

GALAPAGOS CONSERVATION TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Company Number: 03004112

Registered Charity Number: 1043470



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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
Michael Drake – Vice-Chair
Jonathan Lea – Honorary Treasurer
Charmian Caines
Sandra Charity
Dr Simon Dickson
Chris Jarrett
Dr Rebecca Nesbit
Jane Tozer
Dr Marta Tufet

Key management personnel:

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

HONORARY ROLES

President: Monty Halls

Ambassadors: Sir James Barlow Bt
Liz Bonnin
Angela Darwin
Sarah Darwin PhD
Julian Fitter
Stanley Johnson
Randal Keynes
Dorothy Latsis
Godfrey Merlen
Henry Nicholls
Antje Steinfurth
Jennifer Stone

GALAPAGOS CONSERVATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner:

M A Wilkes FCA
Wilkins Kennedy
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

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

A message to all GCT members and supporters:

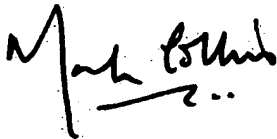
After twelve very enjoyable years as a trustee, including six as Chair I am about to hand over the helm and would like to take this opportunity to wish my successor, Charmian Caines, every success in navigating around our favourite islands, the Galapagos!

We love the Galapagos because they stand magnificent and aloof from our own overcrowded world. Erupting from the ocean floor 1.5 million years ago in a boiling mass of lifeless lava, they were quickly colonised by animals and plants arriving on currents and winds, evolving without interference over millennia into the amazing and unique biodiversity that we see today.

All this was long before humans "discovered" the islands. Early unrecorded visits by pre-Incan and Incan navigators may have left no significant mark, but in the space of just the past 500 years humans have wrought havoc on the wilderness of the Galapagos. Overhunting of tortoises and sharks; introduction of dangerous parasitic flies, rampant brambles and verminous rats; pollution and waste – the list of challenges sometimes seems endless.

GCT is the only UK body dedicated solely to putting things right in Galapagos. We have a proud track record spanning 24 years, not only in conserving and reintroducing the native fauna and flora, but also in helping the communities that have set up home in Galapagos to live sustainably. After all, many livelihoods on the islands exist purely to enable people like us to visit and enjoy the Galapagos experience. This balance of well-researched conservation action hand in hand with local education and support for responsible tourism is what enables GCT to achieve real impact.

Thank you for your support and commitment during my twelve years. It has been a privilege to meet so many of you, to work side by side with GCT's dedicated teams of trustees, ambassadors, staff and volunteers and, most importantly, to serve the GCT vision for the islands. I look forward to seeing you all again at future events.



N. Mark Collins MA MBA PhD
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 2018.

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

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.

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

In 2017 we established a three-year Strategic Plan running until the end of 2019. Our five Strategic Objectives focus on:

- 1) Supporting programmes and projects with measurable **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 **organisation**
- 5) Ensuring effective **communication** with our members, supporters and audiences.

2. ACHIEVEMENTS AND PERFORMANCE

The marine ecosystem is vital for Galapagos' wildlife. 2018 saw us increase our conservation programmes focused around the marine environment. We continued to develop our Plastic Pollution Free Galapagos programme, increased funding towards endangered shark conservation and launched a new oceans outreach project on San Cristobal.

Only with prompt action and help from our supporters and project partners, will we be able to combat the threats to Galapagos to achieve our vision of the unique nature and beauty of the Galapagos Archipelago conserved, sustained and protected in perpetuity. Outlined below are the programmes we undertook in 2018.

Science & Conservation Programme

- **Restoring Floreana:** This ambitious long-term programme is currently in the preparation and mitigation phase with the eradication of rats and feral cats from Floreana planned for late 2020. GCT continued to support the US-based NGO Island Conservation (IC) and developed a new partnership with Durrell Wildlife Conservation Trust. GCT part funded Durrell's Floreana Mitigation Officer who started work in October 2018. The Mitigation Officer, alongside staff from IC, is working in Floreana to produce plans to ensure that native species are not negatively impacted during the eradication phase. Aviaries in the lowlands of Floreana were completed in 2018 and captive holding trials are now underway to identify the needs of the six native finch species identified as being at risk of secondary poisoning during the eradication. The second set of aviaries and trials in the highlands are expected to be completed in 2019. Furthermore, IC has continued to engage the local community on Floreana. In 2018, this included a field trip for local young people and their parents to see the elusive Galapagos petrels at night and a trip for school children, teachers and parents to see the Floreana mockingbird on the local islet of Champion. Overall, this programme aims completely to restore the ecosystem on Floreana, ensuring the survival of the 55 threatened species present there as well as reintroducing the 12 locally extinct species.

