

GALAPAGOS CONSERVATION TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Company Number: 03004112

Registered Charity Number: 1043470



GALAPAGOS CONSERVATION TRUST

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GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

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| Governing Document: | Memorandum and Articles of Association |
| Charity number: | 1043470 |
| Company number: | 03004112 |
| Registered Address: | Galapagos Conservation Trust 7-14 Great Dover Street London SE1 4YR |
| Trustees: | Charmian Caines - Chair Michael Drake – Vice-Chair (resigned 7 June 2022) Dr Marta Tufet – Vice-Chair Jonathan Lea – Honorary Treasurer (resigned 7 June 2022) Amy Liddy – Honorary Treasurer (appointed 19 May 2022) Philippa Carte Sandra Charity Chris Jarrett (resigned 20 September 2022) Jane Tozer Vanessa Zampiga (appointed 19 May 2022) Martin Saywell (appointed 7 June 2022) Dr Sally Uren (appointed 7 June 2022) Niall Watson (appointed 7 June 2022) |
| Key management personnel: | |
| Chief Executive Officer: | Sharon Johnson |
| Deputy Chief Executive Officer: | Jen Jones |
| Head of Fundraising and Communications: | Mike Crossley |
| Head of Finance and Operations: | Claire McKinley |

HONORARY ROLES

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

GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Auditor:

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

Accountants:

Clarity
Grantham
Lincolnshire

Bankers:

Lloyds Bank plc
1 Legg Street
Essex
CM1 1JS

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4TA

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Welcome from our Chair

To all Galapagos Conservation Trust members and supporters:

2022 was the final year of our current strategy which aimed to create a more ambitious charity, with three clear themes of work: restoring and protecting habitats, saving species and driving sustainable solutions. Across this strategic period, we supported over 27 species, gathering essential data on movement ecology and genetic connectivity. Importantly the data helps identify the risks and mitigations of the key threats facing the Islands: invasive species, the increasing human footprint and climate change, linking to national and global plans for sustainable development and protection of biodiversity. With your support, our team and our dedicated partners in Galapagos did an invaluable job protecting the Enchanted Isles in 2022, supporting and delivering projects across the Archipelago.

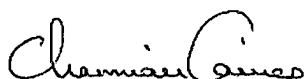
It has been another successful year for GCT, with the return to more in-person field trips and events following the pandemic. The year ended with the charity having strengthened its financial position, infrastructure and influence to drive forward solutions to conserve and protect the unique biodiversity of the Galapagos Islands.

Thanks to your support, in 2022 the first-ever radiographs were conducted on free-living giant tortoises. Twenty females were monitored throughout the reproductive season (migratory and non-migratory), allowing researchers from our long-term partners the Charles Darwin Foundation to count the number of eggs and clutches per female. For the first time in two years, the fieldwork season of the Mangrove Finch project was completed with the full field team, ensuring that critical activities such as population monitoring, nest injections to control parasitic *Philornis* larvae and rat control could take place.

Our Plastic Pollution Free Galapagos programme enabled us to have the highest impact through growing, managing and engaging our Pacific Plastics: Science to Solutions network, representing a multi-institutional, international collaboration between 23 research, NGO, business, community and policy partners across Galapagos, mainland Ecuador, Peru, Chile, UK and the Netherlands.

Through several international events we have been able to promote the importance of our work, with GCT staff, ambassadors and partners presenting at Monaco Ocean Week, the World Summit on Island Sustainability and GCT's own Galapagos Day. These are just a few examples of the impact of your support in 2022.

I would like to extend our most sincere thanks to everyone who helped us, through gifts-in-kind, volunteering and financial donations – your generosity has allowed GCT to continue to build on its recent successes and drive vital conservation projects helping to protect the unique habitats of Galapagos. In particular, I would like to thank Jonathan Lea and Michael Drake who stepped down from the Board during the year having served their maximum term of nine years.



Charmian Caines
Chair, Galapagos Conservation Trust

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

The Trustees have pleasure in presenting their Annual Report and financial statements for the year ended 31 December 2022.

The financial statement has been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK published on 16 July 2014 and updated by Bulletin 1.

1. OBJECTIVES AND ACTIVITIES

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

We have over 25 years of experience supporting impactful conservation programmes across the Archipelago and partner with Ecuadorian authorities, NGOs, local communities and leading scientists, both in Galapagos and worldwide.

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

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

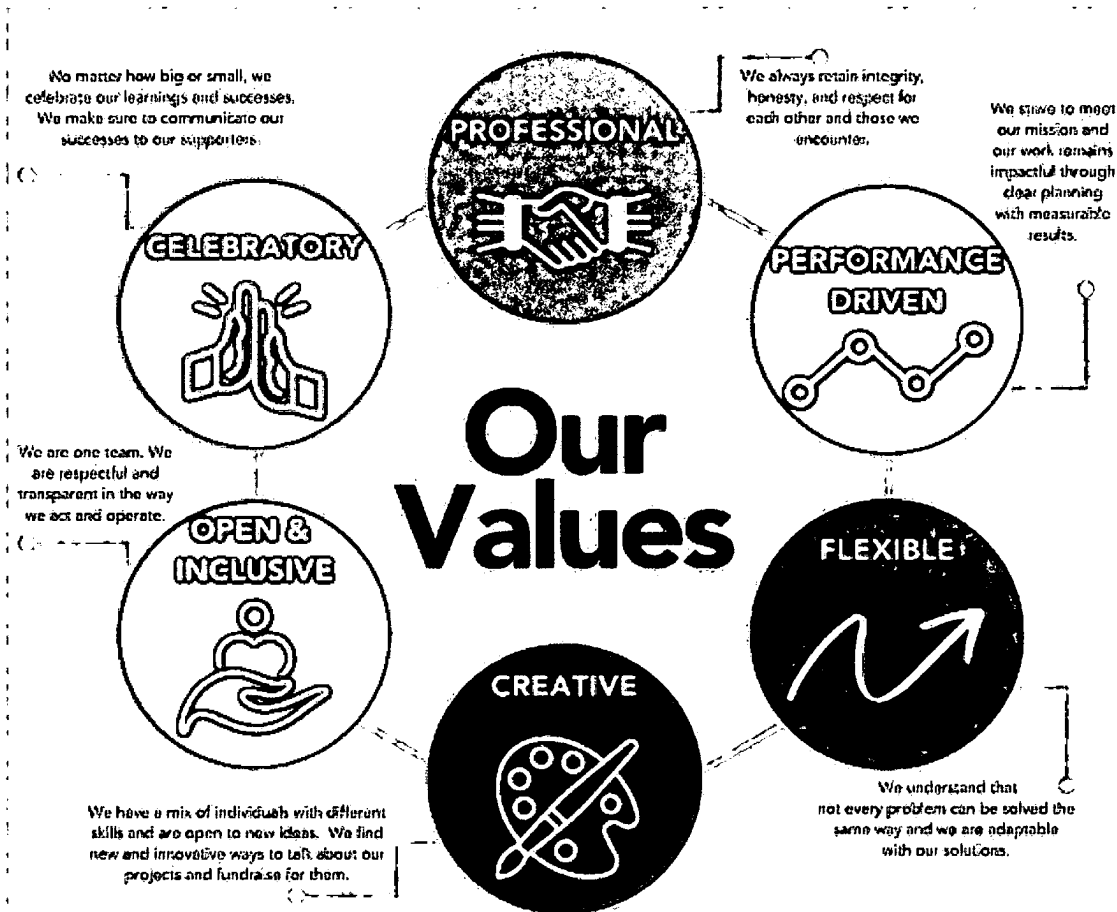
Our Mission: The Trust supports, develops and promotes projects that achieve measurable conservation, sustainable living and protection of the environment of Galapagos.

