

GALAPAGOS CONSERVATION TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Company Number: 03004112

Registered Charity Number: 1043470



GALAPAGOS CONSERVATION TRUST

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GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Governing Document: Memorandum and Articles of Association

Charity number: 1043470

Company number: 03004112

Registered Address: Galapagos Conservation Trust
28 Portland Place
London
W1B 1LY

Trustees: Dr Mark Collins - Chair
Dr Simon Dickson
Michael Drake – Vice-Chair
Jonathan Lea – Honorary Treasurer
Dr Rebecca Nesbit
Dr Marta Tufet

Key management personnel:

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

HONORARY ROLES

President: Monty Halls

Ambassadors: Janet Barber
Sir James Barlow Bt
Liz Bonnin
Angela Darwin
Sarah Darwin PhD
Julian Fitter
Randal Keynes
Dorothy Latsis
Godfrey Merlen
Henry Nicholls
Antje Steinfurth
Jennifer Stone
Professor Ian Swingland OBE
Angela Scott
Jonathan Scott

GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner: M A Wilkes FCA
Wilkins Kennedy LLP
Bridge House
London
SE1 9QR

Accountants: Clarity
2 Lancaster Close
Weston Heights
Stevenage
SG1 4RX

Solicitors: Stone King Sewell
16 St John's Lane
London
EC1M 4BS

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

The Trustees have pleasure in presenting their Annual Report and financial statements for the year ended 31 December 2017.

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 per Bulletin 1.

1. OBJECTIVES AND ACTIVITIES

Since 1995, the Galapagos Conservation Trust (GCT) has been working to promote the successful conservation and sustainable development of the Galapagos Archipelago and its unique biodiversity. We are the only UK organisation focussed exclusively on working to protect the Galapagos Islands.

2017 saw us focus our efforts to save some of the most endangered species in Galapagos. Species like the mangrove finch and Floreana mockingbird are threatened by invasive species such as the parasitic fly *Philornis downsi*, rats and feral cats. Our projects aim to conserve these species and others in Galapagos, bringing them back from the brink of extinction. It is only with prompt action and help from our supporters and project partners, will we be able to achieve our vision of the unique nature and beauty of the Galapagos Archipelago conserved, sustained and protected in perpetuity.

The last 30 years has seen a sizeable permanent population of around 30,000 people settle in Galapagos, particularly to service the tourist industry. The tourist industry itself is continuing to grow year on year with visitors up by 11% on 2016. Combining the local population with the 241,800 tourists visiting the Islands means the impact of people on these iconic islands is continuing to be a significant threat to its unique ecosystems and wildlife. Tourism is an essential source of revenue and a window to the wonders of Galapagos but it is crucial to balance these benefits with sustainability values. In 2017 we launched our Flagship Plastics Pollution Programme with the aim of tackling the issue of plastic across the Archipelago to help reduce the negative impacts from the growing number of people living in and visiting the islands.

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

We achieve our objectives through generating financial support for a Science & Conservation programme. We also deliver community outreach across the Archipelago through our Education & Sustainability programme and raise awareness in the UK of the uniqueness of the Islands with our members, supporters and audiences.

In 2017, we implemented the first year in our new three-year Strategic plan, running until 2020. Our five Strategic Objectives focus on:

- 1) Supporting programmes and projects with measureable **impact** in two well defined strategic areas:
 - i) Science & Conservation
 - ii) Education & Sustainability
- 2) Raising **income** through an expanded range of funders
- 3) Developing a network of key strategic **partnerships**
- 4) Improving the structure and skills of the **organisations**
- 5) Ensuring effective **communication** with our members, supporters and audiences.

2. ACHIEVEMENTS AND PERFORMANCE

2017 was an ambitious year for GCT with the launch of two new multi-year 'flagship' programmes, one in each area of Science & Conservation (the Floreana Restoration Programme); and Education & Sustainability (Plastic Pollution Programme). We continued our support for a number of ongoing scientific projects and implemented our new Education & Sustainability strategy to expand our work in this area.

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Science & Conservation Programme.