GALAPAGOS CONSERVATION TRUST

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Science & Conservation Programme

- **Endangered Sharks of Galapagos:** The launch of this multi-year programme built upon the success of our Galapagos Whale Shark Project and now encompasses a number of other endangered shark and marine species found within the Galapagos Marine Reserve. Dr Alex Hearn and Jonathan Green continue to be the key scientists on this programme. GCT provided the funding for a research trip to Darwin and Wolf islands, the fifth trip that GCT has supported in as many years. The team managed to sight 35 individual whale sharks, nine of which were also tagged. The data received from these tags are continuing to help conservationists understand the movements of whale sharks on both a local and regional scale. After the first ever wild whale shark ultrasound and blood samples were successfully taken in 2017, a key focus for 2018 was on the reproductive state of the female sharks in order to try to ascertain pregnancy using the same methods. Blood samples and ultrasounds were successfully taken from seven and 21 whale sharks respectively. The ultrasound images of the ovaries containing follicles and the blood chemical hormonal analysis give the team valuable insight into the reproductive status of the whale sharks. The team were unable to determine the presence or absence of embryos, however, they do now know that the large female whale sharks visiting the Galapagos waters are indeed sexually mature and are soon to copulate or may have recently done so. As well as these successes with the whale sharks, the team also managed to tag three scalloped hammerhead sharks. The data collected from these individuals and other pelagic species planned to be tagged in 2019 will help to provide the evidence needed to create a protected swimway between Galapagos and Cocos Islands National Park in Costa Rica.
- **Galapagos Tortoise Movement Ecology:** This programme has been running, with GCT's support, for over ten years. The project team, led by Dr Steve Blake, continue to track the movements of a cohort of hatchling tortoises on Santa Cruz island. In 2017-18, 36 tortoises from five different nesting zones were tracked. This data is helping to determine how environmental conditions influence the survival of Galapagos tortoises including egg mortality and hatchling growth and mortality. The results so far indicate that there is a dramatic increase in mortality of eggs and hatchlings with altitude of the nest sites, thought to be due to higher rainfall in the upper elevations causing nests to flood. Only with long-term data sets can trends be spotted over time. The project also continued to study tortoise-farm interactions to feed into land use planning which will ensure the farming community are engaged with tortoise conservation. In 2018, this work included a workshop with farmers and several representatives from local authorities. The scientific team presented to farmers the results of a pilot study on tortoise-human relationships that had been completed in 2017 and discussed their significance, whilst generating discussion on the general problems landowners consider to be most important in land management related to tortoises. Furthermore, a tortoise health study was undertaken with results expected to be published in 2019. This study aims to understand how human activities are impacting tortoise health with the primary aim to compare levels of antibiotic resistance of gut bacteria in tortoises.
- **Mangrove Finch Project:** 2018 proved to be a significant year for the Mangrove Finch Project team. GCT has supported four seasons of head-starting to date and a total of 39 fledglings have been released back into the wild. Of these, ten captive-reared birds have been observed surviving long-term post release and two of these have been confirmed as breeding with wild reared pairs. Following on from this success, in 2018 the team decided to focus entirely on techniques to protect nestlings in their natural nests during the two month peak of the breeding season. This decision came following comparison of the results from initial trials with permacap nest injections conducted on mangrove finches in 2017, with head-starting results. To date nest injections have enabled a minimum of 21 nestlings over two years to fledge in the wild, a significant improvement on population recruitment from wild birds, highlighting that this method could be a much more cost-effective and efficient way to conserve these birds in the wild.

GALAPAGOS CONSERVATION TRUST

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Education & Sustainability Programme

Our Education & Sustainability strategy, launched in 2017, has ensured GCT continues to expand work in this area. We focus much of our community outreach support on two of the main, most densely populated islands in Galapagos, Santa Cruz and San Cristobal.