Our Strategic Objectives:

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

1. OBJECTIVES AND ACTIVITIES – continued

Our Values:



GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE

2022 Achievements

2022 has been a remarkable year thanks to the amazing support from our donors. We would like to share some of our achievements that we couldn't have accomplished without your support.



a) Cover of Tessa the Giant Tortoise storybook © Galapagos Conservation Trust b) Lord Goldsmith speaking at Galapagos Day 2022 © GCT c) Dr Sarah Darwin presenting at Monaco Ocean Week © GCT d) Sir David Attenborough receiving his award from the Ambassador of Ecuador to the UK, Sebastián Corral © GCT e) GCT's President Monty Halls presenting his talk in Galapagos at the World Summit on Island Sustainability © GCT

Monaco Ocean Week

For many years, GCT has been working towards increasing the protection of the ocean around the Galapagos Islands to benefit both wildlife and the local population. We were delighted to be invited to speak at Monaco Ocean Week in March 2022 to discuss the scientific and advocacy efforts behind the creation of the new Hermandad Marine Reserve in the Eastern Tropical Pacific and to explore the tools needed for the effective management of pollution and overfishing.

Tessa the Giant Tortoise Storybook

On World Tortoise Day in May 2022, our Tessa the Giant Tortoise storybook was brought to life, thanks to the many generous contributions towards our storybook crowdfunder. Aimed at younger children (5-8 years old), the book has been designed to inspire children in Galapagos to connect with nature and the unique animals they share it with. Through the eyes of Tessa, children will learn and reflect on the positive relationship they can have with nature through everyday environmentally friendly actions.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

World Summit on Island Sustainability

The World Summit on Island Sustainability was hosted in June 2022 at the Galapagos Science Center on San Cristobal island. During this international event, scientists shared their research in relation to island conservation and sustainability, including GCT's President, Monty Halls, and our Head of Programmes, Dr Jen Jones. The summit emphasised the need for island resilience, both in the ecosystem and in social contexts. Through case studies of Galapagos, along with other islands, the summit provided hope that by working together with local communities we can support Galapagos to become more sustainable and resilient.

Sir David Attenborough awarded Ecuadorian National Order of Merit

In July 2022, Sir David Attenborough was awarded the 'National Order of Merit', the highest decoration granted by Ecuador, at the Ecuadorian Embassy in London. GCT's Chief Executive, Sharon Johnson, and President, Monty Halls, attended the ceremony, and were moved by the words of Sir David who emphasised that "the Galapagos Islands are, without question, one of the most extraordinary places on Earth".

Galapagos Day 2022: Protecting Species and Preventing Extinctions

On Thursday 20 October we were delighted to return to the Royal Geographical Society for our first in-person Galapagos Day since 2019, with a programme of inspiring talks focussing on the threats to biodiversity in Galapagos. The event was hosted by GCT President and TV presenter, Monty Halls, with in-person talks from Charmian Caines, Lord Goldsmith, Sebastián Corral Bustamante, Dr Ainoa Nieto Claudín, Anne Guézou and Dr Jen Jones. We also showed pre-recorded videos from Dr Paula Castaño, Gislayne Mendoza Alcivar, Dr Alex Hearn and Dr Diana Pazmiño.

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

2022 Programme Highlights

Restoring & Protecting Habitats

Restoring Floreana Island

This ambitious, long-term programme is currently in the preparation and mitigation phase, with the overall aim of eradicating invasive rats and feral cats, completely restoring the ecosystem on Floreana and ensuring the survival of the 55 threatened species present there as well as reintroducing 12 locally extinct species.

In 2022, GCT continued to support the salary of Island Conservation's Native Species Reintroduction Specialist who has undertaken a number of activities to support the ongoing programme including overseeing the development of mitigation and reintroduction plans for all 12 species in advance of the planned 2023 eradication phase and supporting pioneering biosecurity work to ensure the intervention has a lasting impact. Biodiversity baselines were collected for invertebrate communities in Floreana for the first time in this project, an important indicator of ecosystem health and an essential food source for the endangered birds the programme is designed to protect.

2023 will be an important year for this project with the eradication work planned for October 2023. We will continue to provide funding for delivering baseline surveys for native insects and reptiles to Floreana prior to the eradication, supporting future measurement of Floreana's ecological recovery. GCT will continue to support the Floreana partnership network to realise this ambitious programme including planning for the initial focus species for reintroduction including the Floreana Mockingbird, Floreana racer snake and the vermilion flycatcher.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Ocean Protection

The global ocean and the species that live there play a major role in capturing carbon from the atmosphere. Unsustainable fishing and plastic pollution are exacerbating climate change impacts, compromising ecosystem resilience and ocean health. In Galapagos, a healthy ocean is critical to native biodiversity and local livelihoods.

We have been developing our ocean network and collaborating on research expeditions, enabling us to cultivate new and strengthened partnerships with policy makers/influencers and delivery partners, "to keep more fish in the ocean and keep pollution out". Working closely with the Galapagos National Park Directorate, we have identified key opportunities to use innovative technology to trace the major sources of plastic pollution and have mapped potential technology solutions to tackle both pollution and illegal fishing activity, bolstering the current surveillance capabilities within the Galapagos Marine Reserve.

During 2023, we will continue to develop our long-term ocean protection strategy and will continue to support the Galapagos National Park Directorate and local researchers and NGOs to monitor the impact on ocean health of the Galapagos Marine Reserve and recently declared Hermandad Reserve. We will improve understanding of species pathways, lifecycles and habitats and develop a biodiversity baseline and protocols that contribute to an 'MPA Impact Measurement toolkit' to support ongoing monitoring. In parallel, we aim to communicate the value of ocean protection to ensure ongoing support of the new Hermandad Reserve and promote the value of future protections at grassroots level with the local community and at governmental level.