- **Floreana Restoration Programme:** We supported the US-based NGO Island Conservation to undertake community engagement in the preparation phase of the Floreana Restoration Programme. Through environmental education, capacity building and the development of management plans we are ensuring that the local community will be champions for the restoration of their Island. GCT chaired a workshop in Dundee in July to ensure mitigation plans are in place for the most vulnerable wildlife on Floreana before the invasive species eradication phase begins. GCT also supported the ongoing Floreana Mockingbird Monitoring Project. In 2017 the project team counted 16 chicks born on Champion Islet, an almost doubling of the population in one year. They also began vegetation mapping to better understand habitat requirements of mockingbirds to feed into a new five year conservation action plan which we hope will see the reintroduction of the mockingbird onto Floreana.
- **Galapagos Whale Shark Project:** We continued our support of the Galapagos Whale Shark Project, providing funding for a research trip to Darwin Island, the fourth trip that GCT has supported in as many years. The project aims to understand the migratory routes of whale sharks and their key life stages to provide protection outside the Galapagos Marine Reserve. In 2017, the team managed to tag 20 whale sharks, of which seven were new to the global whale shark database. A major achievement for the team was conducting the first ever wild whale shark ultrasound and blood sample. The results of this will confirm, for certain, whether or not this whale shark is pregnant – a significant milestone for this project.
- **Galapagos Bullhead Shark Project:** This project is now in its third year. With GCT's support, the project continues to generate scientific data to evaluate this species' population status as well as to raise awareness and to assist in conservation of this species locally and internationally. There are now 100 individuals recorded on the database, a great success for a species which is currently listed as data deficient on the IUCN Red List.
- **Land Iguana Project:** This new project, launched in 2017, aims to re-assess this species' IUCN Red List status which has not been reviewed for over 20 years. Eighty percent of land iguana populations appear to be heavily affected by feral cat predation and there have been few if any records of young iguanas surviving into adulthood. In 2017, the team tagged over 150 iguanas in three populations, including the smallest land Iguana recorded in the last 10 years on the summit of Fernandina Island. This project aims to highlight the current health status of land iguanas and look at potential re-introduction sites around Santiago.
- **Mangrove Finch Project:** The fourth season of head-starting was undertaken by the Mangrove Finch Project team in 2017. To date, a total of 39 fledglings have been released back into the wild. Re-sightings of captive reared birds from previous years, as well as the first sighting of two captive reared birds breeding with wild mangrove finches in 2017, are great achievements for the year, highlighting this as an effective conservation management tool to increase this species' population in the wild.
- **Galapagos Tortoise Movement Ecology Programme:** This programme has been running, with GCT's support, for over eight years. In 2017, the team undertook the third season of tortoise nest surveys with 67 nests monitored on Santa Cruz and the first ever study on sex ratio of wild hatchlings. The team continued to tag tortoise hatchlings and implement invasive species management in the area. New for 2017 was the survey of a newly discovered population of tortoises at Cerro Fatal on Santa Cruz. The project also launched a new study of tortoise-farm interactions to feed into land use planning to ensure the farming community are engaged with tortoise conservation and that tortoise migration routes are protected.

Education & Sustainability Programme.

- **Reducing Marine Plastic Pollution in Galapagos:** The first year of this programme saw us building new science partnerships and assemble an expert advisory panel for plastics research in Galapagos who presented their ideas at our Galapagos Day event in October. We supported pilot beach and street surveys in San Cristobal which allowed us to set methodologies for future surveys. Our project partners, Grupo Eco Cultural Organizado (GECO) created a team of 15 local youth leaders that have shared their plastics campaign messages with more than 3,000 local people. They have also built relationships with more than 20 local stores and restaurants who are now displaying campaign materials to encourage customers to reuse bags and refuse plastic straws.

GALAPAGOS CONSERVATION TRUST

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- **Discovering Galapagos:** This website programme is continuing to go from strength to strength with visitor numbers growing to an average of over 3,500 per month on the UK site and 9,000 per month on the Ecuadorian site. Discovering Galapagos teacher resource downloads are now around 600 per month with a further 300 per month on the Times Educational Supplement website. Furthermore, a GCSE case study was developed in partnership with the Royal Geographical Society (RGS) and has been linked to UK exam boards. 2017 also saw us develop the Spanish language teaching resources to link to the Ecuadorian education curriculum.
- **Education & Sustainability Outreach:** A major focus for us in 2017 was the delivery of this programme in Galapagos. We worked with a range of project partners to deliver sustainability and education projects on the Islands. Activities included: 100 six-twelve year olds participated in a hands on tortoise tracking day as part of 'Vacaciones felices'; we developed and delivered 100 hours of learning for ten students from Tomas de Berlanga school on 'communicating science to communities'; 65 children and their families attended Shark Day on San Cristobal; and 15 young people visited shark nursery sites to see sharks in the wild with scientists with local tourism agency SharkSky.
- **Galapagos Teacher Training:** GCT co-funded a workshop as part of this programme with over 200 science teachers across the Archipelago (primary and secondary levels).
- **Tourism Strategy:** A new two year tourism strategy was developed in 2017 which has allowed us to identify priority activities to maximise the impact of GCT's work with the tourism industry and promote responsible tourism, with a particular focus on reducing plastic use in Galapagos.

