentally degraded islands through managing the abandoned coconut plantations to make space for native habitat to grow back, and eradicating invasive rats, a more natural, seabird-driven ecosystem will regenerate. This will result in healthier islands, helping coral reefs and the surrounding marine environment recover from and build resilience to the effects of climate change.

How our activities deliver community benefit

There is currently no resident community in the BIOT islands. In Diego Garcia, which is displaced well to the south of the main group of islands, there is a major military facility, with numbers of military and support personnel stationed there. The Trust is able to sell a range of educational materials, on the Chagos Archipelago, to these personnel.

Indian Ocean littoral states stand to benefit from the marine reserve as a potential breeding haven for overfished stocks of fish such as tuna. The worldwide community will benefit from the knowledge gained from this near pristine environment where, for instance, corals damaged by sea temperature rise have been seen to recover at much faster rates than in most other parts of the world and fish stocks exist at near natural levels, which is much higher than in other parts of the Indian Ocean.

CCT also engages on a regular basis with the UK-based Chagossian community and has elected a Trustee of Chagossian descent to its Board. CCT has advertised for another Chagossian community member Trustee, plus a Mauritian Trustee with conservation knowledge, too. In 2024, a part time Chagossian community website Content Manager was engaged to keep a community website (which CCT supported the creation of) up-to-date, paid from the remaining Connect Chagos Funds. This website not only provides the Chagossian community with vital information, it also educates all interested visitors on the Chagossian community and islands.

The Trust continues to look into ways to work with, and involve the Chagossian community with the work CCT plans to undertake, especially with cultural conservation on the islands which are part of our rewilding the Chagos Archipelago plans.

Achievements in the 2024-2025 year

To build a Trust fit for the Chagos Archipelago	At the 2025 CCT AGM, a new Trustee was approved, who will help with online members’ talks and lead on digital issues. The AGM and Speaker Event were hybrid, to increase participation, and recorded the largest-ever turnout for a CCT event.
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To inspire action	During 2024-2025 CCT once again increased communication activity: - <i>Chagos News</i> was distributed in January 2025, and is available from the British Library archives; - A record annual amount of 15 news articles appeared on the CCT website and the Trust’s social media platforms;	CCT is very proud to have partnered with Chagossian Voices - a community platform for the Chagossian global diaspora, made up of members of the community from across the UK, and working alongside groups in Mauritius and the Seychelles - to create a community website that is a great resource for the community and for people wanting to learn more about the community and the Chagos Archipelago. CCT recruited and financially supports a part-time
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	<ul style="list-style-type: none"> - Users of the Chagos Information Portal averaged 250 users per month, and the CCT website around 1k users per month, with the CCT YouTube channel now at 98 subscribers; - Facebook followers have now risen to 6.6k; - Instagram followers have increased to 839 followers - with around 3k views every month; - X (Twitter) followers have increased to 328 followers; - LinkedIn's followers have increased to 358 followers with nearly 1k impressions per month, and an average of 7 new followers per week. <p>CCT has 65 members as of the end of 2025 financial year, managed by a Membership Secretary.</p>	<p>Content Manager who joined the CCT team in early 2024.</p> <p>The Trust returned to ZSL for its Annual General Meeting in March 2025, to showcase the Trust's work and concurrent scientific research, which drew the largest-ever audience for any CCT event in its history.</p> <p>In March 2025, CCT held its first-ever online members' talk featuring US-CCT co-founder Dr Sam Purkis on coral reef conservation.</p> <p>The <i>Healthy Islands, Healthy Reefs</i> Programme Manager, Dr Pete Carr, addressed the UK Overseas Territories/Crown Dependencies Environment Ministers' Council in March 2025.</p> <p>Together with Swansea University, CCT devised an internship scheme in 2023, and recruited its second intern and first-ever Youth Ambassador who will join the CCT team for an academic year starting October 2025.</p> <p>CCT held another media training event (in collaboration with Blue Marine) at London's Somerset House in December 2024, training Board members and members of the Chagossian community in skills including interviews, social media, and statement writing future-proofing the team faced with a change in the administration of the islands.</p> <p>With the ongoing politics, CCT published a statement reiterating its political neutrality and commitment to working with any and every person, government and organisation committed to the continued protection of the unique and precious environment of the</p>
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		<p>Chagos Archipelago, and the seas around them.</p> <p>As the five-year strategy reaches its half-way point in 2025, a meeting was held at Swansea University in December 2024 to ensure work is going in the right direction and undertake any updates.</p> <p>A potential first-ever CCT Patron was identified and met with, starting the ball rolling to appoint in the next reporting period.</p>
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<p>Protecting a global asset</p>	<p>CCT Trustee, scientist and Chagos endemic brain coral specialist, Dr Bryan Wilson, gave evidence to the UK Parliament’s House of Lords in June 2025 on the potential environmental implications of Chagos sovereignty transfer deal - written evidence was also submitted by the CCT Director.</p> <p>CCT’s <i>Healthy Islands, Healthy Reefs</i> rewilding programme is now ready-to-action due to nearly £1m of funding across three Darwin Plus and Local applications being secured at the end of the reported period. A previous Darwin Plus grant of £74,000 in May 2021 funded a Project Manager who has spent the three years since completed all the necessary research needed to create the Operational Plan. This person remains an advisor, and an invasive species expert has been contracted to project manage the scientific work in the region which starts in November 2025.</p>
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Challenges and changes in the 2025-2026 year

A new Digital Lead, Joshua Greatorex-Davies, who joined the Board at the 2025 AGM to help start online members’ talks, will also start work on Trustee email and digital upgrades (G-Drive).

CCT’s second intern joins in September 2025, thanks to a partnership with Swansea University, who will take a year out in ‘industry’ from a marine biology degree to gain experience across the Trust and assist the Director, increasing capacity.

CCT’s first-ever Youth Ambassador also starts in October 2025.

It is hoped a Mauritian Trustee, and a Trustee to lead on events, fundraising, and new Membership Secretary and Secretary will also be recruited.

It is also hoped CCT has its first Patron, who has already been identified and approached.

The *Healthy islands, Healthy Reefs* Project Manager Dr Pete Carr has completed the ‘Rewilding Operational Plan’ and becomes an advisor for the invasive species expert and CCT contractor Peter Haverson takes over the practical rewilding work commencing in November 2025.

The Community Website Officer's contract ends, so Community Lead Trustee and member of the Chagossian community will devise a community-engagement programme.

Although the dispute between the UK and Mauritius over the sovereignty of the Archipelago continues, public awareness of the importance of conservation seems to have risen globally. It is hoped the dispute will not affect any future activities and/or fundraising for any of our projects.

The new website revamp is ongoing, and hoping to launch in late 2025. Both the US-CCT site and Chagos Information Portal will be brought onto the new CCT site to make it easier for the user to access all Chagos information. It is aimed to upgrade both sites post-launch.

Virtual talks become members-only from October 2025, increasing CCT's membership offering for both the UK and US CCT, to help increase visibility of the Trust, plus members and donations - membership fees are also increasing, with a push for members on Diego Garcia via leaflets, book offers, and Trustee talks.

A CCT Strategy review will again take place in December 2025 (at an annual CCT Board Away day), to ensure the Trust is on-track and its work still aligned to its vision and mission due to securing funding, scientific work commencing, plus changes in the political landscape affecting the changes in sovereignty of the islands.

The Trust will reach out to the new Mauritian government, and aim to get more Mauritian conservation contacts, partners, and it is hoped a Mauritian Trustee will join the Board once the changing political situation allows.

3. Financial review

The Trust ended the year in a strong financial position with reserves of £965k (2024: £1,016k), which includes £257k (2024: £74k) in cash, which is enough to cover fixed costs in the near future. CCT was affected by the global downturn in equity and bond markets in the prior year, with the investments recovering in the current year, with a gain on investments of £35k in the current year.

In relation to delivering our *Healthy Islands, Healthy Reefs* programme, CCT have applied and been successful in being awarded a Darwin Plus grant, plus two Darwin Local grants for smaller projects. It is using the remaining Chagos Connect funds to support a Chagossian website Content Manager.

CCT's investment target is to achieve a return of 5% per year over the long term. Following a number of years of achieving returns significantly above this target, we sustained a gain of 5% over the 2024-25 financial year (2024: gain of 14%). This was due to the stabilisation of the global equity and bond markets. We still have a strong reserves position above the amount originally bequeathed by John Topp and with flexibility to invest some of our own funds in project work, as we have done with the *Healthy Islands, Healthy Reefs* project, as well as funding our routine operating expenditure.

To manage these risks the Finance Committee of the Board scrutinises investment performance regularly and the Board regularly reviews its investment policy, risk tolerance and portfolio allocation. Currently two Trustees have financial qualifications. In the current market environment, the Trustees are closely monitoring expenditure and consider spending decisions in the context of the performance of the investment portfolio. As part of setting our new strategy for beyond 2023, the Trustees has developed a medium-term financial plan to guide use of our reserves to invest in the CCT's work while also ensuring our financial viability.

As a result of overall net expenditure of £80k and a gain of £32k on investments this year's result was a deficit on unrestricted funds of £48k (2024: £32k surplus) and a deficit on restricted funds of £3k (2024: £7k deficit).

During the year the principal sources of income and the proportions they provided were as follows: grants 89% (2024: 0%), members' subscriptions 4% (2024: 23%), sales of CCT publications 3% (2024: 24%), other donations 2% (2024: 5%) and investment income and bank interest 2% (2024: 48%).

Sales of publications comprises income from CCT publications, which aim to promote knowledge of the history and environment of the Chagos Archipelago and raise awareness of CCT's work. Sales of *Chagos: A History: Exploration, Exploitation, Expulsion, Peak of Limuria: The Story of Diego Garcia and the Chagos Archipelago, A Guide to the Birds of the Chagos Archipelago, the Sad Story of the Conceicao 1555*, and leaflets, amounted to £1,324 (2024: £1,342).

Reserves policy

In 2011, CCT benefited from a legacy from its founder John Topp. His stated aim was to put CCT onto a permanently secure financial footing, with the majority of the legacy being retained to underpin the strength of the Trust.

The Trust is unusual as it has to maintain sufficient reserves to promote environmental conservation work over 55 islands and a Marine Protected Area of 640,000 square kilometres, for the foreseeable future, against increasing threats to the global environment. Our policy is therefore to preserve as much as is practical of the capital sum of the legacy, and to fund operational spending out of returns gained from investments.

Given that the *Healthy Islands, Healthy Reefs* programme will bring with it a significant amount of expenditure, and a change in the profile of our operational and financial risks, the Trustees will keep the reserves policy under review to ensure it is fit for purpose.

Investment policy and objectives

Our policy is to invest our capital in a medium risk strategy aiming for an average return of 4% per year above CPI, over a 5-year rolling period. At year end £661k (2024: £937k) was invested in managed portfolios and commingled funds. Our investments are held with one fund manager in socially and environmentally responsible commingled funds for charities. The underlying portfolio's target allocation as at August 2025 was 70% equities, 15% bonds, 5% real estate, 10% cash.

The Board is satisfied with the performance of the investment portfolio during the year and the risk level of the investments. The Finance Committee has opted to review the portfolio allocation on an annual basis and the next such review is due in Q4 2025.

4. Plans for future years

To build a trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation that allows us to play a leading role in conservation, research and raising awareness of the Chagos Archipelago.

We also plan to:

- Replace retiring Trustees with the specialist skills needed to move the Trust forward, including a Mauritian and another Chagossian Trustee, plus training the Board in media skills to prepare for a potential change in administration and the media opportunities that would bring;
- Bring in younger Trustees, intern, and Youth Ambassador to make the Trust more attractive and relevant to the next generation;

- Continue to manage the organisation using best practice operating systems and effective operating policies and procedures, to ensure regulatory compliance;
- Revamp the website, so all the information is up-to-date and easy to find for all audiences;
- With all the political challenges and changes, work more closely with our sister organisation US-CCT on information and fundraising campaigns;
- Update, amend, and improve the Chagos Information Portal, bringing it onto the new CCT website to allow our audience to access it more easily, with all Chagos Archipelago and Trust information in one place;
- Action our *Healthy Islands, Healthy Reefs* Rewilding Operational Plan;
- Diversify our income for sustained growth by approaching a wide range of potential donors;
- Appoint a CCT patron to raise the profile and reputation of CCT even further;
- Develop and implement fundraising activities for the next stage of our *Healthy Islands, Healthy Reefs* project.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago, and building a network of supporters championing its protection.

We plan to:

- Increase the reach of the science and conservation work of the Chagos Archipelago;
- Continue to strengthen our relationship with Chagossian communities in support of conservation, education and research, including continuing to employ a member of the Chagossian community to manage the community website CCT helped create;
- Continue to increase ways to attract, retain, and increase membership through campaigns and membership offerings;
- Deepen our current and create new strategic partnerships for conservation to drive our *Healthy Islands, Healthy Reefs* project through funding and technical expertise.

Protecting a global asset

CCT is committed to working towards fully understanding the precious and globally important natural environment of the Chagos Archipelago, ensuring it is well-protected and conserved for the benefit of our planet and all the animals and people who populate it.

We plan to:

- Commence our *Healthy Islands, Healthy Reefs* Rewilding Operational Plan, once funding is secured (which it has at the end of the reporting period);
- To involve a Chagossian representative (a Trustee) is included in discussions to ensure the community is part of our core rewilding work vision;
- To give evidence and information for all discussions on the future of the Archipelago, and input to media requests and scientific papers on the future of the Archipelago.

5. Structure, Governance and Management

Governing document

CCT's governing document is its Constitution, last updated in October 2013 (and amended to allow hybrid and virtual annual meetings 2021).

Organisational structure

The Trustees, who must be full members of CCT, are responsible for the general control and management of CCT and meet approximately every three months for this purpose.

A partner charity (CCT-US) has been established in the USA to promote the CCT's aims in that country. CCT-US is structurally and financially independent of the CCT.

In 2011 the Trust gained a major legacy on the death of its founder, Commander John Topp RN. To handle the investment of this legacy the Trustees set up a Finance Committee, as described below.

Finance Committee

The Trustees have established a Finance Committee comprising the Treasurer and several other Trustees. Its role is to advise the Trustees on the CCT's investments and other financial matters.

Recruitment and appointment of Trustees

Trustees are elected at CCT's Annual General Meeting, in accordance with Clause 13 of the Constitution. One third of the Trustees must retire each year but are eligible for re-election, those to retire being the ones who have been longest in office since their last election.

Training of new Trustees depends largely on their background and their geographical location, and is partly by set briefings by appropriate other Trustees, and partly by handover, where applicable. All newly-appointed Trustees will be guided to the Charity Commission's publication *The Essential Trustee: What you need to know*.

Risk Management

CCT has a Risk Register that identifies potential risk to the organisation and includes governance, operational, financial, reputational and compliance risks. Mitigation controls to limit any risk are included. The risk register is reviewed on an annual basis and adjustments made accordingly, with the last review taking place in March 2024. In addition there has been ongoing monitoring of risks related to the project work and updated policies for the Trust.

Statement of Trustees' responsibilities

Under charity law, the Trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which shows a true and fair view of the state of affairs of the charity, including any excess of expenditure over income for that period. The Trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;

- Assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Constitution of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees have a legal duty to act in the best interests of CCT, to manage CCT's resources responsibly, and to act with reasonable care and skill. Their responsibility to act in the best interest of CCT includes a responsibility to do what the Trustees have collaboratively decided will best enable CCT to carry out its charitable purpose. The Trustees must be able to demonstrate that CCT is complying with the law, is effective and well run, and they must ensure appropriate accountability to its members.

The Trustees, for the purposes of charity law, who served during the year and up to the date of this report, are set out in Section 7 below.

6. Legal and Administrative Information

Legal information

The charity is called the Chagos Conservation Trust, registered number 1155836. It was founded in 1992 and became a Charitable Incorporated Organisation (CIO), taking over the assets and liabilities of the previous Charity of the same name, on 1 September 2014.

Trustees

The Trustees during the year to 31 August 2025 were as follows:

James Clarke

Colin Clubbe

Steve Cole

Chris Davies

Nicole Pozas Esteban

Joshua Greatorex-Davies, appointed Digital Lead 17 October 2024

Kenneth Johnson

Jean-Francois Nellan

John Turner

Bryan Wilson

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent. ME19 4JQ. UK.

Reg. address

61 Bridge Street
Kington, Herefordshire.
HR5 3DJ, UK.

Approved by the Trustees on 07 December 2025

A handwritten signature in black ink, appearing to read 'Chris Davies', written over a horizontal line.

.....
Chris Davies
Chair of the Board

INDEPENDENT EXAMINER'S REPORT TO THE CHAGOS CONSERVATION TRUST

I report on the accounts of Chagos Conservation Trust (the 'CIO') for the year ended 31 August 2025.

Responsibilities and basis of report

As the charity Trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

1. Accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirement concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Jason Foxwell FCCA FCIE

12 Hillbourne Road, Poole, BH17 7JB

Date: 23 December 2025

Chagos Conservation Trust

Statement of Financial Activities for the year ended 31 August 2025

	Unrestricted funds £	Restricted income funds £	Total funds 2025 £	Total funds 2024 £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and grants	2,312	35,589	37,901	1,599
Other trading activities	1,324	-	1,324	1,342
Investments	889	57	946	2,667
Other	-	-	-	-
Total	4,525	35,646	40,171	5,608
Resources expended (Note 4)				
Expenditure on:				
Raising funds	9,160	-	9,160	10,524
Charitable activities	58,706	42,156	100,862	67,779
Other	16,842	-	16,842	17,082
Total	84,708	42,156	126,864	95,385
Net income/(expenditure) before investment gains/(losses)	(80,183)	(6,510)	(86,693)	(89,777)
Net gains/(losses) on investments	31,971	3,495	35,466	114,443
Net income/(expenditure)	(48,212)	(3,015)	(51,227)	24,666
Transfers between funds	-	-	-	-
Net movement in funds	(48,212)	(3,015)	(51,227)	24,666
Reconciliation of funds:				
Total funds brought forward	924,182	92,146	1,016,328	991,662
Total funds carried forward	875,970	89,131	965,101	1,016,328

Chagos Conservation Trust

Balance Sheet as at 31 August 2025

		Unrestricted funds £	Restricted income funds £	Total funds 2025 £	Total funds 2024 £
Fixed assets					
Investments	(Note 9)	575,275	85,793	661,068	936,602
Property, Plant and Equipment	(Note 10)	13,227	-	13,227	10,589
Total fixed assets		588,502	85,793	674,295	947,191
Current assets					
Stocks	(Note 11)	3,522	-	3,522	3,749
Debtors	(Note 12)	1,504	35,589	37,093	2,073
Cash at bank and in hand	(Note 16)	290,243	(33,249)	256,994	73,922
Total current assets		295,269	2,340	297,609	79,744
Creditors: amounts falling due within one year	(Note 13)	6,036	-	6,036	9,624
Net current assets/(liabilities)		289,233	2,340	291,573	70,120
Total assets less current liabilities		877,735	88,133	965,868	1,017,311
Creditors: amounts falling due after one year	(Note 14)	767	-	767	983
Total net assets or liabilities		876,968	88,133	965,101	1,016,328
Funds of the Charity					
Restricted income funds	(Note 19)			89,131	92,146
Unrestricted funds	(Note 19)			875,970	924,182
Total funds				965,101	1,016,328

The financial statements were approved by the Board of Trustees on 07 December 2025 and were signed on its behalf by:



Chris Davies – Chair of the Board of Trustees

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

1. Legal Form

Chagos Conservation Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England. The registered office is noted on page 14.

2. Accounting Policies

Basis of preparing the financial statements

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets

These accounts are compliant with the Update Bulletins 1 and 2 and FRS 102 Section 1A.

These accounts have been prepared on a going concern basis; there are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

Income

Grants are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of the grants can be measured with sufficient reliability. Where grants are received in advance of the recognition criteria being met, recognition is deferred and included in creditors and where entitlement arises before income is received, income is accrued.

Annual memberships are credited to the Statement of Financial Activities in the period to which they relate. Memberships received in advance are deferred and included in creditors.

Legacies and donations are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of grants can be measured with sufficient reliability. Legacies can be categorised as either pecuniary (specific cash amount) or residuary (share of an estate). Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, where they can be valued.

Income from sales of publications is recognised as earned as the related goods are distributed to customers.

Investment income is credited to income on the accruals basis.

Debtors are measured at transaction price initially and then at the recoverable amount.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

particular headings they have been allocated to activities on a basis consistent with the use of resources.

The role of CCT's Director involves work on charitable projects and programmes, fundraising activities and activities related to the governance and administration of the charity such as organising Board meetings and the AGM. Therefore, the costs of employing the Director are split between these activities. The appropriate split is reviewed each year based on the particular activities the Director has undertaken. As limited separate projects have been undertaken in the current year, support costs have been disclosed separately, in the event of a greater number of activities being undertaken, support costs will be apportioned against those activities on a basis deemed appropriate by the Trustees.

The split of activities determined for the current and prior periods is as follows:

	FY25	FY24
Charitable Activities	70%	70%
Fundraising	12%	12%
Governance and administration	18%	18%

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Creditors are measured at their transaction price initially and then at the amount payable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Tangible Fixed Assets

Fixed assets costing more than £500 are capitalised and shown at cost. Depreciation is charged at the following rate:

- IT Equipment – over five years

Taxation

The charity is exempt from tax on its charitable activities.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

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

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

Foreign Currencies

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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial activities in the period to which they relate.

Fixed asset investments

Investments are included in the balance sheet at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses in investments are calculated as the difference between sales proceeds and opening market value (value at purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the period end and the opening market value (or purchase date if later).