Protecting Species

Galapagos Tortoise Movement Ecology

This programme has been running with GCT support for over eleven years and, in 2022, continued to monitor the movements of 65 tortoises across three islands (Santa Cruz, Española, and Isabela) led by our partners at the Charles Darwin Foundation and St Louis Zoo. Fifty hatchlings were screened as part of the 'one health programme', the first of its kind in Galapagos. All 11 years of nesting data from Santa Cruz were digitised and analysed, which will further the understanding of hatchling survival. In addition, the first ever radiographs were conducted on free-living giant tortoises. Twenty females were monitored for the whole reproductive season (migratory and non-migratory), allowing researchers to count the number of eggs and clutches per female. A number of PhD and undergraduate students are also working on subjects from tortoise plastic ingestion to describing the microbiome of the giant tortoise carapace for the first time.

Our Tessa the Giant Tortoise storybook was released in 2022 and has been a great success with local children on the Islands. Tessa workshops have been conducted with students on Santa Cruz and the plan is to extend this outreach work to other islands as we continue to support this programme during 2023.

Land Birds of Galapagos Programme

The Mangrove Finch Project is continuing its work to protect the Islands' most endangered bird. Driven to the brink of extinction by habitat loss, introduced black rats and the parasitic avian vampire fly, *Philornis downsi*, the entire world population consists of around 100 individuals. For the first time in two years, the 2022 fieldwork season was completed with the full Charles Darwin Foundation field team, ensuring that critical activities such as population monitoring, nest injections to control parasitic *Philornis* larvae and rat control could take place. Population monitoring and territory mapping suggests that the mangrove finch population has remained stable.

The Critically Endangered little vermilion flycatcher population on Santa Cruz, estimated to be only 40 breeding pairs, is declining at an alarming rate, threatened by invasive species and habitat degradation. In 2022 the team collected evidence that the successful restoration of private lands benefits via the little vermilion flycatcher. The results from two years of trial interventions, namely clearing mora (blackberry) from overgrown plots and supplementing this with *Philornis* control, have shown that fledging success increases with these efforts. This has relevance for future Floreana reintroductions of species and possible highlands/private lands projects in future years.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Iguanas

In 2022 it was confirmed that the land iguanas on Santiago are reproducing, demonstrating that the 2019 reintroduction was a success, and the terrestrial habitat is starting to be restored. The island has already started to show positive changes due to the reintroduction as the iguanas have opened paths and dispersed seeds.

Through our partnership with Leipzig University and Universidad San Francisco de Quito, we are supporting the effective conservation of marine iguana populations by establishing a baseline for population sizes and plastic pollution exposure through the use of drone surveys and citizen scientist analysis. During this strategy period, we have enrolled five team members on a drone pilot training course, collected over 138,000 drone photos from ten islands and developed citizen science methodologies that generate reliable data that has potential for future monitoring.

Endangered Sharks of Galapagos

In 2022 the Galapagos Whale Shark Project team continued their work on whale sharks with two field expeditions in March and June. The March trip focused on studying a new whale shark constellation in central and southern areas of the Galapagos Marine Reserve. Using a small ultralight aircraft, the team was able to locate and tag five adult females in the south for the first time. These first tracks will serve as a baseline to understand this new constellation of whale sharks being studied and will begin to shed light on where adult females are located during this time of the year. In June the team was able to tag eight whale sharks and take photos of seventeen underwater to identify them. Blood was taken from two whale sharks to look at their health and reproductive status. Testing the blood taken over the last few years for hormones is planned for July 2023.

In partnership with MigraMar and Universidad San Francisco de Quito, in addition to whale sharks, we tagged four scalloped hammerhead sharks, four yellowfin tuna and four blue sharks in 2022. Three of the whale sharks were still transmitting data after three months, one tag is now on shore and all the blue shark tags transmitted for less than a month – two tags were recovered from fished sharks. At the time of the written report (June 2022), two tuna tags have continued to log data along with all the hammerhead tags, all within the Galapagos Marine Reserve.

In addition to the above, 245 juvenile blacktip sharks and 11 juvenile hammerheads were monitored in the mangrove nurseries of San Cristobal, leading to the first ever attempt to estimate the juvenile blacktip shark population size.

Research data from this combined work helped in the establishment of the Hermandad Marine Reserve in 2022 (part of the Galapagos-Cocos Swimway), taking Ecuador from around 13% of national waters protected to 18.9%, and the acceptance of the Galapagos nursery grounds as IUCN Important Shark and Ray Areas (ISRAs). These ISRAs are among the first to be recognised in the world.

Barcoding

The Barcode Galapagos project was instigated by USFQ and University of Exeter supported by GCT during the pandemic and provided over seventy jobs for out-of-work community members in DNA barcoding field and laboratory skills. Our goal is to empower the local community in science and conservation activities through the development of local capacity to create a resilient socioeconomic system. This model has huge potential for creating jobs in conservation in Galapagos, future-proofing sustainable livelihoods and supporting poverty alleviation.

Since its establishment, the Barcode Galapagos project has set up three molecular laboratories, employed 74 Galapagueños (45% women) to contribute to citizen science activities and trained them in key topics of fieldwork, laboratory and curatorship of genetic samples and collected more than 1,000 samples for barcode and metabarcoding processing, contributing to the Galapagos DNA library.

In 2022, GCT provided the majority of funding needed to continue with four local lab assistant roles and supported the launch of the English language project website to continue to communicate and grow this great initiative.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Driving Sustainable Solutions

Plastic Pollution Free Galapagos

GCT's Plastic Pollution Free Galapagos Programme (PPFG) is an ambitious programme that aims to make Galapagos plastic pollution free once again by bringing together partners including the Galapagos National Park Directorate, other NGOs, the local community and an international network of multidisciplinary scientists.

2022 was a big year in our efforts to rid Galapagos of marine plastic pollution. Following the launch of the Pacific Plastics: Science to Solutions (PPSS) network, co-led by GCT and the University of Exeter, 23 partner organisations and over 40 researchers based across five countries are now working together to gather evidence and accelerate solutions to plastic pollution in the Galapagos and wider South-East Pacific region.

For the first time since 2019, the network met face-to-face at a three-day workshop in Lima, Peru. The workshop, organised by GCT, brought together over 65 people from 22 organisations and four countries, with GCT directly supporting more than 20 Ecuadorian/Galapagos delegates to attend. The main goals of the meeting were to share results and challenges, discuss next steps and workshop ideas to ensure impactful outcomes over the next two years of the project.

A key focus for the network was our emphasis on the negotiations for the Global Plastics Treaty. We are working to advise on a political level, using Galapagos and the South-Eastern Pacific as a model for global change. We are also working to support regional and local governments in the design and implementation of circular economy and single-use plastics policies. To help us with this mission, we recruited a policy consultant to join the team and amplify our key messages and evidence at a political level.