Communication. We held three key events in 2017 to raise awareness and funds for our work. These events were well attended by over 520 GCT members, supporters and the general public.

- **BBC's 'Galapagos' premier screening:** We were delighted to co-host an exclusive premier screening of BBC's 'Galapagos' series hosted by a new GCT Ambassador, Liz Bonnin. This programme gave GCT an opportunity to engage with present and new supporters about our work, and particularly highlight some of the work we support which was featured in the series.
- **Garden Party:** In the summer we held our annual Garden Party, this year themed around our Flagship Restoring Floreana Programme. The evening included talks from project partners Karl Campbell, Project Director of Island Conservation and Luis Ortiz-Catedral, Floreana Mockingbird and Racer Project Leader. Our President, Monty Halls hosted a successful live auction which helped raise almost £25,000.
- **Galapagos Day:** Our annual Galapagos Day event returned to the Royal Geographical Society in October to launch our Reducing Galapagos Plastic Pollution Programme. GCT Chair Dr Mark Collins introduced His Excellency the Ambassador of Ecuador, who spoke about inspiring the next generation of conservationists to protect our blue planet and the importance of protecting the Galapagos Marine Reserve. In 2016 the Ecuadorian government increased the protection of the Marine Reserve by creating a new marine sanctuary around the northern Galapagos islands of Darwin and Wolf where fishing is no longer allowed. This is a particularly important area of the Reserve for sharks including hammerhead and whale sharks. He also mentioned how the government of Ecuador has further demonstrated their commitment to the protection of the Reserve through the prosecution of the Chinese illegal fishing that took place in 2017.

Special guest for the evening was Liz Bonnin, presenter of BBC's Galapagos series and now GCT's newest Ambassador. Liz shared insights from the programmes and also chaired an expert panel debate on whether Galapagos can ever become plastic free. The expert panel included: GCT's Andy Donnelly; Professor Tamara Galloway, University of Exeter University; Professor Erik Sebille, Utrecht University; Professor Brendan Godley, University of Exeter; Professor John Schofield, University of York and Dr Sabine Pahl, University of Plymouth. Over 340 people attended the event and we received very positive feedback with 100% of respondents to a post-event feedback survey saying they would attend again.

Partnerships. In 2017 we continued to develop our relationship with key strategic partners both in the UK and on the Islands to help us deliver our two strategic themes of Science & Conservation and Education & Sustainability. A Memorandum of Understanding between GCT and the Charles Darwin Foundation was signed, cementing our strong working partnership. In November, GCT was also re-elected as a Governing Member of the Charles Darwin Foundation, which has been appointed to manage the Charles Darwin Research Station for a further 25 years. Throughout the year we held key meetings with the Galapagos National Park, Galapagos Science Centre, Consejo de Gobierno and local municipalities and will look to sign MOUs with these partners in 2018. We have active partnership agreements in place with all project partners, ensuring a strong and successful working relationship is in place for all of our projects.

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3. FINANCIAL REVIEW

Overall income for the charity was £667,745 in 2017. This compares to £883,904 in 2016 when we were grateful to receive a significant legacy of £366,504 from the late Mrs Janet Knell. Excluding this legacy, income increased by £150,345 or 29% in 2017 compared to 2016, largely due to an increase in individual donations, which are mainly restricted.

We were able to increase our expenditure on charitable activities to £567,722, an increase of 25% from the previous year of £453,755. Expenditure on our two main programmes was £304,254 on Science & Conservation and £263,468 on Education and Sustainability.

Expenditure on raising funds decreased slightly to £110,508 in 2017 from £119,051 the previous year.