3. Analysis of Income

Charitable Activities	Unrestricted funds	Restricted income funds	Total funds 2025	Total funds 2024
	£	£	£	£
Sales of publications	1,324	-	1,324	1,342
Subscriptions, donations, legacies	2,312	-	2,312	1,599
Grants (accrued)	-	35,589	35,589	-
Investments				
Deposit Account Interest	889	57	946	2,667

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

4. Analysis of Expenditure

	Unrestricted funds	Restricted income funds	Total funds 2025	Total funds 2024
Charitable Activities				
	£	£	£	£
Healthy Islands, Healthy Reefs	9,657	35,589	45,246	16,885
Education, conservation and research	48,431	-	48,431	48,478
Connect Chagos	-	6,567	6,567	2,416
Sale of publications	618	-	618	-
	58,706	42,156	100,862	67,779
Other				
Governance	16,842	-	16,842	17,082
Fund raising	9,160	-	9,160	10,524
	26,002	-	26,002	27,606

Governance costs include insurance, cost of Trustee meetings and the AGM and costs of the external examination (where required) and preparation of statutory accounts. It also includes the time spent by CCT's Director on preparing for Board meetings and communicating with Trustees.

5. Independent Examiners' and Accounting Fees

	2025	2024
	£	£
Independent examiner's fees	500	475
Other fees (payroll and accountancy services)	975	655

6. Staff Costs

	2025	2024
	£	£
Salaries and wages (including consultancy)	61,393	68,520
Social security costs	967	4,716
Pension costs (defined contribution scheme)	2,187	2,123
	64,547	75,359

The average number of employees in the year was as follows:

	2025	2024
	2	2
	2	2

No staff worked for the charity whose contracts are with a related party.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

No employees received total employee benefits of over £60,000 in the period.

Senior management personnel comprise the Board of Trustees and the Trust's Director. See Note 20 for details of amounts paid to Trustees. The basis for allocating staff costs between activities in the Statement of Financial Activities is explained in Note 2.

7. Defined Contribution Pension Scheme

The Trust contributed to a defined contribution pension scheme for its employees during the period. Total contributions during the year to 31 August 2025 were £2,187 (2024: £2,123).

8. Grant making

The Trust makes grants to third parties when this is judged to be the most suitable way of pursuing its charitable aims. During the year a grant of £6,567 was made from the Chagos Connect funds to cover IT, web management, and associated legal costs for Chagossian Voices (2024: £2,416).

9. Fixed asset investments

	Listed investments
Fair Value	£
At 1 September 2024	936,602
Additions	-
Disposals	(311,000)
Net gain/(loss) on revaluation	35,466
At 31 August 2025	<u>661,068</u>

All of the Trust's fixed asset investments are in funds with a readily observable price and therefore fair value is determined by the market price of the assets at the balance sheet date.

Total investment management fees are estimated to be 0.90% of the value of the assets under management.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

10. Tangible Fixed Assets

	Assets under construction	Computer Equipment	Total Assets
	£	£	£
Cost			
At 1 September 2024	10,068	1,589	11,657
Additions	2,956	-	2,956
At 31 August 2025	13,024	1,589	14,613
Accumulated Depreciation			
At 1 September 2024	-	1,068	1,068
Charge for the year	-	318	318
At 31 August 2025	-	1,386	1,386
Net Book Value			
At 1 September 2024	10,068	521	10,589
At 31 August 2025	13,024	203	13,227

The trust is working to update its website, depreciation will start once the new website is operational.

11. Stocks

	£
At 1 September 2024	3,749
Added in period	-
Recognised as an expense	(227)
At 31 August 2025	3,522

12. Debtors

	2025	2024
	£	£
Trade debtors	416	767
Prepayments and accrued income	36,677	1,306
Other debtors	-	-
	37,093	2,073

All debtors fall due within one year.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

13. Creditors falling due within one year

	2025	2024
	£	£
Accruals and deferred income	5,587	5,809
Taxation, social security, pension	449	3,815
	6,036	9,624

14. Creditors falling due after more than one year

	2025	2024
	£	£
Accruals and deferred income	767	983
	767	983

15. Deferred income

The charity offers members the option of purchasing membership for more than one year, the income from these memberships is deferred and recognised over the period of the membership, or over 10 years in the case of life members.

	2025	2024
	£	£
At 1 September 2024	1,333	1,283
Amounts added in current period	200	400
Amounts released to income from previous periods	(383)	(350)
At 31 August 2025	1,150	1,333

16. Cash at bank and in hand

	2025	2024
	£	£
Cash at bank and on hand	256,994	73,922
	256,994	73,922

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

17. Fair value of assets and liabilities

The Trust has limited exposure to credit risk as the balance of debtors is insignificant compared to other assets. Liquidity risk is also low as the charity has cash and investments that are in excess of liabilities. Investments can be liquidated with a short notice period and the Trust ensures it keeps enough cash in its bank accounts to cover operating costs for several months. The Trust has significant exposure to investment risk as it is reliant on income generated from its investments for long term financial security. The Trust manages this risk by retaining a Board member with investment management experience and seeking professional advice where appropriate. The charity conducts regular reviews on the performance of its investment managers and the overall investment markets and has a sub-committee of Trustees who are responsible for this.

There were no changes to the fair value of financial instruments in the period attributable to changes in credit risk.

18. Events after the reporting period

There are no material events after the reporting period but before the authorisation of the financial statements which require disclosure in accordance with FRS 102 Section 32.

19. Movements in funds

Details of material funds held and movements in the current reporting period

Fund names	Type	At 1.9.24 £	Income £	Expenditure £	Transfer £	Gains and (losses) £	At 31.8.2025 £
General Funds	Unrestricted	924,182	4,525	(84,708)	-	31,971	875,970
Connect Chagos	Restricted	6,642	-	(6,567)	-	-	75
The Botanical survey fund	Restricted	83,504	57	-	-	3,495	87,056
Darwin Plus	Restricted	-	35,589	(35,589)	-	-	-
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Total Funds		1,016,328	40,171	(126,864)	-	35,466	965,101

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

19. Movement in funds (continued)

Details of material funds held and movements in the previous reporting period

Fund names	Type	At 1.9.23 £	Income £	Expenditure £	Transfer £	Gains and (losses) £	At 31.8.2024 £
General Funds	Unrestricted	892,276	5,345	(76,604)	-	103,165	924,182
Connect Chagos	Restricted	9,058	-	(2,416)	-	-	6,642
The Botanical survey fund	Restricted	88,328	263	(16,365)	-	11,278	83,504
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Total Funds		991,622	5,608	(95,385)	-	114,443	1,016,328

Purposes of restricted funds

Connect Chagos: Relates to grants received to implement an environmental education programme to improve the UK Chagossian community's knowledge of the Chagos Archipelago, and to enable them to assist in the conservation and protection of the archipelago.

The Botanical Survey Fund: This was part of the legacy of Commander John Topp's estate in 2012, and is to be used to conduct a periodical botanical survey of the Chagos Archipelago every 5 to 10 years as the Trustees shall determine.

The Chagos Information Portal: ChIP is a user-friendly, interactive and open-source reference library of science, research and conservation work conducted in the Chagos Archipelago. ChIP will continue to grow with new information as researchers and conservationists learn more about this iconic ecosystem. The John Ellerman Foundation provided a grant of £26,704 in 2017. Development of the portal was largely completed in 2018. The Trust is currently working on a website upgrade, including the information portal, and will look to apply the remaining funds towards this, as appropriate.

Darwin Plus: Grant received from Defra's Darwin Plus fund for British Overseas Territories to further our *Healthy Islands, Healthy Reefs* programme. The aim of this project is to collect data to fill knowledge gaps and inform a robust and effective Rat Eradication Operational Plan to successfully remove rats, allow rewilding and ultimately boost biodiversity across the archipelago. In July 2025 the Trust received approval for a Darwin Plus Grant, to manage a project over three years - eradicating rats from four islands in northeast Peros Banhos, Chagos Archipelago, to produce the longest chain of invasive predator-free islands in the Indian Ocean (13 islands). The project has a three year budgeted Darwin Plus award of £878,127. The first tranche of funds for this project was received in the 2025/26 financial year, an accrual has been made for income to cover the costs of £35,589 incurred in the current financial year.

Darwin Local: the Trust has been approved to receive two small grants in the 2025/26 financial year to cover - Feasibility study of managing invasive avian species in BIOT and Managing feral cats on Diego Garcia Chagos Archipelago. These projects have a grant award of £35,500 and £45,900 respectively.

Healthy Islands, Healthy Reefs: is an ambitious, large-scale rewilding project that will remove rats and enable the return of hundreds of thousands of seabirds to the Archipelago, helping its

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2025

coral reefs recover from bleaching and build their resilience to the effects of climate change. Previously, CCT continued to seek external funding, as well as developing plans to invest its own funds in the programme, which will cost an estimated £5m in total.

20. Trustees' remuneration and benefits

No Trustees received remuneration or other benefits during the year ended 31 August 2025 (2024: nil). six (2024: three) Trustees were reimbursed for out-of-pocket expenses during the period of £2,002 (2024: £783). The bulk of expenses were reimbursement for the costs of attending three in person meetings during the year (travel and subsistence) and has also historically included sundry expenses such as stationary for conducting CCT business. The increased cost mainly related to a two-day strategy meeting. The Trust paid for Trustee liability insurance to the value of £387 (2024: £377) in the year.

21. Related Party Transactions

There were no related party transactions during the year.

CHAGOS CONSERVATION TRUST

England & Wales - Charity number 1155836

Accounts



Chagos Conservation Trust Report of the Trustees

The Trustees present their report and the accounts of the charity for the year to 31st August 2024.

Highlights from the year

The Chagos Conservation Trust (CCT) launched its 2023-2028 five-year strategy in August 2023, which sets out its vision and mission, its strategic objectives, and how these are to be achieved. Given the potential political changes surrounding the Chagos Archipelago, CCT held a strategy session in October 2024 to update the five year strategy at its half-way mark. The updated strategy has been distributed.

The Trust continued to assist the Chagossian community group, Chagossian Voices, with ongoing support for their website. Including the training and employment of a community member as a part-time Content Officer, using the remaining Chagos Connect funding.

The Trust applied for a Darwin Plus, plus three Darwin Local grants, as well as funding from the Blue Nature Alliance to run another Connect Chagos programme: to train members of the Chagossian community in conservation skills.

After completing the Rat Eradication Operational Plan, and the Vegetation Management Operational Plan, *Healthy Islands, Healthy Reefs* Project Manager Dr Pete Carr undertook a data gathering expedition to complete the overall Rewilding Operational Plan, to be ready to commence the project once funding is secured.

A series of presentations were held at the Geological Society of London after the Annual General Meeting to showcase the Trust's work, concurrent scientific research in the area, with the hope that this will help boost awareness, membership and donations over the longer term.

The annual Trust publication, *Chagos News*, was published in January 2024, and is available on the CCT website and from the British Library's archives. The next issue is due to be published in January 2025.

The Trust released a book authored by staff member Dr Pete Carr entitled 'Guide to the Birds of the Chagos Archipelago', which is available from the CCT online bookstore and in Diego Garcia's store.

During the period of the report, FOUR Trustees resigned, including the Chair and Treasurer, and TWO Trustees joined the Board.

CCT launched its first internship programme in partnership with Swansea University, recruiting its first-ever intern who started in September 2024 and will be taking a year out from their marine biology degree.

To increase its Trustees' skill sets, CCT held a media training session in London in December 2023 at London's Somerset House, attended by Board members and members of the Chagossian community.

The relationship between the UK and US Trust was deepened, with US-CCT Board members being invited to attend Board and other meetings. Plus their website redesign is part of the overall CCT website revamp project, which will enter into its final stage in 2025, together with the proposed Chagos Information Portal upgrade.

Increasing the amount of posts across the four CCT social media platforms led to an increase in re-posts, 'likes', and engagement.

1. Objectives and activities

Vision and mission

CCT's vision is to ensure the globally important natural environment of the Chagos Archipelago is well protected, conserved and understood, inspiring the better management and protection of our planet and the animals and people that populate it. Its mission is to promote and undertake environmental, scientific and historical research, and advance education concerning the Chagos Archipelago.

Key aims

To build a Trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation. This enables the Trust to play a leading role in conservation, research, and raising awareness about the environment of the Chagos Archipelago. We will ensure CCT is managed through best practice operating systems, diversifying income for sustained growth, and securing a pipeline of programme funding in line with our strategic priorities.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago globally, and building an international network of supporters championing its protection. Our activities include increasing the reach of science, conservation, and history within diverse audiences, including the Chagossian community, CCT members, donors, the media, plus our partners. We continue to build strategic partnerships to undertake more conservation work.

Protecting a global asset

CCT is committed to working towards fully understanding the globally important and precious natural environment of the Chagos Archipelago, ensuring it is well-protected and conserved for the benefit of our planet, and all those who populate it – both animals and people.

All research has been completed, and our Rewilding Operational Plan is ready to start our *Healthy Islands, Healthy Reefs* programme, once funding is secured.

By eradicating rats and managing the abandoned coconut plantations, a more natural environment will regenerate, resulting in healthier islands. These create a refuge for native species from the iconic coconut crabs to breeding (threatened) turtles and native seabirds. The transfer of nutrients from breeding seabirds on islands assists coral reefs recover from, and builds resilience to the effects of climate change, with the additional effect of helping marine ecosystems to flourish.

Strategy

CCT's 2023-2028 Strategic Business Plan launched in August 2023 explains the importance of conserving the Chagos Archipelago's valuable natural environment, including how it can act as an exemplar for conservation and management of similar environments across the planet. This strategy was revisited at a session in October 2024, before the half-way mark, and updated.

In a world ravaged by destruction and exploitation, the Archipelago remains a rich and precious marine environment. The Trust continually strives to preserve this collection of over 55 islands and 274km² of reefs for the many species that call it home, and for future generations to appreciate. With the right care, the Archipelago can be a reminder of how tropical reefs flourished many hundreds of years ago - and can offer vital insight into how they might be saved for generations to come.

We support and carry out conservation work, plus scientific and historical research, and strive to highlight the global importance of this incredible marine ecosystem. We recognise that we are not the only organisation interested in science, cultural and/or conservation work in the Chagos Archipelago, and nor do we want to be. We believe the more interest there is from others in protecting this global asset, the more likely we are to achieve our ultimate aims and mission.

We consult and work with the Chagossian community and other like-minded organisations including the Zoological Society of London, the Royal Society for the Protection of Birds, and the Royal Botanic Gardens Kew. We particularly recognise the invaluable role of the Bertarelli Programme in Marine Science, and the many scientists involved in its work.

We will work with the community, these institutions, and others, to implement actions that are complementary to their work – for example, our major *Healthy Islands, Healthy Reefs* rewilding programme. Throughout our work, we are very conscious of the damaging effects of climate change on the coral reefs of the world, including those of the Chagos.

By maintaining (or where necessary restoring) these islands and reefs as unpolluted and in as natural a state as possible, we are providing the best possible conditions for corals – including the endemic and endangered Chagos Brain coral – to survive in a world which is likely to be a very challenging future environment for these wonderful and economically important species.

It is the voices of passionate citizens that will protect this Archipelago for years to come. By sharing knowledge and understanding, we aim to convince people of its value to the world, and to more than a thousand different types of fish and coral that call it home. We want to be an enduring voice of support for the Archipelago. By building a solid organisation, we can maintain and strengthen our role as a leading protector, researcher, and educator in this area.

CCT's financial strategy is to invest the great majority of the founder's legacy in order to generate a return averaging 5% a year; this should allow us to preserve the value of our assets, subject to any decisions to invest additional funds in progressing the Trust's objectives, with any surplus being used to fund the organisation's work. The Trust will also seek donations from external funding organisations and individuals – these funds, together with some of the legacy capital each year, provide support for research and conservation projects.

Staff

CCT employs a full-time Director who works with the Trust's Trustees to take forward our conservation, fundraising and communications work. It has also employed a part time Project Manager to lead on the Trust's *Healthy islands, Healthy Reefs* rewilding project, plus a member of the Chagossian community to spend a few hours per week managing a CCT-sponsored Chagossian community website. All other work between August 2023-2024 was performed by the Trustees, and other individuals on a voluntary basis.

2. Achievements and performance

How our activities deliver public benefit

The Chagos Archipelago, and the seas surrounding its islands, have been designated as one of the world's largest fully protected Marine Protected Areas by the UK Government.

The CCT's charitable purpose is carried out for the public benefit, through a mixture of direct research and conservation work, communication and outreach.

Increasing the knowledge and understanding of the importance of the Chagos Archipelago, its scientific, historical and cultural value, is at CCT's core.

Communicating science to the public helps build an understanding of the urgent need to conserve areas such as the Chagos Archipelago, which provide a refuge for biodiversity in the face of threats such as climate change and invasive species.

CCT has developed the Chagos Information Portal, an online, open-source library of research, data, educational tools and communication materials such as photos and videos for use by the public.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Charities and Public Benefit.

How our activities deliver environmental benefit

The Chagos Archipelago is home to some of the richest and most diverse coral reefs on the planet. Three hundred types of coral, and 800 species of fish are found in the Archipelago's waters, including rays and more than 50 different types of shark. The islands are globally important breeding sites for the endangered green and critically endangered hawksbill turtle, the vulnerable coconut crab is common throughout and over a million seabirds are present in the Archipelago.

Today, this important ecosystem is under new pressure as the damage caused by invasive species, illegal fishing, and the historic loss of native forests is being compounded by the effects of climate change, leaving it facing an uncertain future unless we take action.

The British Indian Ocean Territory (BIOT) Administration, which currently administers the Archipelago, has identified 11 conservation and environmental priorities to ensure the protection of the Chagos Archipelago's environment for the future. CCT has been approached to help deliver two of these priorities: (1) Restoring the islands through eradicating invasive rats and controlling invasive plants, both of which threaten native seabird populations and impact the delicate balance of BIOT's ecosystem, and (2) Understanding more about BIOT's unique terrestrial environment. CCT plans to deliver these priorities through our *Healthy Islands, Healthy Reefs* project, led by a Project Manager who is an expert in the region, Dr Peter Carr.

Healthy Islands, Healthy Reefs is based on sound science highlighting the significant linkages between the health of the islands of the Chagos Archipelago and their surrounding coral reefs and marine environs. In 2018, scientists discovered a relationship between healthy seabird populations on islands and healthy reefs and surrounding seas. The researchers found that after seabirds forage for food in the ocean, they return to the islands and their droppings act as a natural fertiliser for the surrounding seas.

By rehabilitating environmentally degraded islands through managing the abandoned coconut plantations to make space for native habitat to grow back, and eradicating invasive rats, a more natural, seabird-driven ecosystem will regenerate. This will result in healthier islands, helping coral reefs and the surrounding marine environment recover from and build resilience to the effects of climate change.

How our activities deliver community benefit

There is currently no resident community in the BIOT islands. In Diego Garcia, which is displaced well to the south of the main group of islands, there is a major military facility, with numbers of military and support personnel stationed there. The Trust is able to sell a range of educational materials, on the Chagos Archipelago, to these personnel.

Indian Ocean littoral states stand to benefit from the marine reserve as a potential breeding haven for overfished stocks of fish such as tuna. The worldwide community will benefit from the knowledge gained from this near pristine environment where, for instance, corals damaged by sea temperature rise have been seen to recover at much faster rates than in most other parts of the world and fish stocks exist at near natural levels, which is much higher than in other parts of the Indian Ocean.

CCT also engages on a regular basis with the UK-based Chagossian community and has elected a Trustee of Chagossian descent to its Board. We have advertised for another Chagossian community member Trustee, plus a Mauritian Trustee with conservation knowledge, too. In 2024, a part time Chagossian community website Content Manager was employed to keep a community website (which CCT supported the creation of) up-to-date, paid from the remaining Connect Chagos Funds. This website not only provides the Chagossian community with vital information, it also educates all interested visitors on the Chagossian community and islands.

The Trust continues to look into ways to work with, and involve the Chagossian community with the work CCT plans to undertake, especially with cultural conservation on the islands which are part of our rewilding the Chagos Archipelago plans.