During 2022 we supported several high-impact pilot projects, some of which have laid the foundations for further funding streams and much larger project development:

- Our partners **Orcatec** and **Huella Verde** have established a circular economy initiative in Ecuadorian malls, avoiding over 255,000 single-use cups in the Mall El Jardín between July and December 2022. This project is expanding into other malls in Ecuador (Mall del Sol in Guayaquil), which will reduce the amount of single-use plastics used and accidentally lost to the environment. Floating plastic pollution takes just a few months to travel from the continent to the Galapagos Islands, so these upstream solutions are essential for the long-term prevention of further pollution.
- Our partners **Materiom** have successfully mapped locally abundant food waste and biomass in Galapagos for use as a feedstock for alternatives to single-use plastic. They engaged 15 local artisans in Galapagos with a series of theoretical and practical workshops making biomaterials as a replacement for plastics. This engaged group will inform the development of this work, working closely with artisans to establish supply chains and locally relevant methods.
- Over 400 beaches have been sampled for plastics internationally by over 1,300 people (more than 500 of whom attended virtual training sessions), with data continuously analysed by the **Científicos de la Basura** research team.
- **ProDelphinus** have developed a fisher survey methodology to assess waste consumption and management, which was tested with 57 fishers in two ports in Northern Peru, and in San Cristobal, Galapagos. Results were shared with stakeholders, including during the PPSS Meeting in Lima, and communicated back to the fishing community (to be published and publicly available in 2023).

Our plastics programme has also supported local interns and grassroots projects to reduce plastic pollution, working with our partners FUNCAVID and the Co-Galapagos project to support the local community and establish sustainable future funding streams.

During 2023 GCT will focus on accelerating solutions across all our plastics work. We will drive circular economy solutions, supporting grassroots initiatives, co-designing effective management strategies and using this suite of evidence to call for change on a national, regional, and global level.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Co-Galapagos

Co-Galapagos was launched in 2021 to promote collaboration, cooperation and coordination to achieve the United Nations' 2030 Sustainable Development Goals (SDGs) Agenda in Galapagos. The SDGs consist of 17 goals which are broken down into 169 targets, 40 of which have been identified as the most urgent targets for the Archipelago.

Co-Galapagos aims to support and strengthen the capacity of a local NGO, Fundación un Cambio por la Vida (FUNCAVID), which manages community-led projects as well as a local internship scheme for young Galapagueños to gain experience in a project relating to the 40 targets.

During 2022, GCT funded seven community projects and 14 internships. Examples of completed projects include:

- **RecyKlaas:** Run by a local resident, this project is the first of its kind in Galapagos to collect and upcycle used glass bottles from local businesses to produce useful materials for daily life, in turn raising awareness among the population of the possibilities of reusing and recycling.
- **Galapagos Infinito:** Provides children with experiential activities linked to the curriculum to connect them to the unique nature of their island and difficult-to-reach sites. Examples of trips conducted include sailing within the Galapagos Marine Reserve and exploring the deep sea.

This project is kindly supported by the Darwin Initiative - Capability & Capacity and the Evolution Education Trust. We will continue to develop this project in 2023 with the aim of further supporting community-led projects to achieve the SDGs.

Connecting with Nature

Our Connecting with Nature programme continues to engage young people, their families and teachers with the wildlife of Galapagos, the science and our conservation work. Young adults who have been through the children's club in Galapagos are now involved in teaching activities at the club.

Activities carried out in 2022 included mentoring for reading sessions with Marti, reading cycles aiming to encourage creativity and critical thinking, family science events, workshops, a shark day annual event and English lessons. In total, about 5,000 people from the community participated in different events and activities (approximately 20% of the Galapagos population).

Programme highlights included:

- Ten teachers from four different schools signed up to the Marti mentoring sessions. 172 students from 13 different grades participated in these activities.
- 270 people attended the five family science events that took place, nine local, national and foreign exhibitors shared their talks with the community and nine local USFQ students supported the events.
- 1,393 people participated in 64 successful Marti workshops.
- Around 250 people, including children, youth and adults attended the annual shark day event.

In 2023 we will continue our Connecting with Nature programme by growing our outreach activities in Galapagos, we will launch our third storybook, *Alberto the Albatross*, and we will promote our Discovering Galapagos website to teachers and educators.

Fog harvesting

During 2022, GCT funded a fog/rainwater harvesting initiative in the highlands of Santa Cruz with FUNCAVID aimed at reducing the need for municipal water supplies currently being transported via truck (up to 17 trucks a day), saving money and reducing the carbon footprint. Eight fog harvesting installations have now been installed across different communities within the highlands of Santa Cruz. A gauge used to measure water quantity has been designed, developed and installed at all fog harvesting installation sites and outcomes of this trial are expected during 2023.

To support the community during this trial, a local education programme has been completed, with students building and presenting their own fog harvesting net in a community workshop. An intern funded by the Co-Galapagos programme has been instrumental in the design and set up of this programme, contributing to many programme activities.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

2. ACHIEVEMENTS AND PERFORMANCE (continued)

Partnerships

GCT is recognised as a trusted advisor and partner, as well as a leading supporter and promoter of projects that achieve measurable conservation, sustainable living and protection of the environment of Galapagos. Our programmes tackle broader global issues such as plastic pollution and climate change. We continue to work closely with a broad range of organisations including the Galapagos National Park Directorate, the Consejo de Gobierno de Galápagos and the Swiss Friends of Galapagos Organisation, who supported GCT's projects through trust applications and appeals.

We have active partnership agreements in place with all project partners delivering programmes in Galapagos, ensuring a strong and successful working relationship. Key partners include the Charles Darwin Foundation, MigraMar, Conservation International Ecuador, JocoToco, Island Conservation, Utrecht University, University of Exeter, Durrell Wildlife Conservation Trust, FUNCAVID and Universidad San Francisco de Quito (Galapagos Science Center). GCT remains a Governing Member of the Charles Darwin Foundation.

During the last strategic period, GCT continued to develop relations with Ecuadorian government ministries, collaborating on global issues such as plastic pollution. GCT is working with the Vice-Minister of Foreign Affairs to support Ecuador's commitment to the establishment of a legally binding global treaty on plastics, covering the 'full lifecycle' of plastics from production to disposal. GCT will continue working with the Ecuadorian Government to support delivery of the ambitions of the UN Plastics Treaty in 2023 and leading up to the signing of the Treaty in 2024, hopefully in Galapagos.

Communications

Raising awareness of our programmes and providing educational information is a vital part of our work. During 2022:

- There were 275,000 unique visitors to the GCT website, an increase of 29% year on year.
- Press coverage included an interview with Sarah Darwin on Times Radio and a feature in Der Spiegel.
- 2,500 physical copies of our magazine were distributed per edition.
- Our eNewsletter reached over 12,000 individuals.
- We increased engagement and followers on social media channels (Facebook +4.3%, Instagram +8.3% and LinkedIn +49.4%).

Organisational

In 2022 it was our ambition to bounce back from the COVID pandemic and despite the challenges faced from the emerging cost of living crisis, GCT ended the year in a healthy financial position, securing £1.27m in income and undertaking more programme activities than ever before. We could only have achieved what we did through the dedication of our team and Board of Trustees.

We continued to invest in our team by recruiting a new Trust Fundraiser. We also appointed five new trustees to our Board, after Jonathan Lea and Michael Drake stepped down on completing their maximum terms.