Reserves

As planned we ended the year with a small deficit of £10,485 (2016: £311,098 surplus). At 31 December 2017 we carried forward total reserves of £665,397, of which £112,914 are in restricted funds. The Trustees have designated a total of £364,235 of the unrestricted funds to the two main programmes (£182,118 to Science & Conservation and £182,117 to Education & Sustainability). The unrestricted general funds stood at £188,248 (2016: £183,636) which is in line with the reserves policy.

Reserves Policy

GCT needs to hold unrestricted general funds in order to:

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

The unrestricted general funds are within the range of the £165k to £200k that the Trustees consider to be prudent given the needs and challenges faced by the charity, its annual operating costs and the six month notice provisions in the office premises lease.

Risk Management

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

One of the main risks identified in 2017 is the possible decline of our membership income following the loss of visitor data from the Galapagos National Park. However, as part of our tourism strategy and following GDPR guidance we are working closely with tour operators in the UK and boat owners in Galapagos to connect with UK tourists visiting Galapagos, to encourage them to become GCT members.

We are also concerned to diversify our sources of income and for 2017 we have further developed our corporate fundraising strategy to address this. Our flagship Plastics Programme is now at a stage for us to approach companies with a strategic interest in the reduction of single use plastic use in production.

Another potential risk is fraud and scams from external sources which is growing worldwide. We have developed internal guidelines which includes ensuring anti-virus software is kept up to date and staff are trained in spotting any unusual behaviour.

4. PLANS FOR THE FUTURE

In 2018 we will build upon our successes in 2017 in what will be an exciting time for the Trust. Having completed a year of our current three-year strategy we have identified below the top priorities within each of our five Strategic Objectives:

Impact. We will continue to develop our two flagship programmes: Restoring Floreana and Plastic Free Galapagos as well as develop longer term (three year) programmes for all our Science & Conservation projects. We will produce an evaluation framework and impact criteria for the flagship Plastics Programme to be used as a model for our Restoring Floreana Programme and other projects. We will write and deliver an education and outreach framework with a theme and vision of 'connecting to nature'.

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Income. There will be continued focus on securing major gifts from our membership, other individuals and trusts but we will further diversify our income and raise funds from corporate organisations. Through various means we will encourage greater engagement from high net worth individuals, corporates and others who have the ability to help advance our fundraising.

Partnerships. We will develop MOUs with key delivery partners and government agencies in Galapagos, such as the Galapagos National Park and the Galapagos Science Centre. We will develop closer working with the tourism industry (tour operators in the UK and on boats in Galapagos) to better promote responsible tourism, with a particular focus on reducing plastic use.

Organisation. We will recruit a Chair-Elect to join our Board of Trustees in 2018 with the plan for them to take over from our current Chair, Dr Mark Collins when he retires after 12 years with the Trust in May 2019. We will also recruit Trustees to fill other skills gaps in our Board, as needed.

Communication. We will create a communications strategy and improve communications with our project partners to help us deliver projects, develop conservation outcome data, collaboratively raise funds and influence environmental regulation.

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

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

Trustee appointment and induction

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 Trustees who served during the year were:

Dr Mark Collins - Chair
Michael Drake - Vice Chair
Jonathan Lea - Honorary Treasurer
Dr Simon Dickson
Dr Rebecca Nesbit
Dr Marta Tufet
Ruth Ruderham - stepped down at the AGM on 22 May 2017
Roger Lawson - stepped down at the AGM on 22 May 2017
Louise Davies - stepped down at the AGM on 22 May 2017
Paul Corral - resigned 29 December 2017
Derek Humphries - resigned 22 March 2018

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The Board has adopted a process for periodically reviewing its effectiveness and completed such a review in 2016. At the end of 2017, a Board skills gap analysis was undertaken which will feed into future Trustee recruitment processes to ensure that Trustees are recruited to fill current skill gaps in the Board. The Board keeps the skill requirements for the Trustee Body under review and in the event that a Trustee retires or additional new Trustees are required, the Nominations and Recruitment Committee is responsible for an open and rigorous recruitment process which includes advertising in the GCT magazine, on the GCT website, on other appropriate appointments websites and wider media. GCT is committed to diversity and welcomes applicants irrespective of gender, sexual orientation, disability, religion, race or age. All new potential Trustees are interviewed, and if provisionally accepted, they are invited to attend a Trustee meeting before they are formally invited to join the Board.