Achievements in the 2023-2024 year

To build a Trust fit for the Chagos Archipelago	<p>At the 2024 CCT AGM, a new Chair, Deputy Chair, and Secretary were approved, along with another Trustee.</p> <p>Two new Trustees joined the Board - although four stepped down during the period covered in this report.</p> <p>The AGM and Speaker Event were hybrid, to increase participation, and recorded the largest-ever turnout for a CCT event.</p>
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To inspire action	<p>During 2023-2024 CCT once again increased communication activity:</p> <ul style="list-style-type: none"> - A bumper issue of <i>Chagos News</i> was distributed in January 2024, and is available from the British Library archives; - 12 news articles appeared on the CCT website and the Trust's social media platforms; - The Trust published a 'Guide to the Birds of the Chagos Archipelago', 	<p>CCT is very proud to have partnered with Chagossian Voices - a community platform for the Chagossian global diaspora, made up of members of the community from across the UK, and working alongside groups in Mauritius and the Seychelles - to create a community website that is a great resource for the community and for people wanting to learn more about the community and the Chagos Archipelago. CCT recruited and financially supports a part-time Content Manager who joined the CCT team in early 2024.</p>
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	<p>which is available to buy from the CCT online bookshop.</p> <ul style="list-style-type: none"> - Users of the Chagos Information Portal averaged 250 users/month and the CCT website around 1000 users/month, with the CCT YouTube channel now at 69 subscribers; - Facebook likes are now over 7k, with 6.7k followers; - Instagram followers have increased to 664 followers; - X followers have increased to 329 followers; - LinkedIn's followers have increased to 277 followers with nearly 1.6k impressions, and a 10% increase in engagement. <p>CCT has 60 members as of the end of 2024 financial year, managed by a Membership Secretary.</p>	<p>After the success of the Trust's 30th year anniversary speaker event, another was held after the Trust's Annual General Meeting at the Geological Society of London in March 2024, to showcase the Trust's work and concurrent scientific research, which drew the largest-ever audience for any CCT event in its history.</p> <p>Together with Swansea University, CCT devised an internship scheme and recruited its first-ever intern which will join the CCT team for an academic year starting October 2024.</p> <p>CCT held its first media training event at London's Somerset House in December 2023, training Board members and members of the Chagossian community in skills including interviews, social media, and statement writing future-proofing the team faced with a change in the administration of the islands.</p> <p>With the ongoing politics, CCT published a statement reiterating its political neutrality and commitment to working with any and every person, government and organisation committed to the continued protection of the unique and precious environment of the Chagos Archipelago, and the seas around them.</p> <p>As the five-year strategy reaches its half-way point in 2025, a meeting was held to ensure things are going in the right direction and do any needed updates.</p>
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Protecting a global asset	<p>CCT's <i>Healthy Islands, Healthy Reefs</i> rewilding programme is now ready to action once funding is secured, after a Darwin Plus grant of £74,000 in May 2021 funded a Project Manager who has spent the three years since completed all the necessary research needed to create the Operational Plan.</p> <p>Funding has also been applied for for four further projects focussing on: Chagossian community training, invasive species control, and information management.</p>
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Challenges and changes in the 2024-2025 year

A new Digital Lead, Joshua Greatorex-Davies will join the Board in October to help start online members' talks. Also in October, CCT takes on its first intern from Swansea University, Martina Reina-Cantrot, who is taking a year out 'industry' from her marine biology degree and will gain experience across the Trust and assist the Director, increasing capacity. It is also hoped a Trustee will join next June to lead on events. Abel Seow will step down in November 2024.

The *Healthy islands, Healthy Reefs* Project Manager Dr Pete Carr has completed the 'Rewilding Operational Plan' and is ready to commence the rewilding work once funding is secured.

Although the dispute between the UK and Mauritius over the sovereignty of the Archipelago continues, public awareness of the importance of conservation seems to have risen globally. It is hoped the dispute will not affect any future activities and/or fundraising for any of our projects.

The new website revamp is ongoing, and hoping to launch in 2025. This will include a redesign of US-CCT's site, and a planned upgrade of the Chagos Information Portal, both will be brought onto the new CCT site.

Virtual talks for members aim to start in 2025, to act as a membership offering for both the UK and US CCT, to help increase visibility of the Trust, plus members and donations.

Plans are being made, and a Trustee recruited to make the post-AGM Speaker Event a one day scientific conference due to its success. It is hoped the first event will be spring 2026.

A CCT Strategy review will take place after two years, half-way before the next strategy is written, to ensure the Trust is on-track and its work still aligned to its vision and mission. This review was completed in October 2024.

The Trust will reach out to the new Mauritian government, and aim to get more Mauritian conservation contacts, partners, and it is hoped a Mauritian Trustee will join the Board once the changing political situation allows.

3. Financial review

The Trust ended the year in a strong financial position with reserves of £1.0m (2023: £1.0m), which includes £74k (2023: £172k) in cash, which is enough to cover fixed costs in the near future. CCT was affected by the global downturn in equity and bond markets in the prior year, with the investments recovering in the current year, with a gain on investments of £114k in the current year.

In relation to delivering our *Healthy Islands, Healthy Reefs* programme, CCT have applied for a Darwin Plus grant (which will announce the successful applicants in early 2025), plus two Darwin Local grants for smaller projects, and a joint Darwin Local grant for a project in collaboration with the

UK Overseas Territories' Conservation Forum which will focus on updating ChIP. We are using the remaining Chagos Connect funds to support a website Content Manager.

CCT's investment target is to achieve a return of 5% per year over the long term. Following a number of years of achieving returns significantly above this target, we sustained a gain of 14% over the 2023-24 financial year (2023: gain of 0.1%). This was due to the stabilisation of the global equity and bond markets. We still have a strong reserves position above the amount originally bequeathed by John Topp and with flexibility to invest some of our own funds in project work, as we have done with the *Healthy Islands, Healthy Reefs* project, as well as funding our routine operating expenditure.

To manage these risks the Finance Committee of the Board scrutinises investment performance regularly and the Board regularly reviews its investment policy, risk tolerance and portfolio allocation. Currently two Trustees have financial qualifications. In the current market environment, the Trustees are closely monitoring expenditure and consider spending decisions in the context of the performance of the investment portfolio. As part of setting our new strategy for beyond 2023, the Trustees has developed a medium-term financial plan to guide use of our reserves to invest in the CCT's work while also ensuring our financial viability.

As a result of overall expenditure of £90k and a gain of £114k on investments this year's result was a surplus on unrestricted funds of £32k (2023: £71k deficit) and a deficit on restricted funds of £7k (2023: £63k deficit).

During the year the principal sources of income and the proportions they provided were as follows: grants 0% (2023: 82%), members' subscriptions 23% (2023: 8%), sales of CCT publications 24% (2023: 6%), other donations 5% (2023: 2%) and investment income and bank interest 48% (2023: 2%).

Sales of publications comprises income from CCT publications, which aim to promote knowledge of the history and environment of the Chagos Archipelago and raise awareness of CCT's work. Sales of *Chagos: A History: Exploration, Exploitation, Expulsion, Peak of Limuria: The Story of Diego Garcia and the Chagos Archipelago, A Guide to the Birds of the Chagos Archipelago, the Sad Story of the Conceicao 1555*, and leaflets, amounted to £1,342 (2023: £1,054).

Reserves policy

In 2011, CCT benefited from a legacy from its founder John Topp. His stated aim was to put CCT onto a permanently secure financial footing, with the majority of the legacy being retained to underpin the strength of the Trust.

The Trust is unusual as it has to maintain sufficient reserves to promote environmental conservation work over 55 islands and a Marine Protected Area of 640,000 square kilometres, for the foreseeable future, against increasing threats to the global environment. Our policy is therefore to preserve as much as is practical of the capital sum of the legacy, and to fund operational spending out of returns gained from investments.

Given that the *Healthy Islands, Healthy Reefs* programme will bring with it a significant amount of expenditure, and a change in the profile of our operational and financial risks, the Trustees will keep the reserves policy under review to ensure it is fit for purpose.

Investment policy and objectives

Our policy is to invest our capital in a medium risk strategy aiming for an average return of 5% per year. At year end £0.937m (2023: £0.822m) was invested in managed portfolios and commingled funds. Our investments are held with one fund manager in socially and environmentally responsible

commingled funds for charities. Our portfolio's target allocation as at August 2024 was 70% equities, 15% bonds, 5% real estate, 10% cash.

The Board is satisfied with the performance of the investment portfolio during the year and the risk level of the investments. The Finance Committee has opted to review the portfolio allocation on an annual basis and the next such review is due in H2 2024.

4. Plans for future years

To build a trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation that allows us to play a leading role in conservation, research and raising awareness of the Chagos Archipelago.

We also plan to:

- Replace retiring Trustees with the specialist skills needed to move the Trust forward, including Mauritian and another Chagossian Trustee, plus training the Board in media skills to prepare for a potential change in administration and the media opportunities that would bring;
- Continue to manage the organisation using best practice operating systems and effective operating policies and procedures, to ensure regulatory compliance;
- Revamp the website, so all the information is up-to-date and easy to find for all audiences;
- With all the political challenges and changes, work more closely with our sister organisation US-CCT on information and fundraising campaigns;
- Update, amend, and improve the Chagos Information Portal, bringing it onto the new CCT website to allow our audience to access it more easily, with all Chagos Archipelago and Trust information in one place;
- Look to action our *Healthy Islands, Healthy Reefs* Rewilding Operational Plan;
- Diversify our income for sustained growth by approaching a wide range of potential donors;
- Develop and implement fundraising activities for the next stage of our *Healthy Islands, Healthy Reefs* project.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago, and build a network of supporters championing its protection.

We plan to:

- Increase the reach of the science and conservation work of the Chagos Archipelago;
- Continue to strengthen our relationship with Chagossian communities in support of conservation, education and research, including continuing to employ a member of the Chagossian community to manage the community website CCT helped create;
- Deepen our current and create new strategic partnerships for conservation to drive our *Healthy Islands, Healthy Reefs* project through funding and technical expertise.

Protecting a global asset

CCT is committed to working towards fully understanding the precious and globally important natural environment of the Chagos Archipelago, ensuring it is well-protected and conserved for the benefit of our planet and all the animals and people who populate it.

We plan to:

- Commence our *Healthy Islands, Healthy Reefs* Rewilding Operational Plan, once funding is secured.project;
- To involve a Chagossian representative to ensure cultural conservation is included in the rewilding work, as well as being part of our core vision.

5. Structure, Governance and Management

Governing document

CCT's governing document is its Constitution, last updated in October 2013 (and amended to allow hybrid and virtual annual meetings 2021).

Organisational structure

The Trustees, who must be full members of CCT, are responsible for the general control and management of CCT and meet approximately every three months for this purpose.

A partner charity (CCT-US) has been established in the USA to promote the CCT's aims in that country. CCT-US is structurally and financially independent of the CCT.

In 2011 the Trust gained a major legacy on the death of its founder, Commander John Topp RN. To handle the investment of this legacy the Trustees set up a Finance Committee, as described below.

Finance Committee

The Trustees have established a Finance Committee comprising the Treasurer and several other Trustees. Its role is to advise the Trustees on the CCT's investments and other financial matters.

Recruitment and appointment of Trustees

Trustees are elected at CCT's Annual General Meeting, in accordance with Clause 13 of the Constitution. One third of the Trustees must retire each year but are eligible for re-election, those to retire being the ones who have been longest in office since their last election.

Training of new Trustees depends largely on their background and their geographical location, and is partly by set briefings by appropriate other Trustees, and partly by handover, where applicable. All newly-appointed Trustees will be guided to the Charity Commission's publication *The Essential Trustee: What you need to know*.

Risk Management

CCT has a Risk Register that identifies potential risk to the organisation and includes governance, operational, financial, reputational and compliance risks. Mitigation controls to limit any risk are included. The risk register is reviewed on an annual basis and adjustments made accordingly, with the last review taking place in March 2024.

Statement of Trustees' responsibilities

Under charity law, the Trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which shows a true and fair view of the state of affairs of the charity, including any excess of expenditure over income for that period. The Trustees have elected to prepare

the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Constitution of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees have a legal duty to act in the best interests of CCT, to manage CCT's resources responsibly, and to act with reasonable care and skill. Their responsibility to act in the best interest of CCT includes a responsibility to do what the Trustees have collaboratively decided will best enable CCT to carry out its charitable purpose. The Trustees must be able to demonstrate that CCT is complying with the law, is effective and well run, and they must ensure appropriate accountability to its members.

The Trustees, for the purposes of charity law, who served during the year and up to the date of this report, are set out in Section 7 below.

6. Legal and Administrative Information

Legal information

The charity is called the Chagos Conservation Trust, registered number 1155836. It was founded in 1992 and became a Charitable Incorporated Organisation (CIO), taking over the assets and liabilities of the previous Charity of the same name, on 1 September 2014.

Trustees

The Trustees during the year to 31 August 2024 were as follows:

Chris Davies, appointed Chair 27 March 2024
James Clarke, appointed Treasurer 11 May 2023
Kenneth Johnson, appointed Secretary 27 March 2024
Nicole Pozas Esteban, appointed 5 January 2024
Natasha Gibson (Chair), resigned effective 27 March 2024
Rachel McGoff (Secretary), resigned effective 27 March 2024
John Turner, appointed Deputy Chair 27 March 2024
Bryan Wilson, appointed 12 October 2024
Amy Wilson, resigned effective 18 January 2024
Jodey Peyton, resigned effective 28 September 2023
Colin Clubbe
Steve Cole
Jean-Francois Nellan
Abel Seow

Bankers

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SA9 2PT. Wales, UK.

Approved by the Trustees on 16 January 2025.



.....
Chris Davies
Chair of the Board

INDEPENDENT EXAMINER'S REPORT TO THE CHAGOS CONSERVATION TRUST

I report on the accounts of Chagos Conservation Trust (the 'CIO') for the year ended 31 August 2024.

Responsibilities and basis of report

As the charity Trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

1. Accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirement concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Jason Foxwell FCCA FCIE

PO Box 9846, Poole, BH15 9JZ

Date: 6 February 2025

Chagos Conservation Trust

Statement of Financial Activities for the year ended 31 August 2024

	Unrestricted funds £	Restricted income funds £	Total funds 2024 £	Total funds 2023 £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	1,599	-	1,599	16,050
Other trading activities	1,342	-	1,342	1,054
Investments	2,404	263	2,667	314
Other	-	-	-	-
Total	5,345	263	5,608	17,418
Resources expended (Note 4)				
Expenditure on:				
Raising funds	10,524	-	10,524	8,823
Charitable activities	48,998	18,781	67,779	125,209
Other	17,082	-	17,082	18,288
Total	76,604	18,781	95,385	152,320
Net income/(expenditure) before investment gains/(losses)	(71,259)	(18,518)	(89,777)	(134,902)
Net gains/(losses) on investments	103,165	11,278	114,443	1,515
Net income/(expenditure)	31,906	(7,240)	24,666	(133,387)
Transfers between funds	-	-	-	-
Net movement in funds	31,906	(7,240)	24,666	(133,387)
Reconciliation of funds:				
Total funds brought forward	892,276	99,386	991,662	1,125,049
Total funds carried forward	924,182	92,146	1,016,328	991,662

Chagos Conservation Trust

Balance Sheet as at 31 August 2024

		Unrestricted funds £	Restricted income funds £	Total funds 2024 £	Total funds 2023 £
Fixed assets					
Investments	(Note 9)	844,304	92,298	936,602	822,159
Property, Plant and Equipment	(Note 10)	10,589	-	10,589	8,153
Total fixed assets		854,893	92,298	947,191	830,312
Current assets					
Stocks	(Note 11)	3,749	-	3,749	3,051
Debtors	(Note 12)	2,073	-	2,073	15,675
Cash at bank and in hand	(Note 16)	69,430	4,492	73,922	172,261
Total current assets		75,252	4,492	79,744	190,987
Creditors: amounts falling due within one year	(Note 13)	4,980	4,644	9,624	28,637
Net current assets/(liabilities)		70,272	(152)	70,120	162,350
Total assets less current liabilities		925,165	92,146	1,017,311	992,662
Creditors: amounts falling due after one year	(Note 14)	983	-	983	1,000
Total net assets or liabilities		924,182	92,146	1,016,328	991,662
Funds of the Charity					
Restricted income funds	(Note 19)			92,146	99,386
Unrestricted funds	(Note 19)			924,182	892,276
Total funds				1,016,328	991,662

The financial statements were approved by the Board of Trustees on 16 January 2025 and were signed on its behalf by:



Chris Davies – Chair of the Board of Trustees

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

1. Legal Form

Chagos Conservation Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England. The registered office is noted on page 13.

2. Accounting Policies

Basis of preparing the financial statements

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets

These accounts are compliant with the Update Bulletins 1 and 2 and FRS 102 Section 1A.

These accounts have been prepared on a going concern basis; there are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

Income

Grants are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of the grants can be measured with sufficient reliability. Where grants are received in advance of the recognition criteria being met, recognition is deferred and included in creditors and where entitlement arises before income is received, income is accrued.

Annual memberships are credited to the Statement of Financial Activities in the period to which they relate. Memberships received in advance are deferred and included in creditors.

Legacies and donations are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of grants can be measured with sufficient reliability. Legacies can be categorised as either pecuniary (specific cash amount) or residuary (share of an estate). Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, where they can be valued.

Income from sales of publications is recognised as earned as the related goods are distributed to customers.

Investment income is credited to income on the accruals basis.

Debtors are measured at transaction price initially and then at the recoverable amount.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

The role of CCT's Director involves work on charitable projects and programmes, fundraising activities and activities related to the governance and administration of the charity such as organising Board meetings and the AGM. Therefore, the costs of employing the Director are split between these activities. The appropriate split is reviewed each year based on the particular activities the Director has undertaken. As limited separate projects have been undertaken in the current year, support costs have been disclosed separately, in the event of a greater number of activities being undertaken, support costs will be apportioned against those activities on a basis deemed appropriate by the Trustees.

The split of activities determined for the current and prior periods is as follows:

	FY24	FY23
Charitable Activities	70%	70%
Fundraising	12%	12%
Governance and administration	18%	18%

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Creditors are measured at their transaction price initially and then at the amount payable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Tangible Fixed Assets

Fixed assets costing more than £500 are capitalised and shown at cost. Depreciation is charged at the following rate:

- IT Equipment – over five years

Taxation

The charity is exempt from tax on its charitable activities.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

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

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

Foreign Currencies

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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial activities in the period to which they relate.

Fixed asset investments

Investments are included in the balance sheet at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses in investments are calculated as the difference between sales proceeds and opening market value (value at purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the period end and the opening market value (or purchase date if later).

3. Analysis of Income

	Unrestricted funds £	Restricted income funds £	Total funds 2024 £	Total funds 2023 £
Charitable Activities				
Sales of publications	1,342	-	1,342	1,054
Investments				
Deposit Account Interest	2,404	263	2,667	314

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

4. Analysis of Expenditure

	Unrestricted funds	Restricted income funds	Total funds 2024	Total funds 2023
Charitable Activities				
	£	£	£	£
Healthy Islands, Healthy Reefs	520	16,365	16,885	77,032
Education, conservation and research	48,478	-	48,478	42,261
Connect Chagos	-	2,416	2,416	144
Chagos - A History	-	-	-	433
Sale of publications, new books	-	-	-	5,339
	48,998	18,781	67,779	125,209
Other				
Governance	17,082	-	17,082	18,288
Fund raising	10,524	-	10,524	8,823
	27,606	-	27,606	27,111

Governance costs include insurance, cost of Trustee meetings and the AGM and costs of the external examination (where required) and preparation of statutory accounts. It also includes the time spent by CCT's Director on preparing for Board meetings and communicating with Trustees.

5. Independent Examiners' and Accounting Fees

	2024	2023
	£	£
Independent examiner's fees	475	450
Other fees (payroll and accountancy services)	655	528

6. Staff Costs

	2024	2023
	£	£
Salaries and wages (including consultancy)	68,520	76,572
Social security costs	4,716	2,522
Pension costs (defined contribution scheme)	2,123	2,006
	75,359	81,100

The average number of employees in the year was as follows:

	2024	2023
	2	2

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

No staff worked for the charity whose contracts are with a related party.

No employees received total employee benefits of over £60,000 in the period.

Senior management personnel comprises the Board of Trustees and the Trust's Director. See Note 20 for details of amounts paid to Trustees. The basis for allocating staff costs between activities in the Statement of Financial Activities is explained in Note 2.

7. Defined Contribution Pension Scheme

The Trust contributed to a defined contribution pension scheme for its employees during the period. Total contributions during the year to 31 August 2024 were £2,123 (2023: £2,006).

8. Grant making

The Trust makes grants to third parties when this is judged to be the most suitable way of pursuing its charitable aims. During the year a grant of £2,416 was made from the Chagos Connect funds to cover IT and web management costs for Chagossian Voices (2023: £144).

9. Fixed asset investments

	Listed investments
Fair Value	£
At 1 September 2023	822,159
Additions	-
Disposals	-
Net gain/(loss) on revaluation	114,443
At 31 August 2024	<u>936,602</u>

All of the Trust's fixed asset investments are in funds with a readily observable price and therefore fair value is determined by the market price of the assets at the balance sheet date.

Investment management fees are estimated to be 0.85% of the value of the assets under management.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

10. Tangible Fixed Assets

	Assets under construction	Computer Equipment	Total Assets
	£	£	£
Cost			
At 1 September 2023	7,314	1,589	8,903
Additions	2,754	-	2,754
At 31 August 2024	10,068	1,589	11,657
Accumulated Depreciation			
At 1 September 2023	-	750	750
Charge for the year	-	318	318
At 31 August 2024	-	1,068	1,068
Net Book Value			
At 1 September 2023	7,314	839	8,153
At 31 August 2024	10,068	521	10,589

The trust is working to update its website, depreciation will start once the new website is operational.

11. Stocks

	£
At 1 September 2023	3,051
Added in period	800
Recognised as an expense	(102)
At 31 August 2024	3,749

12. Debtors

	2024	2023
	£	£
Trade debtors	767	629
Prepayments and accrued income	1,306	15,046
Other debtors	-	-
	2,073	15,675

All debtors fall due within one year.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

13. Creditors falling due within one year

	2024	2023
	£	£
Accruals and deferred income	5,809	27,698
Taxation, social security, pension	3,815	939
	9,624	28,637

14. Creditors falling due after more than one year

	2024	2023
	£	£
Accruals and deferred income	983	1,000
	983	1,000

15. Deferred income

The charity offers members the option of purchasing membership for more than one year, the income from these memberships is deferred and recognised over the period of the membership, or over 10 years in the case of life members.

	2024	2023
	£	£
At 1 September 2023	1,283	987
Amounts added in current period	400	600
Amounts released to income from previous periods	(350)	(304)
At 31 August 2024	1,333	1,283

16. Cash at bank and in hand

	2024	2023
	£	£
Cash at bank and on hand	73,922	172,261
	73,922	172,261

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

17. Fair value of assets and liabilities

The Trust has limited exposure to credit risk as the balance of debtors is insignificant compared to other assets. Liquidity risk is also low as the charity has cash and investments that are in excess of liabilities. Investments can be liquidated with a short notice period and the Trust ensures it keeps enough cash in its bank accounts to cover operating costs for several months. The Trust has significant exposure to investment risk as it is reliant on income generated from its investments for long term financial security. The Trust manages this risk by retaining a Board member with investment management experience and seeking professional advice where appropriate. The charity conducts regular reviews on the performance of its investment managers and the overall investment markets and has a sub-committee of Trustees who are responsible for this.