- **Plastic Pollution Free Galapagos:** In 2018, we continued to develop this programme following its launch in 2017. Its aim is to tackle plastic pollution across the Archipelago, reducing the negative impact from the growing number of people living on and visiting the Islands. The following activities were undertaken in 2018:
 - GCT partnered with The Plastic Tide to undertake the first pilot project using drones to map plastic pollution on the coastlines of Galapagos.
 - We held two separate workshops for local stakeholders in Galapagos. The first was a 'Science to Solutions' workshop in May with a wide range of Galapagos stakeholders to address the key themes of modelling plastics in the system, behaviour change and impacts. The second, a workshop with the Directorate of the Galapagos National Park (GNP) in September, helped to redefine and prioritise the programme activities, which are expected to be integrated into the overall GNP ten-year plan in 2019.
 - We supported the 'Iguana Cup' project to encourage the adoption of a deposit-return scheme for reusable cups for on-the-go drinks bought by tourists and local people at participating outlets in Galapagos. 'Iguana Cups' are made of 100% recycled materials and promote a 'zero-waste' model.
 - We supported a sustainable scheme to reduce the number of plastic bags being used, working with local businesses to incentivise customers to purchase reusable, artisan-made bags, and to phase out plastic bag use.
 - Through our community outreach activities, we supported and reached out to 7,000 people.
- **Discovering Galapagos:** This website is continuing to go from strength to strength with visitor numbers growing to an average of over 5,200 per month on the English *discoveringgalapagos.org.uk* site (an increase of 35% compared to 2017) and over 13,100 per month on the Spanish language *descubriendogalapagos.ec* site (an increase of 25% compared to 2017). Over 50% of the visits to the *descubriendogalapagos.ec* site are from Ecuador. 2018 saw the launch of Tortoise Champions, an exciting programme designed for teachers and their class of budding young scientists to take a journey of discovery and bring the Galapagos giant tortoise to life in the classroom. In 2018, seven classes signed up, reaching over 200 children in the UK.
- **Education & Sustainability Outreach:** Delivery of our outreach programme in Galapagos continued to be a focus in 2018. We worked with a range of project partners to deliver sustainability and outreach projects on the Islands. Our activities in 2018 included:
 - **Shark Day:** We have supported three community Shark Days in Galapagos, with the most recent one in July 2018 being our most successful to date. Over 100 children attended and completed activities engaging them in a range of messages, including the importance of sharks as top predators in the food chain and the different species of sharks found in the Galapagos Marine Reserve.
 - **Tortoise outreach:** GCT supports the appointment of an outreach co-coordinator on Santa Cruz delivering activities linked to our Giant Tortoise Movement Ecology Programme. As part of this outreach, we developed and delivered 100 hours of learning for ten students from Tomas de Berlanga school on 'communicating science to communities'; conducted nine sessions on different aspects of tortoise movement ecology with over 20 14-18 year-old members of the Ecology Project International (EPI) club "Mola Mola"; gave training sessions to EPI instructors; and contributed to 16 half-day sessions with local and international groups representing a total of 283 students and teachers, 119 of which were from Galapagos. The data collected from these sessions support the science undertaken in the field.
 - **Oceans Outreach:** Our oceans outreach programme, run in partnership with the Galapagos Science Center, links directly with both our Endangered Sharks and Plastic Pollution Free Galapagos programmes. The outreach was launched in November 2018 and aims to: increase awareness of shark conservation in Galapagos communities and in coastal Ecuador; increase engagement opportunities with ocean conservation for the San Cristobal island community; schools and tourists; empower young people to generate and deliver conservation and sustainability projects; enable engaged young people to get quality work experience placements linked to conservation science programmes.

GALAPAGOS CONSERVATION TRUST

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Communication. We held three key events in 2018 to raise awareness and funds for our work. These were attended by over 620 GCT members, supporters and the general public.