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

Key Management Personnel

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

GDPR and Fundraising Regulator

An independent regulatory preparedness health check was undertaken during the spring of 2017 to support staff to ensure GCT was on track to be compliant with the new General Data Protection Regulations coming into effect in 2018. A GDPR and Data Compliance framework was established outlining progress, which is reviewed quarterly by the Board. GCT signed up to the Fundraising Regulator in 2017.

Staff and training

GCT is committed to improving the skills of its staff and supporting staff in their roles. In 2017 we undertook a staff benefits survey which saw the implementation of new staff benefits including a weekly fruit bowl. An annual review of the Staff Handbook and HR policies is undertaken to ensure that they are kept up to date.

The Trustees and Chief Executive are committed to staff development both to support the effective development of the Trust and of individuals. Examples of staff training in 2017 included: finance for small charities, communications and marketing, GDPR, Spanish language and membership management.

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

Volunteers

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

- Appeal and membership administration support
- Administration and transaction processing support
- Supporting our communications including writing blogs for our website
- Assisting staff at our major events by running our merchandise stand and selling raffle tickets
- Undertaking research tasks around our projects
- Categorising our photography library

Associated Activity

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

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Trustees' responsibilities statement

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

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

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

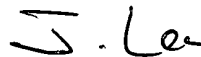
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

By Order of the Board

Dr Mark Collins
Chair



Jonathan Lea
Treasurer



Date: 18 June 2018

GALAPAGOS CONSERVATION TRUST

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS

I report on the accounts of the Galapagos Conservation Trust for the year ended 31 December 2017 set out on pages 11 to 26.

Responsibilities and basis of report

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

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


Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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


M A Wilkes (FCA)
For and on behalf of Wilkins Kennedy LLP,
Bridge House
London Bridge
London SE1 9QR

Date: 25 June 2018

GALAPAGOS CONSERVATION TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Income:					
Donations and legacies	2	115,286	330,932	446,218	641,350
Charitable activities	3	118,923	-	118,923	113,943
Other trading activities	4	70,626	31,548	102,174	127,542
Investment income	5	430	-	430	1,069
Total income		305,265	362,480	667,745	883,904
Expenditure:					
Raising funds	6	110,508	-	110,508	119,051
Charitable activities	7	190,145	377,577	567,722	453,755
Total expenditure	8	300,653	377,577	678,230	572,806
Net income/(expenditure)		4,612	(15,097)	(10,485)	311,098
Transfers	17	(35,765)	35,765	-	-
Net movements in funds		(31,153)	20,668	(10,485)	311,098
Reconciliation of funds:					
Total funds brought forward		583,636	92,246	675,882	364,784
Total funds carried forward	19	552,483	112,914	665,397	675,882

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 14 to 26 form part of these financial statements.

GALAPAGOS CONSERVATION TRUST

BALANCE SHEET

COMPANY NUMBER: 03004112

AS AT 31 DECEMBER 2017

	Notes	2017	2016
		£	£
Fixed assets			
Tangible fixed assets	14	2,688	2,229
Current assets			
Debtors	15	29,198	30,767
Cash and bank		657,053	649,446
		686,251	680,213
Creditors: Amounts falling due within one year	16	(23,542)	(6,560)
Net current assets		662,709	673,653
Net assets		<u>665,397</u>	<u>675,882</u>
Restricted funds	17	112,914	92,246
Unrestricted funds			
Designated funds	18	364,235	400,000
General funds		188,248	183,636
Total funds	19	<u>665,397</u>	<u>675,882</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

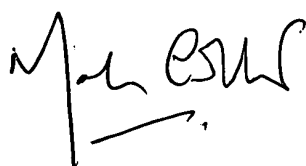
The Trustees acknowledge their responsibilities for:

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

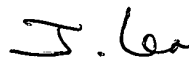
The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board on the 18 June 2018 and signed on its behalf by:

Dr Mark Collins
Chairman



Jonathan Lea
Treasurer



The notes on pages 14 to 26 form part of these financial statements.

GALAPAGOS CONSERVATION TRUST**CASHFLOW STATEMENT****AS AT 31 DECEMBER 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	22	9,279	232,120
Net cash provided by (used in) operating activities		<u>9,279</u>	<u>232,120</u>
Cash flows from investing activities:			
Bank Interest received		430	1,069
Purchase of tangible fixed assets		(2,102)	(3,210)
Net cash provided by (used in) investing activities		<u>(1,672)</u>	<u>(2,141)</u>
Change in cash and cash equivalents in the reporting period		7,607	229,979
Cash and cash equivalents at the beginning of the reporting period		<u>649,446</u>	<u>419,467</u>
Cash and cash equivalents at the end of the reporting period		<u><u>657,053</u></u>	<u><u>649,446</u></u>

The notes on pages 14 to 26 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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 3.