There were no changes to the fair value of financial instruments in the period attributable to changes in credit risk.

18. Events after the reporting period

There are no material events after the reporting period but before the authorisation of the financial statements which require disclosure in accordance with FRS 102 Section 32.

19. Movements in funds

Details of material funds held and movements in the current reporting period

Fund names	Type	At 1.9.23 £	Income £	Expenditure £	Transfer £	Gains and (losses) £	At 31.8.2024 £
General Funds	Unrestricted	892,276	5,345	(76,604)	-	103,165	924,182
Connect Chagos	Restricted	9,058	-	(2,416)	-	-	6,642
The Botanical survey fund	Restricted	88,328	263	(16,365)	-	11,278	83,504
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Total Funds		991,622	5,608	(95,385)	-	114,443	1,016,328

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

19. Movement in funds (continued)

Details of material funds held and movements in the previous reporting period

Fund names	Type	At 1.9.22 £	Income £	Expenditure £	Transfer £	Gains and (losses) £	At 31.8.2023 £
General Funds	Unrestricted	963,129	2,963	(75,144)	-	1,328	892,276
Connect Chagos	Restricted	9,202	-	(144)	-	-	9,058
The Botanical survey fund	Restricted	150,718	132	(62,709)	-	187	88,328
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Darwin Plus	Restricted	-	14,323	(14,323)	-	-	-
Total Funds		1,125,049	17,418	(152,320)	-	1,515	991,662

Purposes of restricted funds

Connect Chagos: Relates to grants received to implement an environmental education programme to improve the UK Chagossian community's knowledge of the Chagos Archipelago, and to enable them to assist in the conservation and protection of the archipelago.

The Botanical Survey Fund: This was part of the legacy of Commander John Topp's estate in 2012, and is to be used to conduct a periodical botanical survey of the Chagos Archipelago every 5 to 10 years as the Trustees shall determine.

The Chagos Information Portal: ChIP is a user-friendly, interactive and open-source reference library of science, research and conservation work conducted in the Chagos Archipelago. ChIP will continue to grow with new information as researchers and conservationists learn more about this iconic ecosystem. The John Ellerman Foundation provided a grant of £26,704 in 2017. Development of the portal was largely completed in 2018. The Trust is currently working on a website upgrade, including the information portal, and will look to apply the remaining funds towards this, if appropriate.

Darwin Plus: Grant received from Defra's Darwin Plus fund for British Overseas Territories to further our *Healthy Islands, Healthy Reefs* programme. The aim of this project is to collect data to fill knowledge gaps and inform a robust and effective Rat Eradication Operational Plan to successfully remove rats, allow rewilding and ultimately boost biodiversity across the archipelago.

Healthy Islands, Healthy Reefs: is an ambitious, large-scale rewilding project that will remove rats and enable the return of hundreds of thousands of seabirds to the Archipelago, helping its coral reefs recover from bleaching and build their resilience to the effects of climate change. Previously, CCT continued to seek external funding, as well as developing plans to invest its own funds in the programme, which will cost an estimated £5m in total.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

20. Trustees' remuneration and benefits

No Trustees received remuneration or other benefits during the year ended 31 August 2024 (2023: nil). Three (2023: Five) Trustees were reimbursed for out-of-pocket expenses during the period of £783 (2023: £1,397). The bulk of expenses were reimbursement for the costs of attending three in person meetings during the year (travel and subsistence) and has also historically included sundry expenses such as stationary for conducting CCT business. The Trust paid for Trustee liability insurance to the value of £377 (2023: £397) in the year.

21. Related Party Transactions

There were no related party transactions during the year.

CHAGOS CONSERVATION TRUST

England & Wales - Charity number 1155836

Accounts



Chagos Conservation Trust

Report of the Trustees

The Trustees present their report and the accounts of the charity for the year to 31st August 2023.

Highlights from the year

The Chagos Conservation Trust (CCT) launched its 2023-2028 five-year strategy in August 2023, which sets out its vision and mission, its strategic objectives, and how these are to be achieved.

The Trust assisted the Chagossian community group, Chagossian Voices, in creating a new website in December 2022 using the remaining Chagos Connect funding. A member of the community has been selected to be its Content Manager and we have funding to support them in 2024.

The Trust successfully applied to be an official partner of the United Nations Decade on Ecosystem Restoration 2021-2030, due to its work to 'prevent, halt, and reverse the degradation of ecosystems worldwide'.

After completing the Rat Eradication Operational Plan (REOP), the *Healthy Islands, Healthy Reefs* (HIHR) Project Manager Dr Pete Carr undertook a data gathering expedition to the Chagos Archipelago in July 2023 to undertake research in order to complete the Vegetation Management Operational Plan. This was internally funded through the John Topp Botanical Fund. This programme complements the aims of HIHR, because it will manage abandoned, invasive coconut plantations on degraded islands to facilitate the growth of habitat conducive to breeding seabirds.

To celebrate the Trust's 30th year anniversary, a series of presentations were held at the Zoological Society of London after the Annual General Meeting to showcase the Trust's work, concurrent scientific research in the area, with the hope that this will help boost membership and donations over the longer term.

A bumper issue of the annual *Chagos News* was published, which is also available from the British Library's archives. And the Trust also released a short book authored by Nigel Weban-Smith entitled *The Sad Story of the Conceição*.

During the period, four long standing Trustees resigned, and four new Trustees join the Board, bringing and increasing its skills set.

1. Objectives and activities

Vision and mission

CCT's vision is to ensure the globally important natural environment of the Chagos Archipelago is well protected, conserved and understood, inspiring the better management and protection of our planet and the animals and people that populate it. Its mission is to promote and undertake environmental, scientific and historical research, and advance education concerning the Chagos Archipelago.

Key aims

To build a Trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation. This enables the Trust to play a leading role in conservation, research, and raising awareness of the Chagos Archipelago. We will ensure CCT is managed through best practice operating systems; diversify income for sustained growth, and secure a pipeline of programme funding in line with our strategic priorities.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago globally, and building an international network of supporters championing its protection. Our activities include increasing the reach of science, conservation, and history within diverse audiences, including the Chagossian community, CCT members, donors, the media, plus our partners. We continue to build strategic partnerships to undertake more conservation work.

Protecting a global asset

CCT is committed to working towards fully understanding the globally important and precious natural environment of the Chagos Archipelago, ensuring it is well protected and conserved for the benefit of our planet, and all those who populate it - both animals and people.

Following on from our completion of the Rat Eradication Operational Plan in December 2022 - and an internally funded expedition to the Chagos in July 2023 to collect the necessary data to inform a Vegetation Management Operational Plan, we will continue to develop our *Healthy Islands, Healthy Reefs* programme throughout the year.

By eradicating rats and managing the abandoned coconut plantations, a more natural environment will regenerate, resulting in healthier islands. These create a refuge for native species from the iconic coconut crabs to breeding (threatened) turtles and native seabirds. The transfer of nutrients from breeding seabirds on islands assists coral reefs recover from, and builds resilience to the effects of climate change, with the additional effect of helping marine ecosystems to flourish.

Strategy

CCT's 2023-2028 Strategic Business Plan launched in August 2023 explains the importance of conserving the Chagos Archipelago's valuable natural environment, including how it can act as an exemplar for conservation and management of similar environments across the planet.

In a world ravaged by destruction and exploitation, the Archipelago remains a rich and precious marine environment. The Trust continually strives to preserve this collection of over 55 islands and 274km² of reefs for the many species that call it home, and for future generations to appreciate. With the right care, the Archipelago can be a reminder of how tropical reefs flourished many hundreds of years ago - and can offer vital insight into how they might be saved for generations to come.

We support and carry out scientific and historical research, and conservation work, and strive to highlight the global importance of this incredible marine ecosystem. We recognise that we are not the only organisation interested in science, cultural and/or conservation work in the Chagos Archipelago, and nor do we want to be. We believe the more interest there is from others in protecting this global asset, the more likely we are to achieve our ultimate aims and mission.

We consult and work with the Chagossian community and other like-minded organisations including the Zoological Society of London, the Royal Society for the Protection of Birds, and the Royal Botanic Gardens Kew. We particularly recognise the invaluable role of the Bertarelli Programme in Marine Science, and the many scientists involved in its work.

We will work with the community, these institutions, and others, to implement actions that are complementary to their work - for example, our major *Healthy Islands, Healthy Reefs* rewilding programme. Throughout our work, we are very conscious of the damaging effects of climate change on the coral reefs of the world, including those of the Chagos.

By maintaining (or where necessary restoring) these islands and reefs as unpolluted and in as natural a state as possible, we are providing the best possible conditions for corals – including the endemic and endangered Chagos Brain coral - to survive in a world which is likely to be a very challenging future environment for these wonderful and economically important species.

It is the voices of passionate citizens that will protect this archipelago for years to come. By sharing knowledge and understanding, we aim to convince people of its value to the world, and to more than a thousand different types of fish and coral that call it home. We want to be an enduring voice of support for the Archipelago. By building a solid organisation, we can maintain and strengthen our role as a leading protector, researcher, and educator in this area.

CCT's financial strategy is to invest the great majority of the founder's legacy in order to generate a return averaging 5% a year; this should allow us to preserve the value of our assets, subject to any decisions to invest additional funds in progressing the Trust's objectives, with any surplus being used to fund the organisation's work. The Trust will also seek donations from external funding organisations and individuals - these funds, together with some of the legacy capital each year, provide support for research and conservation projects.

Staff

CCT employs a full-time Director who works with the Trustees to take forward our conservation, fundraising and communications work. It has also employed a part time Project Manager to lead on the Trust's *Healthy islands, Healthy Reefs* project for part of the year. As of August 2023, all other work for the Trust is performed by the Trustees and other individuals on a voluntary basis.

2. Achievements and performance

How our activities deliver public benefit

The Chagos Archipelago, and the seas surrounding its islands, have been designated as one of the world's largest fully protected Marine Protected Areas by the UK Government.

The CCT's charitable purpose is carried out for the public benefit, through a mixture of direct research and conservation work, communication and outreach.

Increasing the knowledge and understanding of the importance of the Chagos Archipelago, its scientific, historical and cultural value, is at CCT's core.

Communicating science to the public helps build an understanding of the urgent need to conserve areas such as the Chagos Archipelago, which provide a refuge for biodiversity in the face of threats such as climate change and invasive species.

CCT has developed the Chagos Information Portal, an online, open-source library of research, data, educational tools and communication materials such as photos and videos for use by the public.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Charities and Public Benefit.

How our activities deliver environmental benefit

The Chagos Archipelago is home to some of the richest and most diverse coral reefs on the planet. Three hundred types of coral, and 800 species of fish are found in the Archipelago's waters, including rays and more than 50 different types of shark. The islands are globally important breeding sites for the endangered green and critically endangered hawksbill turtle, the vulnerable coconut crab is common throughout and over a million seabirds are present in the Archipelago.

Today, this important ecosystem is under new pressure as the damage caused by invasive species and the historic loss of native forests is being compounded by the effects of climate change, leaving it facing an uncertain future unless we take action.

The British Indian Ocean Territory (BIOT) Administration, which currently administers the Archipelago, has identified 11 conservation and environmental priorities to ensure the protection of the Chagos Archipelago's environment for the future. CCT has been approached to help deliver two of these priorities: (1) Restoring the islands through eradicating invasive rats and controlling invasive plants, both of which threaten native seabird populations and impact the delicate balance of BIOT's ecosystem, and (2) Understanding more about BIOT's unique terrestrial environment. CCT plans to deliver these priorities through our *Healthy Islands, Healthy Reefs* project, led by a Project Manager who is an expert in the region, Dr Peter Carr.

Healthy Islands, Healthy Reefs is based on sound science highlighting the significant linkages between the health of the islands of the Chagos Archipelago and their surrounding coral reefs and marine environs. In 2018, scientists discovered a relationship between healthy seabird populations on islands and healthy reefs and surrounding seas. The researchers found that after seabirds forage for food in the ocean, they return to the islands and their droppings act as a natural fertiliser for the surrounding seas.

By rehabilitating environmentally degraded islands through managing the abandoned coconut plantations to make space for native habitat to grow back, and eradicating invasive rats, a more natural, seabird-driven ecosystem will regenerate. This will result in healthier islands, helping coral reefs and the surrounding marine environment recover from and build resilience to the effects of climate change.

How our activities deliver community benefit

There is currently no resident community in the BIOT islands. In Diego Garcia, which is displaced well to the south of the main group of islands, there is a major military facility, with numbers of military and support personnel stationed there. The Trust is able to sell a range of educational materials, on the Chagos, to these personnel.

Indian Ocean littoral states stand to benefit from the marine reserve as a potential breeding haven for overfished stocks of fish such as tuna. The worldwide community will benefit from the knowledge gained from this near pristine environment where, for instance, corals damaged by sea temperature rise have been seen to recover at much faster rates than in most other parts of the world and fish stocks exist at near natural levels, which is much higher than in other parts of the Indian Ocean.

CCT also engages on a regular basis with the UK-based Chagossian community and has elected a Trustee of Chagossian descent to its Board. In 2024, a part time Chagossian community website Content Manager will be employed, paid from the remaining Connect Chagos Funds.

The Trust continues to look into ways to work with, and involve the Chagossian community with the work CCT plans to undertake, especially with cultural conservation on the islands which will be part of our rewilding the Chagos Archipelago plans.

Achievements in the 2022-2023 year

<p>To build a Trust fit for the Chagos Archipelago</p>	<p>At the 2023 CCT AGM, the Trust’s new strategy was approved.</p> <p>The AGM was hybrid, to increase participation.</p> <p>Four new Trustees were appointed.</p>
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<p>To inspire action</p>	<p>During 2022-2023 CCT once again increased communication activity:</p> <ul style="list-style-type: none"> - A bumper ‘30th anniversary’ issue of <i>Chagos News</i> was distributed in February 2023 and is available from the British Library archives; - Eight press releases appeared on the CCT website and the Trust’s social media platforms; - The Trust published a short book <u>athored by Nigel Weban-Smith</u>. - Users of the Chagos Information Portal averaged 207 users/month and the CCT website 750 users/month, with the CCT YouTube channel now at 61 subscribers; 	<p>CCT is very proud to be partnering with Chagossian Voices, a community platform for the Chagossian global diaspora, made up of members of the community from across the UK, and working alongside groups in Mauritius and the Seychelles.</p> <p>CCT has worked with this dynamic group to develop a community website that will be a great resource for the community and for people wanting to learn more about the community and the Chagos Archipelago. It was launched in December 2022, and a Content Manager from the community will be joining the CCT team in early 2024.</p> <p>To celebrate the Trust’s 30th year anniversary, a speaker event was held at the Zoological Society of</p>
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	<ul style="list-style-type: none"> - Facebook likes have increased to over 7k, with 6.7k followers; - Instagram followers have increased to just under 600 followers; - Twitter followers have increased to 272 followers; - LinkedIn's followers have steadily increased to 169 followers with nearly 1.5k impressions. <p>CCT has 58 members as of the end of 2023 financial year, managed by a Membership Secretary.</p>	<p>London after the Trust's Annual General Meeting to showcase the Trust's work, concurrent scientific research, with the hope that this will boost future membership and donations.</p> <p>The Trust successfully applied to be an official partner of the United Nations Decade on Ecosystem Restoration 2021-2030, due to its work helping to 'prevent, halt, and reverse the degradation of ecosystems worldwide'.</p>
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<p>Protecting a global asset</p>	<p>CCT's <i>Healthy Islands, Healthy Reefs</i> programme was awarded a Darwin Plus grant of £74,000 in May 2021. This grant has funded a Project Manager, and an expedition to fill knowledge gaps identified that required filling in order to write a robust and effective Rat Eradication Operational Plan.</p> <p>The expedition successfully took place in June 2022. The plan is being finalised and the complementary to this, another expedition occurred in July 2023 to gather data to formulate a Vegetation Management Operational Plan. The project will ultimately remove the rats, restore native habitat and boost biodiversity across the Chagos Archipelago.</p>
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Challenges and changes in the 2023-2024 year

The current Chair, Dr. Natasha Gibson, will end her tenure at the AGM on 27 March 2024. The new Chair will assume duties on this date after a handover period after the Chair-elect's co-opting as a Trustee on 18 January 2024. Ken Johnson will also begin his tenure as our new Secretary on this date with the resignation of Rachel McGoff.

The *Healthy islands, Healthy Reefs* Project Manager has ensured our key grant funded project continues to be well managed, and we will finalise by combining the rat eradication and vegetation management operational plans to produce a 'Rewilding Operational Plan' before the rewilding work commences. However, there remains significant work to raise the £5m needed to complete the *Healthy Islands, Healthy Reefs* rewilding project.

Although the dispute between the UK and Mauritius over the sovereignty of the Archipelago continues, public awareness of the importance of conservation seems to have risen globally. It is hoped the dispute will not affect any future activities and/or fundraising for any of our projects.

3. Financial review

The Trust ended the year in a strong financial position with reserves of £1.0m (2022: £1.1m), including £0.2m (2022: £0.1m) in cash, which is enough to cover fixed costs in the near future. CCT was affected by the global downturn in equity and bond markets in the prior year, with the investments flat in the current year and loss on investments of £0.1m over the prior year.

CCT was awarded Darwin Plus funding of £74k in 2022 which for CCT is an important step towards delivering our *Healthy Islands, Healthy Reefs* programme. With an approximate cost of £5m, this project will be reliant on securing external funding for its success. During 22/23 we drew down £14k (2022: £60k) of the grant funding to complete the 2022 Darwin Plus work. In addition, we drew £63k to deliver on our June 2023 expedition from CCT's own Botanical Fund. We expect to use the remaining £9k of the remaining Chagos Connect funds to fund a website Content Manager in 2024/2025.

CCT's investment target is to achieve a return of 5% per year over the long term. Following a number of years of achieving returns significantly above this target, we sustained a gain of 0.1% over the 2022-23 financial year (2022: loss of 9%). This was due to the stabilisation of the global equity and bond markets. We still have a strong reserves position above the amount originally bequeathed by John Topp and with flexibility to invest some of our own funds in project work, as we have done with the *Healthy Islands, Healthy Reefs* project, as well as funding our routine operating expenditure.

To manage these risks the Finance Committee of the Board scrutinises investment performance regularly and the Board regularly reviews its investment policy, risk tolerance and portfolio allocation. Currently two Trustees have financial qualifications. In the current market environment, the Trustees are closely monitoring expenditure and consider spending decisions in the context of the performance of the investment portfolio. As part of setting our new strategy for beyond 2023, the Trustees has developed a medium-term financial plan to guide use of our reserves to invest in the CCT's work while also ensuring our financial viability.

As a result of net expenditure of £72k and a net £1k movement on investments this year's result was a deficit on unrestricted funds of £71k (2022: £166k deficit) and a deficit on restricted funds of £63k (2022: £13k deficit).

During the year the principal sources of income and the proportions they provided were as follows: grants 82% (2022: 91%), members' subscriptions 8% (2022: 3%), sales of CCT publications 6% (2022: 1%), other donations 2% (2022: 1%) and investment income and bank interest 2% (2022: 0%). In 2021/22 other income was £2k in the year, which was a refund due from HMRC relating to overpayments on employers' National Insurance dating back to 2018.

Sales of publications comprises income from CCT publications, which aim to promote knowledge of the history and environment of the Chagos Archipelago and raise awareness of CCT's work. Sales of *Chagos: A History: Exploration, Exploitation, Expulsion, Peak of Limuria: The Story of Diego Garcia and the Chagos Archipelago, Sad Story of the Conceicao 1555*, and leaflets amounted to £1,054 (2022: £954).

Reserves policy

In 2011 CCT benefited from a legacy from its founder, John Topp. His stated aim was to put CCT onto a permanently secure financial footing, with the majority of the legacy being retained to underpin the strength of the Trust.

The Trust is unusual as it has to maintain sufficient reserves to promote environmental conservation work over 55 islands and a Marine Protected Area of 640,000 square kilometres, for the foreseeable future, against increasing threats to the global environment. Our policy is therefore to preserve as much as is practical of the capital sum of the legacy, and to fund operational spending out of returns gained from investments.

Given that the *Healthy Islands, Healthy Reefs* programme will bring with it a significant amount of expenditure, and a change in the profile of our operational and financial risks, the Trustees will keep the reserves policy under review to ensure it is fit for purpose.

Investment policy and objectives

Our policy is to invest our capital in a medium risk strategy aiming for an average return of 5% per year. At year end £0.822m (2022: £1,026m) was invested in managed portfolios and commingled funds. Our investments are held with one fund manager in socially and environmentally responsible commingled funds for charities. Our portfolio's target allocation as at August 2023 was 70% equities, 15% bonds, 5% real estate, 10% cash.

The Board is satisfied with the performance of the investment portfolio during the year and the risk level of the investments. The Finance Committee has opted to review the portfolio allocation on an annual basis and the next such review is due in H1 2024.

4. Plans for future years

To build a trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation that allows us to play a leading role in conservation, research and raising awareness of the Chagos Archipelago.

We also plan to:

- Recruit for a new Chair and replace retiring Trustees with the specialist skills needed to move the Trust forward, including training the Board in media skills to prepare for a potential change in administration and the media opportunities that would bring;
- Continue to manage the organisation using best practice operating systems and effective operating policies and procedures, to ensure regulatory compliance;
- Revamp the website, so all the information is up-to-date and easy to find for all audiences;
- Look to lead a research expedition in order to produce an overarching Rewilding Operational Plan;
- Diversify our income for sustained growth by approaching a wide range of potential donors;
- Develop and implement fundraising activities for the next stage of our *Healthy Islands, Healthy Reefs* project.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago, and build a network of supporters championing its protection.