GCT now combines office and home working to offer a more flexible and productive environment for staff. Regular 'check-in' meetings are held for the whole team to maintain the collaborative and fun working approach that is embedded into GCT's culture.

During the next strategic period, we will continue to invest in both our team and Board to support our ambitions whilst maintaining our good governance and regulatory compliance.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

3. PLANS FOR THE FUTURE

As we move into our next strategic period (2023-2025), we have taken a step back from our everyday activities to examine how GCT, as a small organisation, can best shape itself to drive forward solutions to conserve and protect the unique biodiversity of Galapagos. We recognise our growing ability to design and implement programmes to help address global issues whilst providing local conservation solutions, demonstrated most notably through our plastics programme. Historically we provided grants to conserve the unique species of Galapagos, largely through controlling invasive species. In more recent years we have had a greater community-led focus, engaging and empowering local groups and scientists to conserve the unique ecosystems of Galapagos to help achieve global environmental goals and support local livelihoods. Our focus is expanding again, as we help address the global climate and biodiversity crises. We will work with others to establish more robust local climate data as well as to build resilience through protecting the ocean and reducing biodiversity loss through our 2030 programme visions. We will continue to work collaboratively, from grassroots to government, helping to fill knowledge gaps, funding local scientists, advocating for change to protect the wildlife of Galapagos, and amplifying the local voices of Galapagos across the UK and beyond.

Through this new 2023-25 Strategic Plan we will continue to deliver four key objectives across our areas of work:

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

2) Income: we will aim for continued steady growth in our income across the strategic period through a diverse fundraising strategy. The growth required to enable us to achieve this will come largely from transformational gifts, matched by private major gifts. The major donor and corporate pipelines will be strengthened through an additional investment of resources in this area, with further resources invested in the fundraising team to support transformational gifts as success is realised. We will remain mindful of the importance of our unrestricted income and maintain this through our appeals, membership and other supporter activities.

3) Communications: we will be cohesive and collaborative in our approach to communications, since groups coming together on an issue are more likely to result in positive, long-term change. We will trial a new plastics framework, translating robust science into a clear solutions narrative targeted at the right audiences. We will continue to build out our communications to support policy outcomes and island restoration and ocean protection impacts, which in turn will support our 'transformational' fundraising ambitions. We will increase our communications presence on the Islands, enabling more direct communications with policymakers and local authorities.

4) Organisation: our strategic goals will be supported by an increased staff team over the three years with a focus on developing our team to in Galapagos, support communications and political advocacy, grant administration, and operations.

4. FINANCIAL REVIEW

The Trustee Annual Report and Accounts for the year ended 31 December 2022 is prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS102) and the FRS102 Charity Statement of Recommended Practice (SORP).

Total income for the year was £1,271k (2021: £1,072k) - an increase of 19% compared to 2021. This increase was largely driven by an increase in restricted income for the plastics programme and an increase in unrestricted income.

Total expenditure for the year was £1,332k (2021: £1,067k) - an increase of 25% on the year to 31 December 2021 as we continued to invest in and deliver high-impact programmes.
The net deficit for the year was £83k (2021: surplus of £37k).

Long terms investments held at 31 December 2022 totalled £221k (2021: £243k). This decrease reflects movements in the market over the past 12 months.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

4. FINANCIAL REVIEW (continued)

Reserves

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

As at 31 December 2022, reserves total £586k, of which £123k were restricted. The Trustees have decided to designate £110k of general funds to our strategic programmes. During the year, £136k of designated funds were used for programme spend (see note 21).

At the end of 2022, our general funds were £337k which is within our usual range of reserves (£310k-£340k).

At the end of 2022, our restricted funds were £123k.

Going concern

The management team continues to focus on high-quality forecasting for 2023 to ensure a robust pipeline of income matched to programme demands. The Trustees have assessed the financial position and are confident that the financial resources are sufficient to meet liabilities for the next 12 months. There are no material uncertainties about the charity's ability to continue as a going concern.

Fundraising

We are committed to ensuring that all fundraising is undertaken in an ethical, clear and transparent manner. The majority of GCT's income is from its members, individual donors, transformational gifts, trusts and corporates. We do fundraise from the general public through events, print and online advertising. Our employees and volunteers carry out all our fundraising, and we do not employ any professional fundraisers or commercial participators to carry out fundraising on our behalf.

GCT is a member of the Fundraising Regulator and abides by the Fundraising Codes of Practice. We ensure our fundraising activities are in keeping with our values and comply with all relevant legislation. We do not sell lists of supporters to other organisations, nor do we purchase lists of other charities' donors. Policies are in place to ensure that we protect vulnerable people and members of the public while we are fundraising.

In March we asked members and supporters to provide feedback about their impressions and experiences of GCT and why they supported the charity. We had a 13% response rate and the feedback we received was overwhelmingly positive. It's reassuring to know that our members feel appreciated and informed about our ongoing work.

In 2022 GCT received Four (2021: six) complaints, which were treated seriously and are used as opportunities to improve our future processes and service. All complaints were logged and recorded by the relevant staff member and were resolved at stage one of the complaint process and within the four-day working limit.

Risk Management

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

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

Data Protection

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

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

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

The Trustees are responsible for approving all significant decisions and ensuring they are delivered. The Board meets at least four times a year. In addition, the Board operates committees for Finance, Audit and Risk, Fundraising and Communications, and Programmes and Grants that meet prior to each full Board meeting while the Nominations and Recruitment Committee meets as required.

All Trustees give their time freely, and no Trustee received remuneration in the year. Details of expenses reimbursed to Trustees are disclosed in note 13 to the accounts. There are no related party transactions.

Trustee appointment and induction

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

The Board undertakes a bi-annual skills analysis and effectiveness review to ensure it has the appropriate skills to fulfil its duty as a Board. If a Trustee retires or additional new Trustees are required, GCT runs an open and rigorous recruitment process for new Trustees who have the appropriate skills and experience. The recruitment process includes where possible, advertising in the GCT magazine, on the GCT website and in the wider media. GCT is committed to diversity and welcomes applicants irrespective of gender, sexual orientation, disability, religion, race or age. All new potential Trustees are interviewed, and if provisionally accepted, they are invited to attend a Trustee meeting before they formally join the Board.