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 2016), 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 financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able 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 2017

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 the Education and Sustainability and the Science and Conservation 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) 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.

(i) 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.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES - continued

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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.

(o) Judgements and key sources of estimation uncertainty

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

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

Useful economic lives of tangible assets

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

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

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. DONATIONS AND LEGACIES

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Donations	67,523	323,772	391,295	221,266
Legacies	10,000	-	10,000	379,544
Tax recoverable under Gift Aid	37,763	7,160	44,923	40,540
	115,286	330,932	446,218	641,350

In 2016, £466,485 of donations and legacies income was attributable to unrestricted funds and £174,865 was attributable to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Memberships	118,923	-	118,923	112,943
Corporate sponsorship	-	-	-	1,000
	118,923	-	118,923	113,943

In 2016 all of the income from charitable activities was attributable to unrestricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Fundraising events	36,499	14,065	50,564	64,664
Appeals and raffles	24,008	17,483	41,491	55,949
Fundraising trading	10,119	-	10,119	6,929
	70,626	31,548	102,174	127,542

In 2016, £101,500 of income from other trading activities was attributable to unrestricted funds and £26,042 was attributable to restricted funds.

5. INVESTMENT INCOME

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Bank interest	430	-	430	1,069

In 2016, all of the investment income was attributable to unrestricted funds.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

6. RAISING FUNDS

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Costs of generating voluntary income	110,508	-	110,508	119,051
	110,508	-	110,508	119,051

In 2016 £114,600 of the expenditure in relation to raising funds was attributable to the unrestricted fund, and the remaining £4,451 was attributable to the restricted fund.

7. CHARITABLE ACTIVITIES

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Education and Sustainability	129,099	134,369	263,468	207,764
Science and Conservation	61,046	243,208	304,254	245,991
	190,145	377,577	567,722	453,755

In 2016 £206,677 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £247,078 being attributable to the restricted fund.

8. ANALYSIS OF EXPENDITURE

	Direct Charitable £	Grant Making (note 9) £	Support Costs (note 10) £	Total 2017 £	Total 2016 £
Raising Funds:					
Generating income	89,400	-	21,108	110,508	119,051
Charitable Activities:					
Education and Sustainability	162,435	52,405	48,628	263,468	207,764
Science and Conservation	76,575	193,979	33,700	304,254	245,991
	328,410	246,384	103,436	678,230	572,806

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9. ANALYSIS OF GRANTS COMMITTED DURING THE YEAR

	2017	2016
	£	£
<u>Unrestricted</u>		
Galapagos National Park Entry Data	-	3,840
	-	3,840
Restricted		
<u>Education and Sustainability</u>		
Discovering Galapagos	7,083	8,300
Education Strategy	-	4,703
General Education	2,000	-
Outreach in Galapagos	15,625	2,000
Teacher Training	7,844	-
Flagship: Plastic Pollution Programme	17,791	-
Visitor Experience	2,062	16,300
<u>Science and Conservation</u>		
Seabird Surveys	3,000	25,400
Giant Tortoise Movement Ecology Project	29,084	31,687
Floreana Mockingbird Project	6,910	
Mangrove Finch Project	48,664	60,445
Flagship: Floreana Native Species Restoration	45,852	-
Land Iguana Project	5,000	-
Galapagos Whale Shark Project	19,509	13,695
Bullhead Shark Project	5,000	3,750
General Controlling Invasive Species Fund	30,960	26,640
	246,384	192,920
Total grants committed	246,384	196,760

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

9.1 Reconciliation of grants payable

	2017	2016
	£	£
Commitments at 1 January 2017	-	31,786
Grants committed during the year	246,384	196,760
Grants paid during the year	(246,384)	(228,546)
	<u>-</u>	<u>-</u>
Commitments at 31 December 2017	<u>-</u>	<u>-</u>

10. SUPPORT COSTS

	2017	2016
	£	£
Governance costs (note 11)	19,135	20,369
Administrative office function	39,486	33,755
Depreciation	1,643	1,741
HR & Recruitment	564	1,175
Premises costs	42,608	44,547
	<u>103,436</u>	<u>101,587</u>