We plan to:

- Increase the reach of the science and conservation work of the Chagos Archipelago;

- Continue to strengthen our relationship with Chagossian communities in support of conservation, education and research, including employing and training a member of the Chagossian community to manage the community website CCT helped create;
- Deepen our current and create new strategic partnerships for conservation to drive our *Healthy Islands, Healthy Reefs* project through funding and technical expertise.

Protecting a global asset

CCT is committed to working towards fully understanding the precious and globally important natural environment of the Chagos Archipelago, ensuring it is well protected and conserved for the benefit of our planet and all the animals and people who populate it.

We plan to:

- As part of our *Healthy Islands, Healthy Reefs* project, we will finalise the internally funded Vegetation Management Plan using the data collected during the July 2023 expedition;
- Look to lead another expedition to finalise the VMP ready to start the rewilding work;
- Recruit a Chagossian representative on the VMP expedition to ensure cultural conservation is included in the rewilding work, as well as being part of our core vision.

5. Structure, Governance and Management

Governing document

CCT's governing document is its Constitution, last updated in October 2013 (and amended to allow hybrid and virtual annual meetings 2021).

Organisational structure

The Trustees, who must be full members of CCT, are responsible for the general control and management of CCT and meet approximately every three months for this purpose.

A partner charity (CCT-US) has been established in the USA to promote the CCT's aims in that country. CCT-US is structurally and financially independent of the CCT.

In 2011 the Trust gained a major legacy on the death of its founder, Commander John Topp RN. To handle the investment of this legacy the Trustees set up a Finance Committee, as described below.

Finance Committee

The Trustees have established a Finance Committee comprising the Treasurer and several other Trustees. Its role is to advise the Trustees on the CCT's investments and other financial matters.

Recruitment and appointment of Trustees

Trustees are elected at CCT's Annual General Meeting, in accordance with Clause 13 of the Constitution. One third of the Trustees must retire each year but are eligible for re-election, those to retire being the ones who have been longest in office since their last election.

Training of new Trustees depends largely on their background and their geographical location, and is partly by set briefings by appropriate other Trustees, and partly by handover, where applicable. All newly-appointed Trustees will be guided to the Charity Commission's publication *The Essential Trustee: What you need to know*.

Risk Management

CCT has a Risk Register that identifies potential risk to the organisation and includes governance, operational, financial, reputational and compliance risks. Mitigation controls to limit any risk are

included. The risk register is reviewed on an annual basis and adjustments made accordingly, with the last review taking place in March 2022.

Statement of Trustees' responsibilities

Under charity law, the Trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which shows a true and fair view of the state of affairs of the charity, including any excess of expenditure over income for that period. The Trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Constitution of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees have a legal duty to act in the best interests of CCT, to manage CCT's resources responsibly, and to act with reasonable care and skill. Their responsibility to act in the best interest of CCT includes a responsibility to do what the Trustees have collaboratively decided will best enable CCT to carry out its charitable purpose. The Trustees must be able to demonstrate that CCT is complying with the law, is effective and well run, and they must ensure appropriate accountability to its members.

The Trustees, for the purposes of charity law, who served during the year and up to the date of this report, are set out in Section 7 below.

6. Legal and Administrative Information

Legal information

The charity is called the Chagos Conservation Trust, registered number 1155836. It was founded in 1992 and became a Charitable Incorporated Organisation (CIO), taking over the assets and liabilities of the previous Charity of the same name, on 1 September 2014.

Trustees

The Trustees during the year to 31 August 2023 were as follows:

Natasha Gibson (Chair)
Alistair Gammel (Secretary) – resigned effective 11 May 2023
Rachel McGoff (Treasurer and Secretary as of 11 May 2023)
James Clarke (Treasurer) – appointed 24 April 2023
Colin Clubbe
Steve Cole
Chris Davies
Sarah Havery – resigned effective 30 March 2023
Johathan Hunt – resigned effective 11 May 2023
Kenneth Johnson
Rachel Jones – resigned effective 26 July 2023
Jean- Francois Nellan
Jodey Peyton – appointed 2 February 2023
Abel Seow
John Turner
Amy Wilson – appointed 2 February 2023
Bryan Wilson – appointed 26 July 2023

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

Reg address

67 Bethel Road
Lower Cwmtwrch, Swansea.
SA9 2PT. Wales, UK.

Approved by the Trustees on 2 February 2024.



.....
Natasha Gibson
Chair of the Board

INDEPENDENT EXAMINER'S REPORT TO CHAGOS CONSERVATION TRUST

I report on the accounts of Chagos Conservation Trust (the 'CIO') for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity Trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

1. Accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirement concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Jason Foxwell FCCA FCIE

39 Enfield Road, Poole, BH15 3LJ

Date: 2 February 2024

Chagos Conservation Trust

Statement of Financial Activities for the year ended 31 August 2023

	Unrestricted funds £	Restricted income funds £	Total funds 2023 £	Total funds 2022 £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	1,727	14,323	16,050	61,435
Other trading activities	1,054	-	1,054	954
Investments	182	132	314	42
Other	-	-	-	1,670
Total	2,963	14,455	17,418	64,102
Resources expended (Note 4)				
Expenditure on:				
Raising funds	8,823	-	8,823	4,660
Charitable activities	48,033	77,176	125,209	132,616
Other	18,288	-	18,288	8,843
Total	75,144	77,176	152,320	146,119
Net income/(expenditure) before investment gains/(losses)	(72,181)	(62,721)	(134,902)	(82,017)
Net gains/(losses) on investments	1,328	187	1,515	(96,987)
Net income/(expenditure)	(70,853)	(62,534)	(133,387)	(179,004)
Transfers between funds	-	-	-	-
Net movement in funds	(70,853)	(62,534)	(133,387)	(179,004)
Reconciliation of funds:				
Total funds brought forward	963,129	161,920	1,125,049	1,304,053
Total funds carried forward	892,276	99,386	991,662	1,125,049

Chagos Conservation Trust

Balance Sheet as at 31 August 2023

		Unrestricted funds £	Restricted income funds £	Total funds 2023 £	Total funds 2022 £
Fixed assets					
Investments	(Note 9)	741,139	81,020	822,159	1,026,290
Property, Plant and Equipment	(Note 10)	8,153	-	8,153	1,156
Total fixed assets		749,292	81,020	830,312	1,027,447
Current assets					
Stocks	(Note 11)	3,051	-	3,051	3,157
Debtors	(Note 12)	1,585	14,090	15,675	11,426
Cash at bank and in hand	(Note 16)	155,285	16,976	172,261	103,419
Total current assets		159,921	31,066	190,987	118,002
Creditors: amounts falling due within one year	(Note 13)	15,937	12,700	28,637	19,650
Net current assets/(liabilities)		143,984	18,366	162,350	98,352
Total assets less current liabilities		893,276	99,386	992,662	1,125,799
Creditors: amounts falling due after one year	(Note 14)	1,000	-	1,000	750
Total net assets or liabilities		892,276	99,386	991,662	1,125,049
Funds of the Charity					
Restricted income funds	(Note 19)			99,386	161,920
Unrestricted funds				892,276	963,129
Total funds				991,662	1,125,049

The financial statements were approved by the Board of Trustees on 2 February 2024 and were signed on its behalf by:



Natasha Gibson – Chair of the Board of Trustees

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1. Legal Form

Chagos Conservation Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England. The registered office is noted on page 11.

2. Accounting Policies

Basis of preparing the financial statements

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets

These accounts are compliant with the Update Bulletins 1 and 2 and FRS 102 Section 1A.

These accounts have been prepared on a going concern basis; are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

Income

Grants are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of the grants can be measured with sufficient reliability. Where grants are received in advance of the recognition criteria being met, recognition is deferred and included in creditors and where entitlement arises before income is received, income is accrued.

Annual memberships are credited to the Statement of Financial Activities in the period to which they relate. Memberships received in advance are deferred and included in creditors.

Legacies and donations are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of grants can be measured with sufficient reliability. Legacies can be categorised as either pecuniary (specific cash amount) or residuary (share of an estate). Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, where they can be valued.

Income from sales of publications is recognised as earned as the related goods are distributed to customers.

Investment income is credited to income on the accruals basis, with daily accrual of interest calculated by reference to the distribution dates.

Debtors are measured at transaction price initially and then at the recoverable amount.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The role of CCT's Director involves work on charitable projects and programmes, fundraising activities and activities related to the governance and administration of the charity such as organising Board meetings and the AGM. Therefore, the costs of employing the Director are split between these activities. The appropriate split is reviewed each year based on the particular activities the Director has undertaken. As limited separate projects have been undertaken in the current year, support costs have been disclosed separately, in the event of a greater number of activities being undertaken, support costs will be apportioned against those activities on a basis deemed appropriate by the Trustees.

The split of activities determined for the current and prior periods is as follows:

	FY23	FY22
Charitable Activities	70%	70%
Fundraising	12%	12%
Governance and administration	18%	18%

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Creditors are measured at their transaction price initially and then at the amount payable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Tangible Fixed Assets

Fixed assets costing more than £500 are capitalised and shown at cost. Depreciation is charged at the following rate:

- IT Equipment – over five years

Taxation

The charity is exempt from tax on its charitable activities.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

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

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

Foreign Currencies

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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial activities in the period to which they relate.

Fixed asset investments

Investments are included in the balance sheet at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses in investments are calculated as the difference between sales proceeds and opening market value (value at purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the period end and the opening market value (or purchase date if later).

3. Analysis of Income

Charitable Activities	Unrestricted funds	Restrict ed income funds	Total funds 2023	Total funds 2022
	£	£	£	£
Sales of publications	1,054	-	1,054	954
<hr/>				
Investments				
Deposit Account Interest	182	132	314	42
	182	132	314	42
<hr/>				

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

4. Analysis of Expenditure

	Unrestricted funds	Restricted income funds	Total funds 2023	Total funds 2022
Charitable Activities				
	£	£	£	£
Healthy Islands, Healthy Reefs	-	77,032	77,032	96,138
Education, conservation and research	42,261	-	42,261	30,545
Connect Chagos	-	144	144	5,186
Chagos - A History	433	-	433	462
Sale of publications, new books	5,339	-	5,339	285
	48,033	77,176	125,209	132,616
Other				
Governance	18,288	-	18,288	8,843
Fund raising	8,823	-	8,823	4,660
	27,111	-	27,111	13,503

Governance costs include insurance, cost of Trustee meetings and the AGM and costs of the external examination (where required) and preparation of statutory accounts. It also includes the time spent by CCT's Director on preparing for Board meetings and communicating with Trustees.

5. Independent Examiners' and Accounting Fees

	2023	2022
	£	£
Independent examiner's fees	450	425
Other fees (payroll and accountancy services)	528	593

6. Staff Costs

	2023	2022
	£	£
Salaries and wages	76,572	46,994
Social security costs	2,522	-
Pension costs (defined contribution scheme)	2,006	1,307
	81,100	48,301

The average number of employees in the year was as follows:

	2023	2022
	2	2

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

No staff worked for the charity whose contracts are with a related party.

No employees received total employee benefits of over £60,000 in the period.

Senior management personnel comprises the Board of Trustees and the Trust's Director. See Note 20 for detail of amounts paid to Trustees. The basis for allocating staff costs between activities in the Statement of Financial Activities is explained in Note 2.

7. Defined Contribution Pension Scheme

The Trust contributed to a defined contribution pension scheme for its employees during the period. Total contributions during the year to 31 August 2023 were £2,006 (2022: £1,307).

8. Grant making

The Trust makes grants to third parties when this is judged to be the most suitable way of pursuing its charitable aims. During the year a grant of £144 was made from the Chagos Connect funds to cover IT cost for Chagossian Voices (2022: £5,186).

9. Fixed asset investments

	Listed investments
Fair Value	£
At 1 September 2022	1,026,291
Additions	-
Disposals	(205,646)
Net gain/(loss) on revaluation	1,514
At 31 August 2023	<u>822,159</u>

All of the Trust's fixed asset investments are in funds with a readily observable price and therefore fair value is determined by the market price of the assets at the balance sheet date.

Investment management are estimated to be 0.85% of the value of the assets under management.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

10. Tangible Fixed Assets

	Assets under construction	Computer Equipment	Total Assets
	£	£	£
Cost			
At 1 September 2022	-	1,589	1,589
Additions	7,314	-	7,314
At 31 August 2023	7,314	1,589	8,903
Accumulated Depreciation			
At 1 September 2022	-	433	433
Charge for the year	-	317	317
At 31 August 2023	-	750	750
Net Book Value			
At 1 September 2022	-	1,156	1,156
At 31 August 2023	7,314	839	8,153

The trust is working to update its website, depreciation will start once the new website is operational.

11. Stocks

	£
At 1 September 2022	3,157
Added in period	50
Recognised as an expense	(156)
At 31 August 2023	3,051

12. Debtors

	2023	2022
	£	£
Trade debtors	629	299
Prepayments and accrued income	15,046	11,127
Other debtors	-	-
	15,675	11,426

All debtors fall due within one year.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

13. Creditors falling due within one year

	2023	2022
	£	£
Accruals and deferred income	27,698	18,380
Taxation and social security	939	1,269
	<u>28,627</u>	<u>19,650</u>

14. Creditors falling due after more than one year

	2023	2022
	£	£
Accruals and deferred income	1,000	750
	<u>1,000</u>	<u>750</u>

15. Deferred income

The charity offers members the option of purchasing membership for more than one year, the income from these memberships is deferred and recognised over the period of the membership, or over 10 years in the case of life members.

	2023	2022
	£	£
At 1 September 2022	987	972
Amounts added in current period	600	283
Amounts released to income from previous periods	(304)	(268)
At 31 August 2023	<u>1,283</u>	<u>987</u>

16. Cash at bank and in hand

	2023	2022
	£	£
Cash at bank and on hand	172,261	103,419
	<u>172,261</u>	<u>103,419</u>

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

17. Fair value of assets and liabilities

The Trust has limited exposure to credit risk as the balance of debtors is insignificant compared to other assets. Liquidity risk is also low as the charity has cash and investments that are in excess of liabilities. Investments can be liquidated with a short notice period and the Trust ensures it keeps enough cash in its bank accounts to cover operating costs for several months. The Trust has significant exposure to investment risk as it is reliant on income generated from its investments for long term financial security. The Trust manages this risk by retaining a Board member with investment management experience and seeking professional advice where appropriate. The charity conducts regular reviews on the performance of its investment managers and the overall investment markets and has a sub-committee of Trustees who are responsible for this.

There were no changes to the fair value of financial instruments in the period attributable to changes in credit risk.

18. Events after the reporting period

There are no material events after the reporting period but before the authorisation of the financial statements which require disclosure in accordance with FRS 102 Section 32.

19. Movements in funds

Details of material funds held and movements in the current reporting period

Fund names	Type	At 1.9.22 £	Income £	Expenditure £	Transfers £	Gains and (losses) £	At 31.8.2023 £
General Funds	Unrestricted	963,129	2,963	(75,144)	-	1,328	892,276
Connect Chagos	Restricted	9,202	-	(144)	-	-	9,058
The Botanical survey fund	Restricted	150,718	132	(62,709)	-	187	88,328
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Darwin Plus	Restricted	-	14,323	(14,323)	-	-	-
	Total Funds	1,125,049	17,418	(152,320)	-	1,515	991,662

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

19. Movement in funds (continued)

Details of material funds held and movements in the previous reporting period

Fund names	Type	At 1.9.21 £	Income £	Expenditure £	Transfers £	Gains and (losses) £	At 31.8.2022 £
General Funds	Unrestricted	1,128,615	4,709	(80,652)	-	(89,543)	963,129
Connect Chagos	Restricted	14,388	-	(5,186)	-	-	9,202
The Botanical survey fund	Restricted	158,119	42	-	-	(7,444)	150,717
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Darwin Plus	Restricted	-	59,351	(59,351)	-	-	-
Healthy Islands, Healthy Reefs	Designated	930	-	(930)	-	-	-
Total Funds		1,304,053	64,102	(146,119)	-	(96,987)	1,125,049

Purposes of restricted funds

Connect Chagos: Relates to grants received to implement an environmental education programme to improve the UK Chagossian community's knowledge of the Chagos Archipelago, and to enable them to assist in the conservation and protection of the archipelago.

The Botanical Survey Fund: This was part of the legacy of Commander John Topp's estate in 2012 and is to be used to conduct a periodical botanical survey of the Chagos Archipelago every 5 to 10 years as the Trustees shall determine.

The Chagos Information Portal: ChIP is a user friendly, interactive and open-source reference library of a science, research and conservation work conducted in the Chagos Archipelago. ChIP will continue to grow with new information as researchers and conservationist learn more about this iconic ecosystem. The John Ellerman foundation provided a grant of £26,704 in 2017. Development of the portal was largely completed in 2018. The Trust is currently working on a website upgrade, including the information portal, and will look to apply the remaining funds towards this, if appropriate.

Darwin Plus: Grant received from Defra's Darwin Plus fund for British Overseas Territories to further our *Healthy Islands, Healthy Reefs* programme. The aim of this project is to collect data to fill knowledge gaps and inform a robust and effective Rat Eradication Operational Plan to successfully remove rats, allow rewilding and ultimately boost biodiversity across the archipelago.

Healthy Islands, Healthy Reefs: is an ambitious, large-scale rewilding project that will remove rats and enable the return of hundreds of thousands of seabirds to the Archipelago, helping its coral reefs recover from bleaching and build their resilience to the effects of climate change. Previously the CCT continue to seek external funding as well as developing plans to invest its own funds in the programme, which will cost an estimated £5m in total.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

20. Trustees' remuneration and benefits

No Trustees received remuneration or other benefits during the year ended 31 August 2023 (2022: nil). Five (2021: Four) Trustees were reimbursed for out-of-pocket expenses during the period of £1,397 (2022: £1,002). The increase is due to a resumption of in person meetings during the year. The bulk of expenses were reimbursement for the costs of attending two in person meetings during the year (travel and subsistence) and also included sundry expenses such as stationary for conducting CCT business. The Trust paid for Trustee liability insurance to the value of £397 (2022: £347) in the year.

21. Related Party Transactions

There were no related party transactions during the year.

CHAGOS CONSERVATION TRUST

England & Wales - Charity number 1155836

Accounts

Chagos Conservation Trust Report of the Trustees



Chagos Conservation Trust Report of the Trustees

The Trustees present their report and the accounts of the charity for the year to 31st August 2022.

Highlights from the year

The Chagos Conservation Trust (CCT) appointed a new Director in May 2022 after the previous Director left in November 2021. A part time *Healthy Islands, Healthy Reefs* (HIHR) Project Manager commenced work in November 2021, who oversaw a Darwin Plus grant-funded expedition to the Chagos Archipelago in June 2022. This successfully completed the development phase for the Rat Eradication Operational Plan (REOP) - part of the Trust's HIHR project - by returning with the data needed to complete a robust and effective REOP. The plan aims to remove rats from the northern islands, allowing them to be rewilded, boosting biodiversity across the archipelago.

The plan to use the remaining £15k Connect Chagos funds to develop and maintain a website for Chagossian Voices (a community platform for the Chagossian global diaspora) has been a success, with the website at pre-launch testing stage. A member of the community, fluent in English and Creole, has been appointed part time Content Manager. A Trustee of Chagossian descent has been appointed to the Board.

1. Objectives and activities

Vision and mission

CCT's vision is to ensure the globally important natural environment of the Chagos Archipelago is well protected, conserved and understood, inspiring the better management and protection of our planet and the animals and people that populate it. Its mission is to promote and undertake environmental, scientific and historical research, and advance education concerning the Chagos Archipelago.

Key aims

To build a Trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation. This enables the Trust to play a leading role in conservation, research, and raising awareness of the Chagos Archipelago. We will ensure CCT is managed through best practice operating systems; diversify income for sustained growth; and secure a pipeline of programme funding in line with our strategic priorities.

To inspire action

Chagos Conservation Trust

Report of the Trustees

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago globally and building an international network of supporters championing its protection. Our activities include increasing the reach of science, conservation and history within diverse audiences, including the Chagossian community, CCT members, donors, the media, plus our partners. We continue to build strategic partnerships to undertake more conservation work.

Protecting a global asset

CCT is committed to working towards fully understanding the globally important and precious natural environment of the Chagos Archipelago, ensuring it is well protected and conserved for the benefit of our planet, and all those who populate it - both animals and people. We have continued to implement our *Healthy Islands, Healthy Reefs* programme during the year. Following on from our feasibility study in June 2022 we conducted a Darwin Plus grant funded expedition to the Chagos to collect data in order to fill knowledge gaps and allow us to develop a robust Rat Eradication Operational Plan. By removing the rats and managing the abandoned coconut plantations, not only will we will allow natural ecosystem to regenerate, resulting in healthier islands which create a refuge for native species from the iconic coconut crabs to breeding (endangered) turtles and seabirds. The return of seabirds will help coral reefs recover from, and build resilience to the effects of climate change, with the spillover effect of helping fish populations to flourish.

Strategy

CCT's overall strategy, as laid out in the Trust's 2019-2022 Strategic Business Plan, is to make sure the Chagos Archipelago's valuable natural environment is conserved, and can act as an exemplar for conservation and management of similar environments across the planet. In a world ravaged by destruction and exploitation, the Archipelago remains a rich and precious marine environment. The Trust continually strives to preserve this collection of over 55 islands and 60,000km² of reefs for the many species that call it home, and for future generations to appreciate. With the right care, the Archipelago can be a reminder of how tropical reefs flourished many hundreds of years ago - and can offer vital insight into how they might be saved for generations to come.