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

We are thrilled to have welcomed five new Board members during 2022:

Amy Liddy (Honorary Treasurer)
Martin Saywell
Niall Watson
Sally Uren
Vanessa Zampiga

Staff and training

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

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

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

5. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Volunteers

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

- Administration support
- Supporting our communications including producing content for our website, blogs and social media
- Event support
- Sourcing raffle prizes
- Undertaking research tasks around our projects and networks
- Digital marketing content and analysis
- Spanish translations
- Work on our Discovering Galapagos website

Associated Activity

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

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Trustees' responsibilities statement

The Trustees (who are also directors of Galapagos Conservation Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

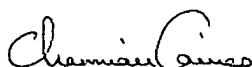
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

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

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

Approved on behalf of the board on 12th June 2023 and signed on their behalf by



Charmian Caines
Chair



Amy Liddy
Treasurer

Date: 12/06/23

GALAPAGOS CONSERVATION TRUST

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

Opinion

We have audited the financial statements of Galapagos Conservation Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

GALAPAGOS CONSERVATION TRUST

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

GALAPAGOS CONSERVATION TRUST

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

Use of our report

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



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

Date: 15 June 2023

GALAPAGOS CONSERVATION TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|------------------------------------|-------|----------------------------|--------------------------|--------------------|--------------------|
| Income: | | | | | |
| Donations and legacies | 2 | 324,816 | 723,782 | 1,048,598 | 862,121 |
| Memberships | 3 | 111,758 | - | 111,758 | 106,309 |
| Other trading activities | 4 | 87,550 | 21,227 | 108,777 | 103,469 |
| Investment income | 5 | 1,463 | - | 1,463 | 192 |
| Total income | | 525,587 | 745,009 | 1,270,596 | 1,072,091 |
| Expenditure: | | | | | |
| Raising funds | 6 | 166,694 | - | 166,694 | 124,230 |
| Charitable activities | 7 | 418,440 | 746,825 | 1,165,265 | 942,389 |
| Total expenditure | | 585,134 | 746,825 | 1,331,959 | 1,066,619 |
| Unrealised (losses)/gains | 15 | (21,876) | - | (21,876) | 31,207 |
| Net income/(expenditure) | | (81,423) | (1,816) | (83,239) | 36,679 |
| Transfers | 20 | - | - | - | - |
| Net movements in funds | | (81,423) | (1,816) | (83,239) | 36,679 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 545,165 | 124,544 | 669,709 | 633,030 |
| Total funds carried forward | 22 | 463,742 | 122,728 | 586,470 | 669,709 |

All income and expenditure derive from continuing activities.

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

The notes on pages 24 to 37 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

BALANCE SHEET

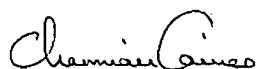
COMPANY NUMBER: 03004112

AS AT 31 DECEMBER 2022

| | Notes | 2022 | 2021 |
|---|-------|----------|----------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible fixed assets | 14 | - | - |
| Intangible fixed assets | 15 | 16,200 | - |
| Investments | 16 | 221,302 | 243,178 |
| | | 237,502 | 243,178 |
| Current assets | | | |
| Debtors | 17 | 161,975 | 45,100 |
| Investments | 18 | - | 45,000 |
| Cash and bank | | 257,457 | 407,339 |
| | | 419,432 | 497,439 |
| Creditors: Amounts falling due within one year | 19 | (70,464) | (70,908) |
| Net current assets | | 348,968 | 426,531 |
| Net assets | | 586,470 | 669,709 |
| Restricted funds | 20 | 122,728 | 124,544 |
| Unrestricted funds | | | |
| Designated funds | 21 | 126,343 | 210,929 |
| General funds | | 337,399 | 334,236 |
| Total funds | 22 | 586,470 | 669,709 |

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

The financial statements were approved by the Board on the 12th June 2023 and signed on its behalf by:



Charmian Caines
Chairman



Amy Liddy
Treasurer

The notes on pages 24 to 37 form part of these financial statements.

GALAPAGOS CONSERVATION TRUST

CASHFLOW STATEMENT

AS AT 31 DECEMBER 2022

| | Notes | 2022 £ | 2021 £ |
|---|--------------|-----------------------|-----------------------|
| Cash flows from operating activities: | | | |
| Cash generated from operations | 25 | (180,145) | 19,672 |
| Net cash provided by (used in) operating activities | | <u>(180,145)</u> | <u>19,672</u> |
| Cash flows from investing activities: | | | |
| Bank Interest received | | 1,463 | 192 |
| Investments purchased | | - | (53,000) |
| Purchase of intangible assets | | (16,200) | - |
| Net cash provided by (used in) investing activities | | <u>(14,737)</u> | <u>(52,808)</u> |
| Change in cash and cash equivalents in the reporting period | | (194,882) | (33,136) |
| Cash and cash equivalents at the beginning of the reporting period | | <u>452,339</u> | <u>485,475</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>257,457</u></u> | <u><u>452,339</u></u> |
| Cash and cash equivalents consist of: | | | |
| Cash at hand and in bank | | 257,457 | 407,339 |
| Short term deposits | | - | 45,000 |
| Cash and cash equivalents at the end of the reporting period | | <u><u>257,457</u></u> | <u><u>452,339</u></u> |

The notes on pages 24 to 37 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

(a) General information and basis of preparation

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

The charitable company constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) issued on 16 July 2015 (as updated through Update Bulletin published on 2 February 2020), the Financial Reporting Standard applicable in the United Kingdom (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2016.

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

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

(b) Going Concern

The management team continues to focus on high-quality forecasting for 2023 to ensure a robust pipeline of income matched to programme demands. The Trustees have assessed the financial position and are confident that the financial resources are sufficient to meet liabilities for the next 12 months. There are no material uncertainties about the charity's ability to continue as a going concern.

(c) Funds

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

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

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

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

(d) Income

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

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

Subscription income is accounted for at the time of receipt.

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

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES - continued

(e) Expenditure

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

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

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

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

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

(f) Allocation of support and governance costs

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

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

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

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

(h) Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES - continued

(i) Investments

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

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

(j) Debtors

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

(k) Cash at bank and in hand

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

(l) Creditors and provisions

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

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

(m) Financial instruments

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

(n) Operating Leases

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

(o) Foreign currency

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

(p) Tax

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

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

(q) Judgements and key sources of estimation uncertainty

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

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the fixtures and equipment and computer equipment, and note (1g) for the useful economic lives for each class of assets.

Useful economic lives of intangible assets

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

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

2. DONATIONS AND LEGACIES

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|--------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Donations | 211,708 | 719,782 | 931,490 | 784,424 |
| Legacies | 60,629 | - | 60,629 | 30,250 |
| Tax recoverable under Gift Aid | 52,479 | 4,000 | 56,479 | 47,447 |
| | <u>324,816</u> | <u>723,782</u> | <u>1,048,598</u> | <u>862,121</u> |

In 2021, £282,719 of donations and legacies income was attributable to unrestricted funds and £579,402 was attributable to restricted funds.

3. MEMBERSHIP INCOME

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|-------------|---------------------------|-------------------------|--------------------|--------------------|
| Memberships | 111,758 | - | 111,758 | 106,309 |
| | <u>111,758</u> | <u>-</u> | <u>111,758</u> | <u>106,309</u> |

In 2021 all of the income from charitable activities was attributable to unrestricted funds.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

4. INCOME FROM OTHER TRADING ACTIVITIES

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|---------------------|---------------------------|-------------------------|--------------------|--------------------|
| Fundraising events | 19,100 | - | 19,100 | 8,483 |
| Appeals and raffles | 43,176 | 20,727 | 63,903 | 69,528 |
| Fundraising trading | 25,274 | 500 | 25,774 | 25,458 |
| | <u>87,550</u> | <u>21,227</u> | <u>108,777</u> | <u>103,469</u> |

In 2021, £95,181 of income from other trading activities was attributable to unrestricted funds and £8,288 was attributable to restricted funds.