11. GOVERNANCE COSTS

	2017	2016
	£	£
Independent examination fee		
- Fee for the year	4,000	4,000
- Under provision in prior years	296	992
	<u>4,296</u>	<u>4,992</u>
Staff costs	14,839	15,377
	<u>19,135</u>	<u>20,369</u>

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

12. NET INCOME/ (EXPENDITURE) FOR THE YEAR

	2017	2016
	£	£
This is stated after charging:		
Depreciation	1,643	1,741
Independent examination fee	4,296	4,992
Operating lease costs	42,721	42,927
	<u> </u>	<u> </u>

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

	2017	2016
	£	£
Salaries and wages	213,532	184,947
Social security costs	17,765	14,926
Pension costs	4,402	5,013
	<u> </u>	<u> </u>
	235,699	204,886
	<u> </u>	<u> </u>

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

Generating funds	1	1
Charitable activities	7	5
	<u> </u>	<u> </u>
	8	6
	<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 £60,000 to £69,999 (2016: one employee £60,000 to £69,999).

During 2017, no Trustees were paid or received any other benefits from employment with the charitable company (2016: £nil). 1 Trustee was reimbursed for travel and meeting expenses amounting to £419 (2016: £nil).

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 £113,024 (2016: £99,960).

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

14. TANGIBLE FIXED ASSETS	Fixtures and Fittings £	Computer Equipment £	Total £
Cost			
At 1 January 2017	13,256	30,741	43,997
Additions	-	2,102	2,102
At 31 December 2017	13,256	32,843	46,099
Depreciation			
At 1 January 2017	13,254	28,514	41,768
Charge for the year	2	1,641	1,643
At 31 December 2017	13,256	30,155	43,411
Net Book Value			
At 31 December 2017	-	2,688	2,688
At 31 December 2016	2	2,227	2,229
15. DEBTORS		2017 £	2016 £
Accrued income		14,198	13,271
Tax recoverable under Gift Aid		12,455	8,958
Other debtors and prepayments		2,545	8,538
		29,198	30,767
16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2017 £	2016 £
Accruals and deferred income		23,401	6,560
Other creditors		141	-
		23,542	6,560

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

17 RESTRICTED FUNDS – Current year

	1 January 2017	Income	Expenditure	Transfers	31 December 2017
	£	£	£	£	£
Restricted funds					
<u>Education and Sustainability</u>					
CDF Shop and Visitor Experience	3,000	3,095	(7,362)	1,267	-
Discovering Galapagos	37,200	-	(37,233)	33	-
General Education fund	2,000	-	(2,000)	-	-
Outreach in Galapagos	8,425	7,200	(35,525)	19,900	-
Teacher training	10,000	-	(10,700)	700	-
Flagship: Plastic Pollution Programme	-	87,584	(41,549)	3,965	50,000
<u>Science and Conservation</u>					
Seabird Survey	3,000	-	(3,000)	-	-
Giant Tortoise Movement Ecology Project	8,000	30,500	(36,622)	1,800	3,678
Floreana Mockingbird Project	-	10,910	(10,910)	-	-
Mangrove Finch Project	7,200	60,000	(57,964)	-	9,236
Floreana Native Species Restoration Fund	13,421	102,231	(65,652)	-	50,000
Land Iguana Project	-	-	(6,300)	6,300	-
Galapagos Whale Shark Project	-	25,000	(26,800)	1,800	-
Bullhead Shark Project	-	5,000	(5,000)	-	-
General Controlling Invasive Species Fund	-	30,960	(30,960)	-	-
	92,246	362,480	(377,577)	35,765	112,914

Education and Sustainability:

Funds held under this category are focussed on delivering education through our Discovering Galapagos programme; training for local teachers across the four inhabited islands in Galapagos; 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.

Science and Conservation:

Funds held under this category are focussed on combined population ecology, saving endemic species and habitat restoration. The tortoise reintroduction project supports the understanding of the tortoise movement and ecology; the mangrove finch programme undertakes head starting for this critically endangered finch species; our shark conservation work focusses on the migration of the whale shark and conservation status of the bullhead shark; and the restoration of Floreana island is our flagship programme to restore the island and reintroduce 13 locally extinct species including the Floreana mockingbird and racer.