We support and carry out scientific and historical research, and conservation work, and strive to highlight the global importance of this breathtaking marine ecosystem. We recognise that we are not the only organisation interested in science, cultural and/or conservation work in the Chagos Archipelago, and nor do we want to be. We believe the more interest there is from others in protecting this global asset, the more likely we are to achieve our ultimate aims and mission. Which is why we work with other like-minded organisations like the Zoological Society of London and the Royal Botanical Gardens Kew (and have Trustees on our Board with close ties to these organisations). We particularly recognise the invaluable role of the Bertarelli Programme in Marine Science and the many scientists involved in its work.

We will work with these institutions, and others, to implement actions that are complementary to their work - for example, our major *Healthy Islands, Healthy Reefs* restoration programme. Throughout our work, we are very conscious of the damaging effects of climate change on the coral reefs of the world, including those of the Chagos. By maintaining (or where necessary restoring) these islands and reefs as unpolluted and in as natural a state as possible, we are providing the best possible conditions for corals to survive in a world which is likely to be a very challenging future environment for these wonderful and economically important species.

It is the voices of passionate citizens that will protect this archipelago for years to come. By sharing knowledge and understanding, we aim to convince people of its value to the world, and to more than a thousand different types of fish and coral that call it home. We want to be an enduring voice of

Chagos Conservation Trust

Report of the Trustees

support for the archipelago. By building a solid organisation, we can maintain and strengthen our role as a leading protector, researcher and educator in this area.

CCT's financial strategy is to invest the great majority of the founder's legacy in order to generate a total return averaging 5% a year; this should allow us to preserve the value of our assets, the surplus being used to fund the organisation's work. The Trust will also seek donations from external funding organisations and individuals - these funds, together with some of the legacy capital each year, provide support for research and conservation projects.

Staff

CCT employs a full-time Director who works with the Trustees to take forward our conservation, fundraising and communications work. It also employs a part time Programme Manager to lead on the Trust's *Healthy islands, Healthy Reefs* project. As of August 2022, all other work for the Trust is performed by the Trustees and other individuals on a voluntary basis.

2. Achievements and performance

How our activities deliver public benefit

The Chagos Archipelago, and the seas surrounding its islands, was designated as one of the world's largest fully protected Marine Protected Areas by the UK Government.

The CCT's charitable purpose is carried out for the public benefit, through a mixture of direct research and conservation work, communication and outreach.

Increasing the knowledge and understanding of the importance of the Chagos Archipelago, its scientific, historical and cultural value, is at CCT's core.

Communicating science to the public helps build an understanding of the urgent need to conserve areas such as the Chagos Archipelago, which provide a refuge for biodiversity in the face of threats such as climate change and invasive species.

CCT has developed the Chagos Information Portal, an online, open source library of research, data, educational tools and communication materials such as photos and videos for use by the public.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Charities and Public Benefit.

How our activities deliver environmental benefit

The Chagos Archipelago is home to some of the richest and most diverse coral reefs on the planet. Three hundred types of coral, and 800 species of fish are found in the Archipelago's waters, including rays and more than 50 different types of shark. The islands are globally important breeding sites for the Endangered green and Critically Endangered hawksbill turtle, coconut crabs are common throughout and over a million seabirds are present in the Archipelago. Today, this important ecosystem is under new pressure as the damage caused by invasive species and the historic loss of native forests is being compounded by the effects of climate change, leaving it facing an uncertain future unless we take action.

The British Indian Ocean Territory (BIOT) Administration, which administers the Archipelago, has identified 11 conservation and environmental priorities to ensure the protection of the Chagos Island's environment for the future. CCT has been approached to help deliver two of these priorities: (1)

Chagos Conservation Trust Report of the Trustees

Restoring the islands through eradicating invasive rats and controlling invasive plants, both of which threaten native seabird populations and impact the delicate balance of BIOT's ecosystem, and (2) Understanding more about BIOT's unique terrestrial environment. CCT plans to deliver these priorities through our *Healthy Islands, Healthy Reefs* Programme, led by a Programme Manager who is an expert in the region, Dr Peter Carr.

Healthy Islands, Healthy Reefs is based on sound science highlighting the significant linkages between the health of the islands of the Chagos Archipelago and their surrounding coral reefs and marine environs. In 2018, scientists discovered a relationship between healthy seabird populations on islands and healthy reefs and surrounding seas. The researchers found that after seabirds forage for food in the ocean they return to the islands and their droppings act as a natural fertiliser for the surrounding seas.

By rehabilitating environmentally degraded islands through managing the abandoned coconut plantations to make space for native forests to grow back, and eradicating invasive rats, a more natural, seabird-driven ecosystem will regenerate. This will result in healthier islands, helping coral reefs and the surrounding marine environment recover from and build resilience to the effects of climate change.

How our activities deliver community benefit

There is currently no resident community in the islands of the British Indian Ocean Territory. But in Diego Garcia, which is displaced well to the south of the main group of islands, there is a major military facility, with numbers of military and support personnel stationed there.

Indian Ocean littoral states stand to benefit from the marine reserve as a potential breeding haven for overfished stocks of fish such as tuna. The worldwide community will benefit from the knowledge learnt from this near pristine environment where, for instance, corals damaged by sea temperature rise have been seen to recover at much faster rates than in most other parts of the world. And fish stocks exist at near natural levels, which is much higher than in other parts of the Indian Ocean.

CCT also engages on a regular basis with the UK-based Chagossian community and has elected a Trustee of Chagossian descent to its Board. Through the Connect Chagos Fund, CCT has funded the creation and maintenance of the Chagossian Voices website (including the training, funding and management of a part time Content Manager). We continue to look into ways to work with and involve them with the work CCT plans to undertake, especially with cultural conservation on the islands which will be part of our rewilding the Chagos Archipelago plans.

Achievements in the 2021-22 year

To build a Trust fit for the Chagos Archipelago	At the 2022 CCT AGM, the Trust's Constitution was successfully amended to allow hybrid and virtual annual meetings. To improve the Board functioning, a Skills Audit was completed, and duties assigned accordingly. The AGM was hybrid, to allow for those shielding, and with COVID symptoms, as well as those not living close to London to attend virtually. A new Director was appointed.
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Chagos Conservation Trust Report of the Trustees

<p>To inspire action</p>	<p>During 2021-22 CCT once again increased communication activity:</p> <ul style="list-style-type: none"> - An issue of Chagos News was distributed in December 2021; - Six news articles and a press release appeared on the CCT website and the Trust's social media platforms; - New users of the Chagos Information Portal averaged 207 users/month and CCT website 750 users/month, with the CCT YouTube channel now at 61 subscribers; - Facebook likes increased by 35% increase to over 2k and page visits were up by 50% to nearly 100 in the three months before the year end; - Instagram followers increased by 400% in the last three months before the year end, to just under 500 followers; - Twitter followers increased by 60% in the last three months before the year end with 180 followers; - LinkedIn is new and doing well, with over 1k post impressions and 69 followers. <p>CCT has 61 members as of the end of 2022 financial year managed by a Membership Secretary.</p>	<p>CCT is very proud to be partnering with Chagossian Voices, a community platform for the Chagossian global diaspora, made up of members of the community from across the UK, and working alongside groups in Mauritius and the Seychelles.</p> <p>CCT has worked with this dynamic group to develop a community website that will be a great resource for the community and for people wanting to learn more about the community and the Chagos Archipelago. It is in its pre-launch testing phase, a Content Manager from the community is in the final stages of appointment.</p>
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<p>Protecting a global asset</p>	<p>CCT's Healthy Islands, Healthy Reefs programme was awarded a Darwin Plus grant of £74,000 in May 2021. This grant has funded a programme manager and an expedition to fill the needed knowledge gaps needed to write a robust and effective Rat Eradication Operational Plan. The expedition successfully took place in June 2022. The plan is being finalised and the next stage is an expedition to fill knowledge gaps to write a Vegetation Management Plan. The project will ultimately remove the rats, restore native habitat and boost biodiversity across the Chagos Archipelago.</p>
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Chagos Conservation Trust

Report of the Trustees

Challenges in the 2021-22 year

There was a gap between one Director leaving in November 2021, and the new Director starting in May 2022. The Trustees and Programme Manager made sure the Trust continued 'business as usual', including a 2022 hybrid AGM in March, even if less active on social media. The Programme Manager ensured our key grant funded project continued to be well managed and the expedition successfully took place in June 2022.

Although the dispute between the UK and Mauritius over the sovereignty of the Archipelago continues, public awareness of the importance of conservation seems to have risen globally post-COVID. It is hoped the dispute will not affect any future activities and/or fundraising for any of our projects.

3. Financial review

The Trust ended the year in a strong financial position with reserves of £1.1m (2021: £1.3m), including £0.1m (2021: £0.1m) in cash, which is enough to cover fixed costs in the near future. CCT was affected by the global downturn in equity and bond markets, with a loss on investments of £0.1m over the year.

CCT was awarded Darwin Plus funding of £74,000 in 2021 which for CCT is a significant amount of external funding and an important step towards delivering our Healthy Islands, Healthy Reefs programme. With an approximate cost of £5m, this project will be reliant on securing external funding for its success. During 21/22 we drew down £60k of the grant funding to deliver our June 2022 expedition. We also used £5k of the remaining Connect Chagos funds to fund development of a website for the community group Chagossian Voices and will fund a website content manager in 22/23.

CCT's investment target is to achieve a return of 5% per year over the long term. Following a number of years of achieving returns significantly above this target, we sustained a loss of 9% over the 2021-22 financial year (2021: gain of 12%). This was due to a global downturn in equity and bond markets with all major indexes experiencing falls in value. We still have a strong reserves position above the amount originally bequeathed by John Topp and with flexibility to invest some of our own funds in project work, as we have done with the Healthy Islands, Healthy Reefs project, as well as funding our routine operating expenditure.

To manage these risks the Finance Committee of the Board scrutinises investment performance at least quarterly and the Board regularly reviews its investment policy, risk tolerance and portfolio allocation. Two Trustees have financial qualifications. In the current market environment, the Trustees are closely monitoring expenditure and consider spending decisions in the context of the performance of the investment portfolio. As part of setting our new strategy for beyond 2022, the Trustees are developing a medium term financial plan to guide use of our reserves to invest in the CCT's work while also ensuring our financial viability.

As a result of net expenditure of £77k and a loss on investments of £90k this year's result was a deficit on unrestricted funds of £166k (2021: £90k surplus) and a deficit on restricted funds of £13k (2021: £9k surplus).

During the year the principal sources of income and the proportions they provided were as follows: grants 91% (2021: 0%), members' subscriptions 3% (2021: 5%), sales of CCT publications 1% (2021: 4%), other donations 1% (2021: 3%) and investment income and bank interest 0% (2021: 25%). We also recognised other income of £2k in the year, which was a refund due from HMRC relating to overpayments on employers National Insurance dating back to 2018.

Chagos Conservation Trust

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Sales of publications comprises income from CCT publications, which aim to promote knowledge of the history and environment of the Chagos Archipelago and raise awareness of CCT's work. Sales of Chagos: A History amounted to £512 during the year (2021: £154). Sales of CCT's booklets on the biodiversity of the Chagos Archipelago amounted to £62 during the year (2021: £109).

Reserves policy

In 2011 CCT benefited from a legacy from its founder, John Topp. His stated aim was to put CCT onto a permanently secure financial footing, with the majority of the legacy being retained to underpin the strength of the Trust.

The Trust is unusual as it has to maintain sufficient reserves to promote environmental conservation work over 55 islands and a Marine Protected Area of 640,000 square kilometres, for the foreseeable future, against increasing threats to the global environment. Our policy is therefore to preserve as much as is practical of the capital sum of the legacy, and to fund operational spending out of returns gained from investments.

Given that the Healthy Islands, Healthy Reefs programme will bring with it a significant amount of expenditure, and a change in the profile of our operational and financial risks, the Trustees will keep the reserves policy under review to ensure it is fit for purpose.

Investment policy and objectives

Our policy is to invest our capital in a medium risk strategy aiming for an average return of 5% per year. At year end £1.026m (2021: 1.174m) was invested in managed portfolios and commingled funds. Our investments are held with one fund manager in socially and environmentally responsible commingled funds for Charities and a more bond weighted fund. Our portfolio allocation as at August 2022 was 53% equities, 20% bonds, 5% cash and the remainder in other assets.

The Board is satisfied with the performance of the investment portfolio during the year and the risk level of the investments. The Finance Committee have opted to review the portfolio allocation on an annual basis and the next such review is due in January 2023.

4. Plans for future years

To build a trust fit for the Chagos Archipelago

CCT is committed to running a professional organisation that allows us to play a leading role in conservation, research and raising awareness of the Chagos Archipelago.

With 2023 being the Trust's 30th anniversary, we plan to:

- Continue to manage the organisation using best practice operating systems and effective operating policies and procedures, to ensure regulatory compliance;
- Revamp the website, so all the information is up-to-date and easy to find for all audiences;
- Develop the next 2022-2027 CCT Strategic Business Plan to launch at the end of 2022;
- Lead a multi-partner recce expedition to fill all knowledge gaps to write a Vegetation Management Plan as the next stage in Healthy, Islands, Healthy Reefs;
- Diversify our income for sustained growth by approaching a wide range of potential donors;

Chagos Conservation Trust

Report of the Trustees

- Develop and implement fundraising activities for the next stage of our Healthy Islands, Healthy Reefs project.

To inspire action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago, and build a network of supporters championing its protection.

We plan to:

- Increase the reach of the science and conservation work of the Chagos Archipelago;
- Continue to strengthen our relationship with Chagossian communities in support of conservation, education and research, plus launch and help to maintain a Chagossian community website;
- Deepen our current and create new strategic partnerships for conservation to drive our *Healthy Islands, Healthy Reefs* project through funding and technical expertise.

Protecting a global asset

CCT is committed to working towards fully understanding the precious and globally important natural environment of the Chagos Archipelago, ensuring it is well protected and conserved for the benefit of our planet and all the animals and people who populate it.

We plan to:

- As part of our Healthy Islands, Healthy Reefs project, we will finalise the Darwin Plus grant-funded Rat Eradication Operational Plan using the data collected in the last expedition;
- Lead another expedition to collect data to write a Vegetation Management Plan (VMP);
- Have a Chagossian representative on the VMP expedition to ensure cultural conservation is included in the rewilding work, as well as being part of our core vision.

5. Structure, Governance and Management

Governing document

CCT's governing document is its Constitution, last updated in October 2013 (and amended to allow hybrid and virtual annual meetings 2021).

Organisational structure

The Trustees, who must be full members of CCT, are responsible for the general control and management of CCT and meet approximately every three months for this purpose.

A partner charity (CCT-US) has been established in the USA to promote the CCT's aims in that country. CCT-US is structurally and financially independent of the CCT.

In 2011 the Trust gained a major legacy on the death of its founder, Commander John Topp RN. To handle the investment of this legacy the Trustees set up a Finance Committee, as described below.

Finance Committee

The Trustees have established a Finance Committee comprising the Treasurer and several other Trustees. Its role is to advise the Trustees on the CCT's investments and other financial matters.

Recruitment and appointment of Trustees

Chagos Conservation Trust

Report of the Trustees

Trustees are elected at the Annual General Meeting of the CCT, in accordance with Clause 13 of the Constitution. One third of the Trustees must retire each year but are eligible for re-election, those to retire being the ones who have been longest in office since their last election.

Training of new Trustees depends largely on their background and their geographical location, and is partly by set briefings by appropriate other Trustees, and partly by handover, where applicable. All newly-appointed Trustees are given an extract of the Charity Commission's publication *The Essential Trustee: What you need to know*.

Risk Management

CCT has a Risk Register that identifies potential risk to the organisation and includes governance, operational, financial, reputational and compliance risks. Mitigation controls to limit any risk are included. The risk register is reviewed on an annual basis and adjustments made accordingly, with the last review taking place in March 2022.

Statement of Trustees' responsibilities

Under charity law, the Trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which shows a true and fair view of the state of affairs of the charity, including any excess of expenditure over income for that period. The Trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the Constitution of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees have a legal duty to act in the best interests of CCT, to manage CCT's resources responsibly and to act with reasonable care and skill. Their responsibility to act in the best interest of CCT includes a responsibility to do what the Trustees have collaboratively decided will best enable CCT to carry out its charitable purpose. The Trustees must be able to demonstrate that CCT is complying with the law, is effective and well run, and they must ensure appropriate accountability to its members.

Chagos Conservation Trust Report of the Trustees

The Trustees, for the purposes of charity law, who served during the year and up to the date of this report, are set out in Section 7 below.

6. Legal and Administrative Information

Legal information

The charity is called the Chagos Conservation Trust, registered number 1155836. It was founded in 1992 and became a Charitable Incorporated Organisation (CIO), taking over the assets and liabilities of the previous Charity of the same name, on 1 September 2014.

Trustees

The Trustees during the year to 31 August 2022 were as follows:

Natasha Gibson (Chair)
Alistair Gammell (Secretary)
Rachel McGoff (Treasurer)
Colin Clubbe
Steve Cole
Chris Davies
Sarah Havery
Jonathan Hunt
Kenneth Johnson
Rachel Jones
Richard Martin (retired March 2022)
Jean- Francois Nellan (appointed October 2021)
Abel Seow
John Turner

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

Principal address

23 The Avenue
Sandy
Bedfordshire SG19 1ER

Approved by the Trustees on 2 February 2023.



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Natasha Gibson
Chair of the Board

INDEPENDENT EXAMINER'S REPORT TO CHAGOS CONSERVATION TRUST

I report on the accounts of Chagos Conservation Trust (the 'CIO') for the year ended 31 August 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. Accounting records were not kept in respect of the CIO as required by section 130 of the Act;
or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirement concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Jason Foxwell FCCA FCIE

39 Enfield Road, Poole, BH15 3LJ

Date: 15 February 2023

Chagos Conservation Trust

Statement of Financial Activities for the year ended 31 August 2022

	Unrestricted funds	Restricted income funds	Total funds 2022	Total funds 2021
	£	£	£	£
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	2,084	59,351	61,435	1,667
Other trading activities	954	-	954	738
Investments	-	42	42	5,150
Other	1,670	-	1,670	13,000
Total	4,709	59,393	64,102	20,556
Resources expended (Note 6)				
Expenditure on:				
Raising funds	4,660	-	4,660	6,055
Charitable activities	68,079	64,537	132,616	40,717
Other	8,843	-	8,843	10,941
Total	81,582	64,537	146,119	57,713
Net income/(expenditure) before investment gains/(losses)	(76,873)	(5,144)	(82,017)	(37,158)
Net gains/(losses) on investments	(89,543)	(7,444)	(96,987)	72,177
Net income/(expenditure)	(166,416)	(12,588)	(179,004)	99,702
Transfers between funds	-	-	-	-
Net movement in funds	(166,416)	(12,588)	(179,004)	99,702
Reconciliation of funds:				
Total funds brought forward	1,129,545	174,508	1,304,053	1,204,351
Total funds carried forward	963,129	161,920	1,125,049	1,304,053

Chagos Conservation Trust

Balance Sheet as at 31 August 2022

		Unrestricted funds £	Restricted income funds £	Total funds 2022 £	Total funds 2021 £
Fixed assets					
Investments	(Note 9)	899,826	126,464	1,026,290	1,173,996
Property, Plant and Equipment	(Note 10)	1,156		1,156	935
Total fixed assets		900,982	126,464	1,027,447	1,173,996
Current assets					
Stocks	(Note 11)	3,157	-	3,157	3,351
Debtors	(Note 12)	1,603	9,823	11,426	28,289
Cash at bank and in hand	(Note 16)	60,069	43,351	103,419	98,466
Total current assets		64,829	53,174	118,002	130,106
Creditors: amounts falling due within one year	(Note 12)	1,932	17,718	19,650	247
Net current assets/(liabilities)		62,897	35,455	98,352	129,859
Total assets less current liabilities		963,879	161,920	1,125,799	1,303,855
Creditors: amounts falling due after one year	(Note 13)	750	-	750	737
Total net assets or liabilities		963,129	161,920	1,125,049	1,304,053
Funds of the Charity					
Restricted income funds	(Note 19)			161,920	174,508
Unrestricted funds				963,129	1,129,545
Total funds				1,125,049	1,304,053

The financial statements were approved by the Board of Trustees on 2 February 2023 and were signed on its behalf by:



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Natasha Gibson – Chair of the Board of Trustees

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1. Legal Form

Chagos Conservation Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England. The registered office is noted on page 10.

2. Accounting Policies

Basis of preparing the financial statements

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets

These accounts are compliant with the Update Bulletins 1 and 2 and FRS 102 Section 1A.

These accounts have been prepared on a going concern basis; are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

Income

Grants are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of the grants can be measured with sufficient reliability. Where grants are received in advance of the recognition criteria being met, recognition is deferred and included in creditors and where entitlement arises before income is received, income is accrued.

Annual memberships are credited to the Statement of Financial Activities in the period to which they relate. Memberships received in advance are deferred and included in creditors.

Legacies and donations are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of grants can be measured with sufficient reliability. Legacies can be categorised as either pecuniary (specific cash amount) or residuary (share of an estate). Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, where they can be valued.

Income from sales of publications is recognised as earned as the related goods are distributed to customers.

Investment income is credited to income on the accruals basis, with daily accrual of interest calculated by reference to the distribution dates.