5. INVESTMENT INCOME

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|---------------|---------------------------|-------------------------|--------------------|--------------------|
| Bank interest | 1,463 | - | 1,463 | 192 |
| | <u>1,463</u> | <u>-</u> | <u>1,463</u> | <u>192</u> |

In 2021, all of the investment income was attributable to unrestricted funds.

6. RAISING FUNDS

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|--------------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Costs of generating voluntary income | 166,694 | - | 166,694 | 124,230 |
| | <u>166,694</u> | <u>-</u> | <u>166,694</u> | <u>124,230</u> |

In 2021 all of the expenditure was attributable to the unrestricted fund.

7. CHARITABLE ACTIVITIES

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|-----------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Driving Sustainable Solutions | 217,695 | 458,750 | 676,445 | 535,142 |
| Protecting Species | 112,619 | 135,094 | 247,713 | 267,411 |
| Restoring and Protecting Habitats | 88,126 | 152,981 | 241,107 | 139,836 |
| | <u>418,440</u> | <u>746,825</u> | <u>1,165,265</u> | <u>942,389</u> |

In 2021 £370,422 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £571,967 being attributable to the restricted fund.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

8. ANALYSIS OF EXPENDITURE

| | Direct Charitable | Grant Making (note 9) | Support Costs (note 10) | Total 2022 | Total 2021 |
|--------------------------------------|----------------------|-----------------------------|-------------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Raising Funds: | | | | | |
| Generating income | 139,847 | - | 26,847 | 166,694 | 124,230 |
| Charitable Activities: | | | | | |
| Driving Sustainable Solutions | 257,742 | 355,592 | 63,111 | 676,445 | 535,142 |
| Protecting Species | 45,318 | 184,192 | 18,203 | 247,713 | 267,411 |
| Restoring and Protecting Habitats | 62,620 | 157,570 | 20,917 | 241,107 | 139,836 |
| | <u>505,527</u> | <u>697,354</u> | <u>129,078</u> | <u>1,331,959</u> | <u>1,066,619</u> |

9. ANALYSIS OF GRANTS COMMITTED DURING THE YEAR

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Restricted | | |
| <u>Driving Sustainable Solutions</u> | | |
| Discovering Galapagos | 13,890 | 14,818 |
| Plastic Pollution Programme | 222,659 | 213,488 |
| Connecting with Nature | 12,700 | 11,551 |
| Sustainable Development | 78,090 | 13,601 |
| Fog Harvesting | 28,253 | - |
| <u>Saving Species</u> | | |
| Giant Tortoise Movement Ecology Project | 31,942 | 29,209 |
| Birds of Galapagos (formerly Mangrove Finch Project) | 20,000 | 29,998 |
| Iguana Population Status Project | 18,500 | 5,000 |
| Endangered Sharks Programme | 81,850 | 106,745 |
| General Species | - | 12,000 |
| Species Biodiversity DNA/Barcoding | 31,900 | 16,802 |
| <u>Restoring and Protecting Habitats</u> | | |
| Flagship: Floreana Native Species Restoration | 82,710 | 69,238 |
| Oceans | 74,860 | 9,600 |
| Total grants committed | <u>697,354</u> | <u>532,050</u> |

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

9.1 Reconciliation of grants payable

| | 2022 | 2021 |
|----------------------------------|----------------------|----------------------|
| | £ | £ |
| Commitments at 1 January 2022 | 21,118 | 63,691 |
| Grants committed during the year | 697,354 | 532,050 |
| Grants paid during the year | (689,392) | (574,623) |
| | <u>29,080</u> | <u>21,118</u> |
| Commitments at 31 December 2022 | <u>29,080</u> | <u>21,118</u> |

10. SUPPORT COSTS

| | 2022 | 2021 |
|--------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Governance costs (note 11) | 47,471 | 40,197 |
| Administrative office function | 46,619 | 32,525 |
| Depreciation | - | 203 |
| HR & Recruitment | 15,808 | 23,393 |
| Premises costs | 19,180 | 14,568 |
| | <u>129,078</u> | <u>110,886</u> |
| | <u>129,078</u> | <u>110,886</u> |

11. GOVERNANCE COSTS

| | 2022 | 2021 |
|---------------------------------------|----------------------|----------------------|
| | £ | £ |
| Auditors remuneration | | |
| - Audit fee for the year | 10,440 | 8,400 |
| - For other services | 990 | 900 |
| (Over)/under provision in prior years | - | 260 |
| | <u>11,430</u> | <u>9,560</u> |
| | <u>11,430</u> | <u>9,560</u> |
| Staff costs | 32,610 | 30,637 |
| Board meeting costs and expenses | 3,431 | - |
| | <u>47,471</u> | <u>40,197</u> |
| | <u>47,471</u> | <u>40,197</u> |

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

12. NET INCOME/ (EXPENDITURE) FOR THE YEAR

| | 2022 | 2021 |
|--------------------------------|-------------------|-------------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation | - | 203 |
| Auditors remuneration | 11,430 | 9,560 |
| Operating lease costs | 18,532 | 14,057 |
| | <u> </u> | <u> </u> |

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

| | 2022 | 2021 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Salaries and wages | 431,171 | 333,314 |
| Social security costs | 38,671 | 28,927 |
| Pension costs | 11,173 | 9,087 |
| | <u> </u> | <u> </u> |
| | 481,015 | 371,328 |
| | <u> </u> | <u> </u> |

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

| | | |
|-----------------------|-------------------|-------------------|
| Generating funds | 3 | 2 |
| Charitable activities | 11 | 9 |
| | <u> </u> | <u> </u> |
| | 14 | 11 |
| | <u> </u> | <u> </u> |

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

One employee received annualised remuneration in the band £70,000 to £79,999 (2021: one employee £70,000 to £79,999).

During 2022 and 2021, no Trustees were paid or received any other benefits from employment with the charitable company. Also, no Trustees (2021; £nil) were reimbursed expenses.

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

The total employee benefits of the key management personnel of the charitable company were £226,471 for 4 employees (2021: £130,559 for 2 employees).