Transfer from Designated Funds:

Designated funds of £35,577 has been transferred in the year as planned, with £25,865 transferred into Education & Sustainability programme to provide increased support for this expanding area of work, and particularly for our outreach work which was a major focus of our work in 2017; and £9,900 into our Science & Conservation programme to support our giant tortoise, land iguana and whale shark projects.

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

17.1 RESTRICTED FUNDS – Prior year

	1 January 2016	Income	Expenditure	Transfers	31 December 2016
	£	£	£	£	£
Restricted funds					
<u>Education and Sustainability</u>					
CDF Shop and Visitor Experience	19,800	-	(16,800)	-	3,000
Discovering Galapagos	79,279	-	(42,079)	-	37,200
General Education fund	-	3,000	(1,000)	-	2,000
Education Strategy	-	9,000	(9,000)	-	-
Outreach in Galapagos	-	13,425	(5,000)	-	8,425
Teacher training	-	10,000	-	-	10,000
<u>Science and Conservation</u>					
Seabird Survey	11,277	19,705	(27,982)	-	3,000
Giant Tortoise Movement Ecology Project	21,462	21,050	(34,512)	-	8,000
Mangrove Finch Project	11,050	61,325	(65,175)	-	7,200
Floreana Native Species Restoration Fund	-	17,872	(4,451)	-	13,421
Galapagos Whale Shark Project	-	15,140	(15,140)	-	-
Bullhead Shark Project	-	3,750	(3,750)	-	-
General Controlling Invasive Species Fund	-	26,640	(26,640)	-	-
	142,868	200,907	(251,529)	-	92,246

18. DESIGNATED FUNDS – Current year

	1 January 2017	New designation	Designations released	Transfers	31 December 2017
	£	£	£	£	£
Designated funds					
Science and Conservation	280,000	182,118	(270,100)	(9,900)	182,118
Education and Sustainability	120,000	182,117	(94,135)	(25,865)	182,117
	400,000	364,235	(364,235)	(35,765)	364,235

Science & Conservation and Education & Sustainability are the two key strategic areas of work for the Trust. £182,000 has been designated into each area in line with the new programme and fundraising plan going forward. Designated funds have been released from Science & Conservation into Education & Sustainability to support our new plans for the future, including developing our 'connecting with nature' education and outreach programme. These reserves provide us with a strong base from which to implement our strategy to increase our impact in Galapagos Islands.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

18.1 DESIGNATED FUNDS – Prior year

	1 January 2016	New designation	Designations released	Transfers	31 December 2016
	£	£	£	£	£
Designated funds					
Science and Conservation	-	280,000	-	-	280,000
Education and Sustainability	-	120,000	-	-	120,000
Galapagos Future Fund	65,000	-	(65,000)	-	-
	<u>65,000</u>	<u>400,000</u>	<u>(65,000)</u>	<u>-</u>	<u>400,000</u>

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

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2017 are represented by:			
Tangible fixed assets	2,688	-	2,688
Cash at bank and in hand	539,080	117,973	657,053
Other net current assets	10,715	(5,059)	5,656
	<u>552,483</u>	<u>112,914</u>	<u>665,397</u>

19.1 ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Prior year

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2016 are represented by:			
Tangible fixed assets	2,229	-	2,229
Cash at bank and in hand	557,200	92,246	649,446
Other net current assets/(liabilities)	24,207	-	24,207
	<u>583,636</u>	<u>92,246</u>	<u>675,882</u>

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

20. OPERATING LEASE COMMITMENTS

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

	Land and buildings	
	2017	2016
	£	£
Expiry date:		
Within one year	43,597	42,880
Between one and five years	22,018	7,195

Galapagos Conservation Trust can terminate the lease agreement at any time giving the landlord six months' notice in writing.

GCT rents its office space from the Royal Society for Public Health which is an independent, multi-disciplinary charity dedicated to the improvement of public's health and wellbeing and supporting communities and who lets part of its premises to other charities.

21. RELATED PARTY TRANSACTIONS

There are no related party transactions during the period (2016: £ nil).

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

	2017	2016
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(10,485)	311,098
Adjustments for:		
Bank Interest	(430)	(1,069)
Depreciation charges	1,643	1,741
Decrease/(Increase) in debtors	1,569	(8,667)
Increase/(Decrease) in creditors	16,982	(70,983)
Net cash provided by (used in) operating activities	9,279	232,120