Debtors are measured at transaction price initially and then at the recoverable amount.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The role of CCT's Director involves work on charitable projects and programmes, fundraising activities and activities related to the governance and administration of the charity such as organising Board meetings and the AGM. Therefore, the costs of employing the Director are split between these activities. The appropriate split is reviewed each year based on the particular activities the Director has undertaken. As limited separate projects have been undertaken in the current year, support costs have been disclosed separately, in the event of a greater number of activities being undertaken, support costs will be apportioned against those activities on a basis deemed appropriate by the Trustees.

The split of activities determined for the current and prior periods is as follows:

	FY22	FY21
Charitable Activities	70%	70%
Fundraising	12%	12%
Governance and administration	18%	18%

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Creditors are measured at their transaction price initially and then at the amount payable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Tangible Fixed Assets

Fixed assets costing more than £500 are capitalised and shown at cost. Depreciation is charged at the following rate:

- IT Equipment – over five years

Taxation

The charity is exempt from tax on its charitable activities.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

Foreign Currencies

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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial activities in the period to which they relate.

Fixed asset investments

Investments are included in the balance sheet at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses in investments are calculated as the difference between sales proceeds and opening market value (value at purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the period end and the opening market value (or purchase date if later).

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

3. Analysis of Income

Charitable Activities	Unrestricted funds £	Restrict ed income funds £	Total funds 2022 £	Total funds 2021 £
Sales of publications	954	-	954	738
<hr/>				
Investments				
Other Fixed Asset Investments	-	-	-	4,833
Deposit Account Interest	-	42	42	317
	-	42	42	5,150

4. Analysis of Expenditure

Charitable Activities	Unrestricted funds £	Restrict ed income funds £	Total funds 2022 £	Total funds 2021 £
Healthy Islands, Healthy Reefs	41,573	59,351	96,138	4,320
Education, conservation and research	25,759	-	39,262	38,110
Connect Chagos	-	5,186	5,186	2,358
Chagos - A History	462	-	462	558
Sale of publications	285	-	285	254
	68,079	64,537	141,333	45,600
<hr/>				
Other				
Governance	8,843	-	-	8,843
Other administration and support costs	-	-	-	-
	8,843	8,843	-	8,843

Governance costs include insurance, cost of trustee meetings and the AGM and costs of the external examination (where required) and preparation of statutory accounts. This includes the time spent by CCT's Director on preparing for Board meetings and communicating with Trustees.

5. Independent Examiners' Fees

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

	2022	2021
	£	£
Independent examiner's fees	425	-
Other fees paid to the independent examiner (payroll and accountancy services)	593	605

6. Staff Costs

	2022	2021
	£	£
Salaries and wages	32,671	39,737
Social security costs	-	4,722
Pension costs (defined contribution scheme)	1,307	1,739
	<u>33,978</u>	<u>46,197</u>

The average number of employees in the year was as follows:

	2022	2021
	<u>2</u>	<u>1</u>

No staff worked for the charity whose contracts are with a related party.

No employees received total employee benefits of over £60,000 in the period.

Senior management personnel comprises the Board of Trustees and the Trust's Director. See Note 20 for detail of amounts paid to Trustees.

7. Defined Contribution Pension Scheme

The Trust contributed to a defined contribution pension scheme for its employees during the period. Total contributions during the year to 31 August 2022 were £1,307 (2021: 1739).

The basis for allocating pension costs between activities in the Statement of Financial Activities is explained in Note 2.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

8. Grant making

The Trust makes grants to third parties when this is judged to be the most suitable way of pursuing its charitable aims. During the year no grants were made to third parties (2021: £nil).

9. Fixed asset investments

	Listed investments
Fair Value	£
At 1 September 2021	1,173,996
Additions	44,283
Disposals	(95,000)
Net gain/(loss) on revaluation	(96,987)
At 31 August 2022	<u>1,026,291</u>

All of the Trust's fixed asset investments are in funds with a readily observable price and therefore fair value is determined by the market price of the assets at the balance sheet date.

Investment management are estimated to be in the range of 0.65% to 0.9% of the value of the assets under management.

10. Tangible Fixed Assets

	Computer Equipment
	£
Cost	
At 1 September 2021	1,059
Additions	530
At 31 August 2022	<u>1,059</u>
Accumulated Depreciation	
At 1 September 2021	124
Charge for the year	309
At 31 August 2022	<u>124</u>
Net Book Value	
At 1 September 2021	<u>935</u>
At 31 August 2022	<u>1,156</u>

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

11. Stocks

	£
At 1 September 2021	3,352
Added in period	-
Recognised as an expense	(195)
At 31 August 2022	<u>3,157</u>

12. Debtors

	2022	2021
	£	£
Trade debtors	299	297
Prepayments and accrued income	11,127	13,406
Other debtors	-	14,586
	<u>11,426</u>	<u>28,289</u>

All debtors fall due within one year.

13. Creditors falling due within one year

	2022	2021
	£	£
Accruals and deferred income	18,380	247
Taxation and social security	1,269	-
	<u>19,650</u>	<u>247</u>

14. Creditors falling due after more than one year

	2022	2021
	£	£
Accruals and deferred income	<u>750</u>	<u>737</u>
	<u>750</u>	<u>863</u>

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

15. Deferred income

The charity offers members the option of purchasing membership for more than one year, the income from these memberships is deferred and recognised over the period of the membership, or over 10 years in the case of life members.

	2022	2021
	£	£
At 1 September 2021	972	1,213
Amounts added in current period	283	-
Amounts released to income from previous periods	(269)	(349)
At 31 August 2022	<u>972</u>	<u>864</u>

16. Cash at bank and in hand

	2022	2021
	£	£
Cash at bank and on hand	103,419	98,466
	<u>103,419</u>	<u>98,466</u>

17. Fair value of assets and liabilities

The Trust has limited exposure to credit risk as the balance of debtors is insignificant compared to other assets. Liquidity risk is also low as the charity has cash and investments that are in excess of liabilities. Investments can be liquidated with a short notice period and the Trust ensures it keeps enough cash in its bank accounts to cover operating costs for several months. The Trust has significant exposure to investment risk as it is reliant on income generated from its investments for long term financial security. The Trust manages this risk by retaining a Board member with investment management experience and seeking professional advice where appropriate. The charity conducts regular reviews on the performance of its investment managers and the overall investment markets and has a sub-committee of Trustees who are responsible for this.

There were no changes to the fair value of financial instruments in the period attributable to changes in credit risk.

18. Events after the reporting period

There are no material events after the reporting period but before the authorisation of the financial statements which require disclosure in accordance with FRS 102 Section 32.

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

19. Movements in funds

Details of material funds held and movements in the current reporting period

Fund names	Type	At 1.9.21 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31.8.2022 £
General Funds	Unrestricted	1,128,615	4,709	(80,652)	-	(89,543)	963,129
Connect Chagos	Restricted	14,388	-	(5,186)	-	-	9,202
The Botanical survey fund	Restricted	158,119	42	-	-	(7,444)	150,717
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Darwin Plus	Restricted	-	59,351	(59,351)	-	-	-
Healthy Islands, Healthy Reefs	Designated	930	-	(930)	-	-	-
Total Funds		<u>1,304,053</u>	<u>64,102</u>	<u>(146,119)</u>	<u>-</u>	<u>(96,987)</u>	<u>1,125,049</u>

Details of material funds held and movements in the previous reporting period

Fund names	Type	At 1.9.20 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31.8.2021 £
General Funds	Unrestricted	1,034,159	19,989	(51,035)	-	125,503	1,128,615
Connect Chagos	Restricted	16,746	-	(2,358)	-	-	14,388
The Botanical survey fund	Restricted	146,446	317	-	-	11,356	158,119
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Healthy Islands, Healthy Reefs	Restricted	-	250	(250)	-	-	-
Healthy Islands, Healthy Reefs	Designated	5,000	-	(4,070)	-	-	930
Total Funds		<u>1,204,351</u>	<u>20,556</u>	<u>(57,713)</u>	<u>-</u>	<u>136,859</u>	<u>1,304,053</u>

Chagos Conservation Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

19. Movement in funds (continued)

Purposes of restricted funds

Connect Chagos: Relates to grants received to implement an environmental education programme to improve the UK Chagossian community's knowledge of the Chagos Archipelago, and to enable them to assist in the conservation and protection of the archipelago.

The Botanical Survey Fund: This was part of the legacy of Commander John Topp's estate in 2012 and is to be used to conduct a periodical botanical survey of the Chagos Archipelago every 5 to 10 years as the Trustees shall determine.

The Chagos Information Portal: ChIP is a user friendly, interactive and open-source reference library of a science, research and conservation work conducted in the Chagos Archipelago. ChIP will continue to grow with new information as researchers and conservationist learn more about this iconic ecosystem. The John Ellerman foundation provided a grant of £26,704 in 2017. Development of the portal was largely completed in 2018.

Darwin Plus: Grant received from Defra's Darwin Plus fund for British Overseas Territories to further our Healthy Islands, Healthy Reefs programme. The aim of this project is to collect data to fill knowledge gaps and inform a robust and effective Rat Eradication Operational Plan to successfully remove rats, allow rewilding and ultimately boost biodiversity across the archipelago.

Healthy Islands, Healthy Reefs: Healthy Islands, Healthy Reefs is an ambitious, large-scale rewilding project that will remove rats and enable the return of hundreds of thousands of seabirds to the archipelago, helping its coral reefs recover from bleaching and build their resilience to the effects of climate change. Previously the Trustees Designated £33,000 to complete a feasibility study which was completed in 19/20. There was £5,000 remaining of the designated funds which has mostly been spent on further project activities in 20/21 alongside a small restricted donation received for the project. CCT continue to seek external funding as well as developing plans to invest its own funds in the programme, which will cost an estimated £5m in total.

20. Trustees' remuneration and benefits

No trustees received remuneration or other benefits during the year ended 31 August 2022 (2021: nil). Four (2021: nil) trustees were reimbursed for out-of-pocket expenses during the period of £1002 (2021: nil). The increase is due to a resumption of in person meetings during the year. The bulk of expenses were reimbursement for the costs of attending two in person meetings during the year (travel and subsistence) and also included sundry expenses such as stationary for conducting CCT business. The Trust paid for trustee liability insurance to the value of £347 in the year.

21. Related Party Transactions

There were no related party transactions during the year.

CHAGOS CONSERVATION TRUST

England & Wales - Charity number 1155836

Accounts



Chagos Conservation Trust

Report of the Trustees

The Trustees present their report and the accounts of the charity for the year to 31st August 2021.

1. Highlights from the year

During 20/21 CCT was awarded a Darwin Plus grant to fund part of the development phase of Healthy Islands, Healthy Reefs. The aim of this project is to collect data to fill knowledge gaps and inform a robust and effective Rat Eradication Operational Plan to successfully remove rats, allow rewilding and ultimately boost biodiversity across the archipelago. It will involve an expedition to the archipelago in 2022. The funding is £74k over three years with activity starting in October 2021. We are delighted that this grant will enable us to build on the Healthy Islands, Healthy Reefs feasibility study which the Chagos Conservation Trust (CCT) funded, and take the next step towards achieving our goal of rewilding the archipelago.

CCT developed a plan in partnership with Chagossian Voices, a community platform for the Chagossian global diaspora, to utilise the £15k remaining of the Connect Chagos funds. This will fund the development and maintenance of a community website and support a community member to join our 2022 expedition to the archipelago.

2. Objectives and activities

Vision and Mission

CCT's vision is to ensure that the globally important natural environment of the Chagos Archipelago is well protected, conserved and understood, inspiring the better management and protection of our planet.

CCT's mission is to promote and undertake environmental conservation, scientific and historical research, and advance education concerning the Chagos Archipelago.

Key aims

Aim 1: Building a trust fit for Chagos

CCT is committed to building a solid organisational foundation to enable it to play a leading role in conservation, research and awareness raising of the Chagos Archipelago. Our activities include:

ensuring CCT is managed through best practice operating systems; diversifying income for sustained growth; and securing a pipeline of programme funding in line with strategic priorities.

Aim 2: Inspiring action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago and building a network of supporters championing its protection. Our activities include: Increasing the reach of science, conservation and history within diverse audiences including the Chagossian community, CCT members and the media and building strategic partnerships for conservation.

Aim 3: Protecting a global asset

CCT is committed to working towards fully understanding the globally important natural environment of the Chagos Archipelago and ensuring it is well protected and conserved for the benefit of people and our planet. Our activities include: implementing our Healthy Islands, Healthy Reefs programme. By determining a feasible way of eradicating invasive rats from the Chagos Archipelago's outer islands we are taking the first step in restoring the islands by ultimately removing the rats and managing the abandoned coconut plantations to allow the natural forest to regenerate. That will allow the natural ecosystem to regenerate, resulting in healthier islands which create a refuge for native species such as the iconic coconut crabs, breeding turtles and seabirds, and help coral reefs recover from and build resilience to the effects of climate change.

Strategy

CCT's overall strategy, as stated in its new 2019-2022 Strategic Business Plan, is to make sure that this valuable natural environment is conserved, and can act as an exemplar for conservation and management of similar environments across the planet.

In a world ravaged by destruction and exploitation, the Chagos Archipelago has become a precious marine environment. The Trust strives to preserve this collection of over 55 islands and 60,000km² of reefs for the many species that call it home, and for future generations to appreciate.

With the right care, the archipelago can be a reminder of how tropical reefs flourished many hundreds of years ago and can offer vital insight into how they might be saved for generations to come.

We support and carry out scientific and historical research and conservation work, and strive to highlight the global importance of this breath-taking marine ecosystem. We recognise that we are not the only organisation interested in science and/or conservation working in the Chagos and nor do we want to be. Indeed, the more interest there is from others in protecting this global asset, the more likely we are to achieve our Vision. In this we particularly recognise the Bertarelli Programme in Marine Science and the many scientists involved in its work.

We will work with these institutions and implement actions that are complementary to their work, for example, our major Healthy Islands, Healthy Reefs restoration programme.

We are very conscious of the damaging effects of climate change on the coral reefs of the world, including those of Chagos. By maintaining (or where necessary restoring) these islands and reefs in as unpolluted and in as natural state as possible, we are providing the best possible conditions for corals to survive in a world which is likely to be a very challenging future environment for these wonderful and economically important species.

It is the voices of passionate citizens that will protect this archipelago for years to come. By sharing knowledge and understanding, we aim to convince people of its value to the world, and to more than a thousand different types of fish and coral that call it home.

We want to be an enduring voice of support for the archipelago. By building a solid organisation, we can maintain and strengthen our role as a leading protector, researcher and educator in this area.

CCT's financial strategy is to invest the great majority of the founder's legacy in order to generate a total return averaging 5% a year; this should allow us to preserve the value of our assets, the surplus being used to fund the organisation's work.

The Trust will also seek donations from external funding organisations and individuals; these funds, together with some of the legacy capital each year, provide support for research and conservation projects.

Staff

CCT employs a full-time Director who works with the Trustees to take forward our conservation, fundraising and communications work. All other work for the Trust is performed by the Trustees and other individuals on a voluntary basis.

3. Achievements and performance

How our activities deliver public benefit

The Chagos Archipelago, and the seas surrounding its islands, was designated as one of the world's largest fully protected Marine Protected Areas by the UK Government.

The CCT's charitable purpose is carried out for the public benefit, through a mixture of direct research and conservation work, communication and outreach.

Increasing the knowledge and understanding of the importance of the Chagos Archipelago, its scientific and historical value, is at CCT's core.

Communicating science to the public helps build an understanding of the urgent need to conserve areas such as the Chagos Archipelago, which provide a refuge for biodiversity in the face of threats such as climate change and invasive species.

CCT has developed the Chagos Information Portal, an online, open source library of research, data, educational tools and communication materials such as photos and videos for use by the public, which continues to be updated with new information and data.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Charities and Public Benefit.

How our activities deliver environmental benefit

The Chagos Archipelago is home to some of the most rich and diverse coral reefs on the planet. Three hundred types of vibrant coral and 800 species of fish are found in the archipelago's waters, including majestic rays and more than 50 different types of shark. The islands are internationally important breeding sites for green turtles and the critically endangered hawksbill turtle. Metre-wide coconut crabs can be found clambering through their undergrowth, and more than a million seabirds nest in and around their trees.

Today this important ecosystem is under new pressure as the devastating effects of climate change are being compounded by invasive species and the historic loss of native forests, leaving it facing an uncertain future unless we take action.

The BIOT Administration has identified eleven conservation and environmental priorities to ensure the protection of the Chagos Archipelago’s environment for the future. CCT has been approached to help deliver two of these priorities: (1) restoring the islands through eradicating invasive rats and controlling invasive plants, both of which threaten native seabird populations and impact the delicate balance of BIOT’s ecosystem, and (2) understanding more about BIOT’s unique terrestrial environment. CCT plans to deliver these priorities through our Healthy Islands, Healthy Reefs Programme.

Healthy Islands, Healthy Reefs is based on sound science highlighting the significant linkages between the health of the islands of the Chagos Archipelago and their surrounding coral reefs.

In 2018, scientists discovered a direct relationship between healthy seabird populations on islands and healthy reefs. The researchers found that after seabirds forage for food in the ocean they return to the islands and their droppings act as a natural fertiliser for the surrounding corals.

By rewilding degraded islands, managing the abandoned coconut plantations and eradicating invasive rats, a more natural, seabird-driven ecosystem will regenerate, resulting in healthier islands and helping coral reefs recover from and build resilience to the effects of climate change, and creating a refuge for native species such as the iconic coconut crab and red-footed booby.

How our activities deliver community benefit

There is currently no resident community in the islands of the British Indian Ocean Territory, but in Diego Garcia, which is displaced well to the south of the main group of islands, there is a major military facility, with numbers of military and support personnel stationed there.

Indian Ocean littoral states could benefit from the marine reserve as a potential breeding haven for overfished stocks of fish such as tuna. The worldwide community will benefit from the knowledge learnt from this near-pristine environment where, for instance, corals damaged by sea temperature rise have been seen to recover at much faster rates than in most other parts of the world and fish stocks exist at near natural levels, much higher than in other parts of the Indian Ocean.

CCT also engages when possible with the UK-based Chagossian communities. It continues to look into ways to work with the community and involve them with the work CCT plans to undertake.

Achievements in the 2020-21 year

<p>Aim 1: Building a trust fit for the Chagos Archipelago</p>	<p>Annual General Meeting and new charity officer: At the 2021 CCT AGM one new officer was elected giving CCT a new Chair. The AGM was again held virtually due to Covid-19.</p>	<p>Policy development: CCT board of trustees adopted four new policies to meet the charity's needs. These included:</p> <ul style="list-style-type: none"> - Ethical fundraising policy - Equality and diversity policy - Grievance Procedure and Disciplinary Policy and Procedure - Whistleblowing policy
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<p>Aim 2: Inspiring action</p>	<p>During 2020-21 CCT once again increased communication activity even though all science and conservation expeditions were halted due to Covid:</p> <ul style="list-style-type: none"> - Two issues of Chagos News were distributed, one in December 2020 and the other in July 2021 - 16 news articles appeared on the CCT website - New users of the Chagos Information Portal averaged 207 users/month and CCT website 750 users/month - Facebook likes were steady at around 7,000 - Instagram followers increased by 30% (116 followers) - Twitter followers increased by 8% (46 followers) and CCT's Twitter (started in Dec 2020) now has 113 followers <p>CCT has 61 members as of the end of 2021 financial year managed by a membership secretary on the board.</p>	<p>CCT is very proud to be partnering Chagossian Voices, a community platform for the Chagossian global diaspora. Made up of members of the community from across the UK and working alongside groups in Mauritius and the Seychelles.</p> <p>CCT is working with this dynamic group to develop a community website that will be a great resource for the community and for people wanting to learn more about the community and the Chagos Archipelago.</p>
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<p><u>Aim 3: Protecting a global asset</u></p>	<p>CCT's flagship programme Healthy Islands, Healthy Reefs officially launched in January 2021 and was awarded a £74,000 Darwin Plus grant in May 2021.</p> <p>The "<i>Filling knowledge gaps to enable rewilding of the Chagos Archipelago</i>" project, is a vital component of Healthy Islands, Healthy Reefs. The aim is to collect data to fill knowledge gaps and inform a robust and effective Operational Plan to eradicate rats, restore native habitat and ultimately boost biodiversity across the Chagos Archipelago.</p> <p>As part of the project CCT recruited a part time Programme Manager to lead on its delivery.</p>
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Challenges in the 2020-21 year

Covid-19 continued to present a global challenge this year for many charities but CCT was able to continue business largely as usual throughout most of the year, The difficulties of access to Chagos due to Covid restrictions was an issue, but did not seriously affect our work in this year.

Due to lockdown restrictions the 2020 Annual General Meeting was postponed until November 2020. The Charities Commission permitted CIOs to hold AGMs and other members' meetings online - this has been made possible by the Corporate Insolvency and Governance Act 2020 and applied until 30 March 2021. Therefore, we were able to schedule the 2021 as an online AGM in March 2021.

The dispute between the UK and Mauritius over the sovereignty of the Archipelago continues. Though both governments express the wish to protect this archipelago, the practical effect of the dispute is that it is complicating future activities and fundraising for this objective.

4. Financial review

The Trust ended the year in a strong financial position with reserves of £1.3m (2020: £1.2m), including £98,466 (2020: £87,429) in cash, which is enough to cover fixed costs in the near future.

CCT was awarded Darwin Plus funding of £74,000 during the year which for CCT is a significant amount of external funding and an important step towards delivering our Healthy Islands, Healthy Reefs programme. With an approximate cost of £5m, this project will be reliant on securing external funding for its success. Activities for the grant will start in October 2021 therefore the financial impact will be seen in 21/22. We have also developed a plan to use the remaining balance of Connect Chagos funds to fund development and maintenance of a website for the community group Chagossian Voices and to support a Chagossian to participate in a future expedition to the islands.