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

| 14. TANGIBLE FIXED ASSETS | Fixtures and Fittings £ | Computer Equipment £ | Total £ |
|------------------------------------|------------------------------------|---------------------------------|--------------------|
| Cost | | | |
| At 1 January 2022 | 5,060 | 20,387 | 25,447 |
| Disposals | (4,912) | (13,601) | (13,028) |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2022 | 148 | 6,786 | 12,419 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| At 1 January 2022 | 5,060 | 20,387 | 25,447 |
| Disposals | (4,912) | (13,601) | (13,028) |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2022 | 148 | 6,786 | 12,419 |
| | <hr/> | <hr/> | <hr/> |
| Net Book Value | | | |
| At 31 December 2022 | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2021 | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| 15. INTANGIBLE FIXED ASSETS | Website £ | Total £ | |
| Cost | | | |
| At 1 January 2022 | - | - | |
| Additions | 16,200 | 16,200 | |
| | <hr/> | <hr/> | |
| At 31 December 2022 | 16,200 | 16,200 | |
| | <hr/> | <hr/> | |
| Net Book Value | | | |
| At 31 December 2022 | 16,200 | 16,200 | |
| | <hr/> | <hr/> | |
| At 31 December 2021 | - | - | |
| | <hr/> | <hr/> | |

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

16. INVESTMENTS

| | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Listed investments held in the UK | 221,302 | 243,178 |
| | <hr/> | <hr/> |
| At 1 January | 243,178 | 158,971 |
| Additions | - | 53,000 |
| Unrealised (losses)/gains | (21,876) | 31,207 |
| | <hr/> | <hr/> |
| Market Value at 31 December 2022 | 221,302 | 243,178 |
| | <hr/> | <hr/> |
| Cost | 203,000 | 203,000 |
| | <hr/> | <hr/> |

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

17. DEBTORS

| | 2022 | 2021 |
|--------------------------------|----------------|---------------|
| | £ | £ |
| Accrued income | 129,360 | 24,137 |
| Tax recoverable under Gift Aid | 19,783 | 8,431 |
| Other debtors and prepayments | 12,832 | 12,532 |
| | <hr/> | <hr/> |
| | 161,975 | 45,100 |
| | <hr/> | <hr/> |

18. CURRENT ASSET INVESTMENTS

| | 2022 | 2021 |
|---------------------|-------------|-------------|
| | £ | £ |
| Short term deposits | - | 45,000 |
| | <hr/> | <hr/> |

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 |
|--|---------------|---------------|
| | £ | £ |
| Accruals and deferred income (note 19.1) | 40,109 | 44,790 |
| Grants payable (note 9.1) | 29,080 | 21,118 |
| Other creditors | 1,275 | 5,000 |
| | <hr/> | <hr/> |
| | 70,464 | 70,908 |
| | <hr/> | <hr/> |

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

19.1 DEFERRED INCOME

| | 2022 £ | 2021 £ |
|----------------------------|---------------|-----------|
| At 1 January | 28,500 | 25,000 |
| Additions during the year | 25,000 | 28,500 |
| Amounts released to income | (28,500) | (25,000) |
| At 31 December 2022 | 25,000 | 28,500 |

In 2022, grant income was received for the period ending 2023.

20. RESTRICTED FUNDS – Current year

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

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

20. RESTRICTED FUNDS – Current year (continued)

Driving Sustainable Solutions:

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

Protecting Species:

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

Restoring Habitats:

Funds held under this category are focussed on habitat restoration and protection. The restoration of Floreana island is our flagship programme to restore the island and reintroduce 12 locally extinct species including the Floreana mockingbird and Galapagos racer snake. Our ocean protection programme supports projects to keep more fish in the sea and pollution out.

20.1 RESTRICTED FUNDS – prior year

| | 1 January 2021 | Income | Expenditure | Transfers | 31 December 2021 |
|--|-------------------|----------------|------------------|-----------|------------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds | | | | | |
| <u>Driving Sustainable Solutions</u> | | | | | |
| Discovering Galapagos | 7,386 | 28,916 | (19,862) | (1,440) | 15,000 |
| Plastic Pollution Programme | 15,595 | 329,155 | (305,372) | - | 39,378 |
| Connecting with Nature | 2,335 | 3,195 | (6,970) | 1,440 | - |
| Sustainable Development | - | 10,330 | (10,330) | - | - |
| <u>Protecting Species</u> | | | | | |
| Giant Tortoise Movement Ecology Project | 5,717 | 10,365 | (16,082) | - | - |
| Birds of Galapagos | 8,994 | 25,458 | (34,452) | - | - |
| Iguana Population Status Project | 5,787 | 10,000 | (5,787) | - | 10,000 |
| Endangered Sharks Programme | 24,738 | 69,750 | (65,302) | - | 29,186 |
| General Species/CDF Pass Through | - | 12,000 | (12,000) | - | - |
| Species Biodiversity DNA/Barcoding | - | 10,000 | (10,000) | - | - |
| <u>Restoring and Protecting Habitats</u> | | | | | |
| Floreana Native Species Restoration Fund | 38,269 | 33,202 | (71,471) | - | - |
| Oceans | - | 45,319 | (14,339) | - | 30,980 |
| | 108,821 | 587,690 | (571,967) | - | 124,544 |

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

21 DESIGNATED FUNDS – Current year

| | 1 January 2022 £ | New designation £ | Designations released £ | Transfers £ | 31 December 2022 £ |
|-------------------------|------------------------|-------------------------|-------------------------------|----------------|--------------------------|
| Designated funds | | | | | |
| Programmes fund | 210,929 | 110,000 | (194,586) | - | 126,343 |

At the end of 2022 £126k has been designated to programme spend in 2023. These reserves provide us with a strong base from which to implement our strategy to increase our impact in Galapagos.

21.1 DESIGNATED FUNDS – Prior year

| | 1 January 2021 £ | New designation £ | Designations released £ | Transfers £ | 31 December 2021 £ |
|-------------------------|------------------------|-------------------------|-------------------------------|----------------|-----------------------------|
| Designated funds | | | | | |
| Programmes fund | 177,000 | 190,000 | (156,071) | - | 210,929 |

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

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

GALAPAGOS CONSERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022**

22.1 ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Prior year

| | Unrestricted funds £ | Restricted funds £ | Total £ |
|---|----------------------------|--------------------------|----------------|
| Fund balances at 31 December 2021 are represented by: | | | |
| Tangible fixed assets | - | - | - |
| Fixed Asset Investments | 243,178 | - | 243,178 |
| Current Investments & Cash at bank and in hand | 293,718 | 158,621 | 452,339 |
| Other net current assets | 8,269 | (34,077) | (25,808) |
| | <u>545,165</u> | <u>124,544</u> | <u>669,709</u> |

23. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

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

| | 2022 £ | 2021 £ |
|---|------------------|---------------|
| Net (expenditure)/income for the reporting period (as per the statement of financial activities) | (83,239) | 36,679 |
| Adjustments for: | | |
| Gains on investments | 21,876 | (31,207) |
| Bank Interest | (1,463) | (192) |
| Depreciation charges | - | 203 |
| (Increase)/decrease in debtors | (116,875) | 46,180 |
| Decrease/(increase) in creditors | (444) | (31,991) |
| Net cash (used in) provided by operating activities | <u>(180,145)</u> | <u>19,672</u> |