CCT's investment target is to achieve a return of 5% per year over the long term. We achieved a return 12.47% over the 2020-21 financial year (2020: 4.37%). This was in part due to a particularly buoyant month in August 2021 and the value of the portfolio has since reduced from this level. In several recent years we have exceeded 5% due to the exceptionally strong performance in equity markets in the last decade. This leaves us in a strong reserves position about the amount originally bequeathed by John Topp and with flexibility to invest some of our own funds in project work, as we have done with the Healthy Islands, Healthy Reefs project, as well as funding our routine operating expenditure.

The Trustees, however, are well aware that current events including the Covid-19 pandemic, rising inflation, a changing geopolitical climate and the cessation of quantitative easing measures by central banks present a risk that returns may not continue to be as strong as in recent years. To manage these risks the Finance Committee of the Board scrutinises investment performance at least quarterly and the Board regularly reviews its investment policy, risk tolerance and portfolio allocation. Two Trustees have financial qualifications.

Primarily as a result of the large gain in valuation on investments, this year's result was a surplus on unrestricted funds of £90,386 (2020: £1,554 deficit) and a surplus on restricted funds of £9,316 (2020: £6,781 surplus).

During the year the principal sources of income and the proportions they provided were as follows: members' subscriptions 5% (2020: 7%), sales of CCT publications 4% (2020: 10%), donations and legacies 3% (2020: 4%) and investment income and bank interest 25% (2020: 79%). We also recognised other income of £13,000 in the year which is 63% of the total (2020: 0%) being a refund due from HMRC relating to overpayments on employers National Insurance dating back to 2018.

Sales of publications comprises income from CCT publications, which aim to promote knowledge of the history and environment of the Chagos Archipelago and raise awareness of CCT's work. Sales of Chagos: A History amounted to £154 during the year (2020: £950). Sales of CCT's booklets on the biodiversity of the Chagos Archipelago amounted to £109 during the year (2020: £188).

Reserves policy

In 2011 CCT benefited from a legacy from its founder, John Topp. His stated aim was to put CCT onto a permanently secure financial footing, with the majority of the legacy being retained to underpin the strength of the Trust.

The Trust is unusual as it has to maintain sufficient reserves to promote environmental conservation work over 55 islands and a Marine Protected Area of 640,000 square kilometres, for the foreseeable future, against increasing threats to the global environment. Our policy is therefore to preserve as much as is practical of the capital sum of the legacy, and to fund operational spending out of returns gained from investments.

Given that the Healthy Islands, Healthy Reefs programme will bring with it a significant amount of expenditure, and a change in the profile of our operational and financial risks, the Trustees will keep the reserves policy under review to ensure it is fit for purpose.

Investment policy and objectives

Our policy is to invest our capital in a medium risk strategy aiming for an average return of 5% per year. At year end £1.174m was invested in managed portfolios and commingled funds, and £43,629 in fixed-term savings. Our investments are held with one fund manager in socially and environmentally responsible commingled funds for Charities.

In January 2021, the Trustees agreed to reduce the number of investment managers from two to one. The Board is satisfied with the performance of the investment portfolio during the year and the risk level of the investments. The Finance Committee have opted to review the portfolio allocation on an annual basis and the next such review is due in January 2022.

5. Plans for future years

Aim 1: Building a trust fit for Chagos

CCT is committed to maintaining a solid organisational foundation that enables us to play a leading role in conservation, research and awareness raising of the Chagos Archipelago.

We plan to:

- Continue to manage the organisation using best practice operating systems and effective operating policies and procedures, to ensure regulatory compliance
- Develop the next CCT Strategic Business Plan to launch at the beginning of the 2022-2023 financial year
- Diversify our income for sustained growth by approaching a wide range of potential donors
- Develop and implement fundraising activities specifically for our Healthy Islands, Healthy Reefs Research and Development project

Aim 2: Inspiring action

CCT is committed to increasing the knowledge and understanding of the importance of the Chagos Archipelago and building a network of supporters championing its protection.

We plan to:

- Increase the reach of the science and conservation work of the Chagos Archipelago.
- Build relationships with Chagossian communities in support of conservation, education and research and launch a Chagossian community website.
- Create strategic partnerships for conservation to drive Healthy Islands, Healthy Reefs through funding and technical expertise.

Aim 3: Protecting a global asset

CCT is committed to working towards fully understanding the globally important natural environment of the Chagos Archipelago and ensuring it is well protected and conserved for the benefit of people and our planet.

We plan to:

- As part of Healthy Islands, Healthy Reefs, launch the Darwin Plus funded “*Filling knowledge gaps to enable rewilding of the Chagos Archipelago*” project, which includes an expedition to the Chagos Archipelago in 2022.
- Develop a strategic conservation strategy and complementary fundraising plan and finalise the project plan for the rewilding of Eagle Island.

6. Structure, Governance and Management

Governing document

CCT's governing document is its Constitution, last updated in October 2013

Organisational structure

The Trustees, who must be full members of CCT, are responsible for the general control and management of CCT and meet approximately every three months for this purpose.

A partner charity (CCT-US) has been established in the USA to promote the CCT's aims in that country. CCT-US is structurally and financially independent of the CCT.

In 2011 the Trust gained a major legacy on the death of its founder, Commander John Topp Royal Navy. To handle the investment of this legacy the Trustees set up a Finance Committee, as described in below.

Finance Committee

The Trustees have established a Finance Committee comprising the Treasurer and several other Trustees. Its role is to advise the Trustees on the CCT's investments and other financial matters.

Recruitment and appointment of Trustees

Trustees are elected at the Annual General Meeting of the CCT, in accordance with Clause 13 of the Constitution. One third of the Trustees must retire each year but are eligible for re-election, those to retire being the ones who have been longest in office since their last election.

Training of new Trustees depends largely on their background and their geographical location, and is partly by set briefings by appropriate other Trustees, and partly by handover, where applicable. All newly-appointed Trustees are given an extract of the Charity Commission's publication *The Essential Trustee: What you need to know*.

Risk Management

CCT has a risk register that identifies potential risk to the organisation and includes governance, operational, financial, reputational and compliance risks. Mitigation controls to limit any risk are included. The risk register is reviewed on an annual basis and adjustments made accordingly.

Statement of Trustees' responsibilities

Under charity law, the trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which show a true and fair view of the state of affairs of the charity any excess of expenditure over income for that period. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the Constitution of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees, for the purposes of charity law, who served during the year and up to the date of this report, are set out in Section 7 below.

7. Legal and Administrative Information

Legal information

The charity is called the Chagos Conservation Trust, registered number 1155836. It was founded in 1992 and became a Charitable Incorporated Organisation (CIO), taking over the assets and liabilities of the previous Charity of the same name, on 1 September 2014.

Trustees

The trustees of the during the year to 31 August 2021 were as follows:

Natasha Gibson (Chair) – appointed 15 October 2020
Alistair Gammell (Secretary)
Rachel McGoff (Treasurer)
Colin Clubbe
Steve Cole
Chris Davies
Sarah Havery
Jonathan Hunt
Kenneth Johnson
Rachel Jones
Richard Martin
Abel Seow
John Turner

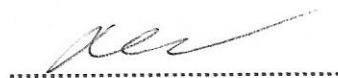
Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

Principal address

23 The Avenue
Sandy
Bedfordshire SG19 1ER

Approved by the trustees on 18 January 2022.



.....
Natasha Gibson
Chair of the Board

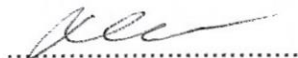
Chagos Conservation Trust
Statement of Financial Activities for the Year Ending 31 August 2021

	Unrestrict ed funds £	Restricted income funds £	Total funds 2021 £	Total funds 2020 £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	1,417	250	1,667	1,757
Other trading activities	738	-	738	1,689
Investments	4,833	317	5,150	12,746
Other	13,000	-	13,000	-
Total	19,989	567	20,556	16,191
Resources expended (Note 4)				
Expenditure on:				
Raising funds	6,055	-	6,055	6,289
Charitable activities	38,110	2,608	40,717	64,570
Investment Management Costs	-	-	-	1,293
Other	10,941	-	10,941	10,990
Total	55,105	2,608	57,713	83,141
Net income/(expenditure) before investment gains/(losses)	(35,117)	(2,041)	(37,158)	(66,950)
Net gains/(losses) on investments	125,503	11,356	136,859	72,177
Net income/(expenditure)	90,386	9,316	99,702	5,227
Transfers between funds	-	-	-	-
Net movement in funds	90,386	9,316	99,702	5,227
Reconciliation of funds:				
Total funds brought forward	1,039,159	165,192	1,204,351	1,199,124
Total funds carried forward	1,129,545	174,508	1,304,053	1,204,351

**Chagos Conservation Trust
Balance Sheet at 31 August 2021**

		Unrestrict ed funds £	Restricted income funds £	Total funds 2021 £	Total funds 2020 £
Fixed assets					
Investments	(Note 9)	1,084,369	89,626	1,173,996	1,097,136
Property, Plant and Equipment	(Note 10)	935		935	
Total fixed assets		<u>1,085,305</u>	<u>89,626</u>	<u>1,174,931</u>	<u>1,097,136</u>
Current assets					
Stocks	(Note 11)	3,351	-	3,351	3,548
Debtors	(Note 12)	13,703	14,586	28,289	18,450
Cash at bank and in hand	(Note 16)	28,170	70,296	98,466	87,429
Total current assets		<u>45,224</u>	<u>84,882</u>	<u>130,106</u>	<u>109,427</u>
Creditors: amounts falling due within one year	(Note 13)	247	-	247	1,573
Net current assets/(liabilities)		<u>44,977</u>	<u>84,882</u>	<u>129,859</u>	<u>107,854</u>
Total assets less current liabilities		<u>1,130,282</u>	<u>174,508</u>	<u>1,304,790</u>	<u>1,204,990</u>
Creditors: amounts falling due after one year	(Note 14)	737	-	737	639
Total net assets or liabilities		<u>1,129,545</u>	<u>174,508</u>	<u>1,304,053</u>	<u>1,199,124</u>
Funds of the Charity					
Restricted income funds	(Note 19)			174,508	165,192
Unrestricted funds				<u>1,129,545</u>	<u>1,039,159</u>
Total funds				<u>1,304,053</u>	<u>1,204,351</u>

The financial statements were approved by the Board of Trustees on 18 January and were signed on its behalf by:



Natasha Gibson – Chair of the Board of Trustees

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

1. Legal Form

Chagos Conservation Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England. The registered office is noted on [page 1](#).

2. Accounting Policies

Basis of preparing the financial statements

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

These accounts are compliant with the Update Bulletins 1 and 2 and FRS 102 Section 1A.

These accounts have been prepared on a going concern basis; are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

Income

Grants are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of the grants can be measured with sufficient reliability. Where grants are received in advance of the recognition criteria being met, recognition is deferred and included in creditors and where entitlement arises before income is received, income is accrued.

Annual memberships are credited to the Statement of Financial Activities in the period to which they relate. Memberships received in advance are deferred and included in creditors.

Legacies and donations are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of grants can be measured with sufficient reliability. Legacies can be categorised as either pecuniary (specific cash amount) or residuary (share of an estate). Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, where they can be valued.

Income from sales of publications is recognised as earned as the related goods are distributed to customers.

Investment income is credited to income on the accruals basis, with daily accrual of interest calculated by reference to the distribution dates.

Debtors are measured at transaction price initially and then at the recoverable amount.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The role of CCT's Director involves work on charitable projects and programmes, fundraising activities and activities related to the governance and administration of the charity such as organising Board meetings and the AGM. Therefore, the costs of employing the Director are split between these activities. The appropriate split is reviewed each year based on the particular activities the Director has undertaken. As limited separate projects have been undertaken in the current year, support costs have been disclosed separately, in the event of a greater number of activities being undertaken, support costs will be apportioned against those activities on a basis deemed appropriate by the Trustees.

The split of activities determined for the current and prior periods is as follows:

	FY21	FY20
Charitable Activities	70%	70%
Fundraising	12%	12%
Governance and administration	18%	18%

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Creditors are measured at their transaction price initially and then at the amount payable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Tangible Fixed Assets

Fixed assets costing more than £500 are capitalised and shown at cost. Depreciation is charged at the following rate:

- IT Equipment – over five years

Taxation

The charity is exempt from tax on its charitable activities.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

Foreign Currencies

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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial activities in the period to which they relate.

Fixed asset investments

Investments are included in the balance sheet at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses in investments are calculated as the difference between sales proceeds and opening market value (value at purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the period end and the opening market value (or purchase date if later).

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

3. Analysis of Income

Charitable Activities	Unrestricted funds	Restricted income funds	Total funds 2021	Total funds 2020
	£	£	£	£
Sales of publications	738	-	738	1,689
Investments				
Other Fixed Asset Investments	4,833	-	4,833	12,112
Deposit Account Interest	-	317	317	634
	4,833	317	5,150	12,746

Note that income also includes other income of £13,000 being an amount receivable from HMRC related to overpayment of employers National Insurance from April 2018 to April 2021. As a small employer CCT is eligible for the Employment Allowance and had not been claiming this, a retrospective claim has been submitted dated back to 2018 and HMRC has confirmed that this amount will be refunded.

4. Analysis of Expenditure

Charitable Activities	Unrestricted funds	Restricted income funds	Total funds 2021	Total funds 2020
	£	£	£	£
Healthy Islands, Healthy Reefs	4,070	250	4,320	28,000
Expedition	38,110	-	38,110	35,652
Education, conservation and research	-	2,358	2,358	-
Chagos - A History	558	-	558	516
Sale of publications	254	-	254	402
	42,992	2,608	45,600	64,570
Other				
Governance	8,482	-	8,482	9,459
Other administration and support costs	2,459	-	2,459	1,531
	10,941	-	10,941	10,990

Governance costs include insurance, cost of trustee meetings and the AGM and costs of the external examination (where required) and preparation of statutory accounts. This includes the time spent by CCT's Director on preparing for Board meetings and communicating with Trustees.

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

5. Independent Examiners' Fees

	2021	2021
	£	£
Independent examiner's fees	-	-
Other fees paid to the independent examiner (payroll and accountancy services)	605	605

6. Staff Costs

	2021	2020
	£	£
Salaries and wages	39,737	42,742
Social security costs	4,722	4,656
Pension costs (defined contribution scheme)	1,739	1,757
	<u>46,197</u>	<u>49,155</u>

The average number of employees in the year was as follows:

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

No staff worked for the charity whose contracts are with a related party.

No employees received total employee benefits of over £60,000 in the period.

Senior management personnel comprises the Board of Trustees and the Trust's Director. See Note 19 for detail of amounts paid to Trustees.

7. Defined Contribution Pension Scheme

The Trust contributed to a defined contribution pension scheme for its employee during the period. Total contributions during the year to 31 August 2021 were £1,739 (2020: £1,757).

The basis for allocating pension costs between activities in the Statement of Financial Activities is explained in Note 2.

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

8. Grant making

The Trust makes grants to third parties when this is judged to be the most suitable way of pursuing its charitable aims. During the year no grants were made to third parties (2020: £nil).

9. Fixed asset investments

Fair Value	Listed investments
	£
At 1 September 2020	1,097,136
Additions	-
Disposals	(60,000)
Net gain/(loss) on revaluation	<u>136,859</u>
At 31 August 2021	<u><u>1,173,996</u></u>

All of the Trust's fixed asset investments are in assets with a readily observable price and therefore fair value is determined by the market price of the assets at the balance sheet date.

Investment management are estimated to be in the range of 0.65% to 0.9% of the value of the assets under management.

10. Tangible Fixed Assets

	Computer Equipment
	£
Cost	
At 1 September 2020	-
Additions	1,059
At 31 August 2021	<u><u>1,059</u></u>
Accumulated Depreciation	
At 1 September 2020	-
Charge for the year	124
At 31 August 2021	<u><u>124</u></u>
Net Book Value	
At 1 September 2020	-
At 31 August 2021	<u><u>935</u></u>

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

11. Stocks

	£
At 1 September 2020	3,548
Added in period	-
Expensed in period	(196)
At 31 August 2021	<u><u>3,352</u></u>

12. Debtors

	2021 £	2020 £
Trade debtors	297	785
Prepayments and accrued income	13,406	919
Other debtors	14,586	16,746
	<u><u>28,289</u></u>	<u><u>18,450</u></u>

Debtors recoverable in more than 1 year (included in debtors above)

	2021 £	2020 £
Other debtors	-	16,746
	<u><u>-</u></u>	<u><u>16,746</u></u>

13. Creditors falling due within one year

	2021 £	2020 £
Accruals and deferred income	247	345
Taxation and social security	-	1,229
	<u><u>247</u></u>	<u><u>1,573</u></u>

14. Creditors falling due after more than one year

	2021 £	2020 £
Accruals and deferred income	737	639
	<u><u>737</u></u>	<u><u>863</u></u>

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

15. Deferred income

The charity offers members the option of purchasing membership for more than one year, the income from these memberships is deferred and recognised over the period of the membership, or over 10 years in the case of life members.

	2021	2020
	£	£
At 1 September 2020	864	1,213
Amounts added in current period	333	-
Amounts released to income from previous periods	<u>(225)</u>	<u>(349)</u>
At 31 August 2021	<u>972</u>	<u>864</u>

16. Cash at bank and in hand

	2021	2020
	£	£
Short term deposits	-	43,629
Cash at bank and on hand	<u>98,466</u>	<u>43,800</u>
	<u>98,466</u>	<u>87,429</u>

17. Fair value of assets and liabilities

The Trust has limited exposure to credit risk as the balance of debtors is insignificant compared to other assets. Liquidity risk is also low as the charity has cash and investments that are in excess of liabilities. Investments can be liquidated with a short notice period and the Trust ensures it keeps enough cash in its bank accounts to cover operating costs for several months. The Trust has significant exposure to investment risk as it is reliant on income generated from its investments for long term financial security. The Trust manages this risk by retaining a Board member with investment management experience and seeking professional advice where appropriate. The charity conducts regular reviews on the performance of its investment managers and the overall investment markets and has a sub-committee of Trustees who are responsible for this.

There were no changes to the fair value of financial instruments in the period attributable to changes in credit risk.

18. Events after the reporting period

There are no material events after the reporting period but before the authorisation of the financial statements which require disclosure in accordance with FRS 102 Section 32.

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

19. Movements in funds

Details of material funds held and movements in the current reporting period

Fund names	Type	At 1.9.20 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31.8.2021 £
General Funds	Unrestricted	1,034,159	19,989	(51,035)	-	125,503	1,128,615
Connect Chagos	Restricted	16,746	-	(2,358)	-	-	14,388
The Botanical survey fund	Restricted	146,446	317	-	-	11,356	158,119
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Healthy Islands, Healthy Reefs	Restricted	-	250	(250)	-	-	-
Healthy Islands, Healthy Reefs	Designated	5,000	-	(4,070)	-	-	930
Total Funds		<u>1,204,351</u>	<u>20,556</u>	<u>(57,713)</u>	<u>-</u>	<u>136,859</u>	<u>1,304,053</u>

Details of material funds held and movements in the previous reporting period

Fund names	Type	At 1.9.19 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31.8.2020 £
General Funds	Unrestricted	1,005,832	15,557	(55,141)	-	67,911	1,034,159
Connect Chagos	Restricted	16,746	-	-	-	-	16,746
The Botanical survey fund	Restricted	141,546	634	-	-	4,266	146,466
The Chagos Information portal	Restricted	2,000	-	-	-	-	2,000
Healthy Islands, Healthy Reefs	Designated	33,000	-	(28,000)	-	-	5,000
Total Funds		<u>1,199,124</u>	<u>16,191</u>	<u>(83,141)</u>	<u>-</u>	<u>72,177</u>	<u>1,204,351</u>

Chagos Conservation Trust
Notes to the Financial Statements for the Year Ended 31 August 2021

19. Movement in funds (continued)

Purposes of restricted funds

Connect Chagos: Relates to grants received to implement an environmental education programme to improve the UK Chagossian community's knowledge of the Chagos Archipelago, and to enable them to assist in the conservation and protection of the archipelago.

The Botanical Survey Fund: This was part of the legacy of Commander John Topp's estate in 2012 and is to be used to conduct a periodical botanical survey of the Chagos Archipelago every 5 to 10 years as the Trustees shall determine.

The Chagos Information Portal: CHIP is a user friendly, interactive and open-source reference library of a science, research and conservation work conducted in the Chagos Archipelago. CHIP will continue to grow with new information as researchers and conservationist learn more about this iconic ecosystem. The John Ellerman foundation provided a grant of £26,704 in 2017. Development of the portal was largely completed in 2018.

Healthy Islands, Healthy Reefs: Healthy Islands, Healthy Reefs is an ambitious, large-scale rewilding project that will remove rats and enable the return of hundreds of thousands of seabirds to the archipelago, helping its coral reefs recover from bleaching and build their resilience to the effects of climate change. Previously the Trustees Designated £33,000 to complete a feasibility study which was completed in 19/20. There was £5,000 remaining of the designated funds which has mostly been spent on further project activities in 20/21 alongside a small restricted donation received for the project. CCT continue to seek external funding as well as developing plans to invest its own funds in the programme, which will cost an estimated £5m in total.

20. Trustees' remuneration and benefits

No trustees received remuneration or other benefits during the year ended 31 August 2021 (2020: nil). No (2020: three) trustees were reimbursed for out-of-pocket expenses during the period (2020: £215). This is due to the Covid-19 pandemic preventing in person meetings requiring travel. The trust plans to utilise a mixture of remote and face to face meetings in future years. The Trust paid for trustee liability insurance to the value of £382 in the year.

21. Related Party Transactions

There were no related party transactions during the year.