- **Oceans Garden Party:** In the summer we held our annual Garden Party, this year's theme was around our Endangered Sharks of Galapagos programme. The evening included key talks from Jonathan Green, founder of the Galapagos Whale Shark Project, and Mark Brownlow, Series Producer of BBC *Blue Planet II*. HE the Ambassador of Ecuador and HE the Ambassador of Costa Rica spoke and gave their support to the Galapagos-Cocos swimway project. Successful live and silent auctions were held resulting in over £18,000 raised on the night.
- **Galapagos Day:** Our annual Galapagos Day event was held at the Royal Geographical Society in October to celebrate the conservation breakthroughs and innovations happening in Galapagos today. GCT Chair Dr Mark Collins introduced our CEO Sharon Johnson who set the scene with an introduction to the ground-breaking conservation happening on the Islands. Director of the Galapagos National Park (GNP), Dr Jorge Carrion gave a fascinating talk about the technology the GNP is using to monitor illegal fishing activity in the Galapagos Marine Reserve. The first ever plastic surveys in Galapagos to use drone technology were trialled in the summer of 2018. Ellie MacKay from The Plastic Tide was the lead drone expert working with GCT on this project, and she joined us to give us an exclusive look into what the footage revealed and what this could mean in the fight against marine plastic pollution across the world. Finally, we heard from Diego Ellis-Soto about how he and our partners from the Giant Tortoise Movement Ecology Programme are hoping to use cutting edge satellite tags and the International Space Station to track tortoise hatchlings. Overall, it was an inspiring and insightful evening with over 270 attendees. We received very positive feedback with 100% of respondents to a post-event feedback survey saying they would attend again.
- **'An Evening with Monty Halls' at Altitude London:** This event was hosted by Nick Mobley from the London School of Diving and Monty Halls, GCT President. Monty took us behind the scenes of his adventure to the Islands with his wife Tam and daughters Molly and Isla while they filmed the Channel 4 series 'My Family and Galapagos'. Fundraising on the night included a raffle and live auction and all money raised (£20k) was in support of GCT.

Partnerships. 2018 was a successful year in creating and strengthening partnerships in Galapagos. A partnership letter for our Plastic Pollution Free Galapagos programme was signed with the Galapagos National Park, and we began working with the GNP Directorate to secure the programme in the longer term GNP Management Plan (2014-2024) which is being finalised in 2019. We also signed an agreement with the Galapagos Science Center, which is a key partner in our Endangered Sharks of Galapagos and Plastic Pollution Free Galapagos programmes.

We undertook a project partner survey at the end of 2017 with recommendations implemented in our Partnership Agreement documentation 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 including Conservation International, Island Conservation, Massey University, University of Exeter, Durrell Wildlife Conservation Trust, GECO and the Charles Darwin Foundation.

GCT remains a Governing Member of the Charles Darwin Foundation.

3. FINANCIAL REVIEW

Overall income for the charity was £831,406 in 2018, compared to £667,745 in 2017, an increase in income of £163,660 (24.5%). We were grateful to receive a legacy of £150,000 and had a strong year for our events, cruise and appeals while donations and membership subscriptions were slightly lower than last year.

We were able to increase our expenditure on charitable activities to £628,153, an increase of 10% from the previous year. Expenditure on our two programme areas was £283,264 on Science & Conservation and £344,889 on Education & Sustainability, which includes awareness raising activities in the UK.

Expenditure on raising funds increased to £121,556 in 2018 from £110,508 the previous year.

Reserves

We ended the year with a surplus of £81,687 (2017: £10,485 deficit). At 31 December 2018 we carried forward total reserves of £747,084, of which £166,892 are in restricted funds. The Trustees have designated a total of £320,000 of the unrestricted funds to the two main programmes (£160,000 to Science & Conservation and £160,000 to Education & Sustainability). The unrestricted general funds stood at £260,192 (2017: £188,248) which is in line with our reserves policy.

GALAPAGOS CONSERVATION TRUST

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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 £235k to £270k that the Trustees consider 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. The favourable lease we have enjoyed at Portland Place is expected to end in 2019 and it is likely that we will have to incur the cost of moving offices and higher lease costs in future.

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 i.e. 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 2018 is the continuing decline of our membership income as we are no longer able to approach people who have visited Galapagos by using visitor data from the Galapagos National Park. We have begun to address this through our work with the tourism sector, however more work is needed in this area. We recruited a new fundraising Trustee in 2018 and will aim to recruit a further Trustee with a specific background in individual giving in 2019.

We are continuing to focus on diversifying our income into corporate fundraising with individuals from the corporate sector joining our Development Group to support this.

We identified safeguarding as a policy area not fully addressed, therefore we are developing a more robust policy in 2019. We will engage external specialist support to assess the risk and recommend an appropriate action plan for GCT to implement.

4. PLANS FOR THE FUTURE

2019 is an important year for GCT as our current three-year strategy comes to an end and we prepare for the launch of our next strategic plan starting in 2020. In the final year of our current strategy we have identified below the top priorities within each of our five Strategic Objectives:

Impact. We will continue to develop our longer term programmes within Science & Conservation and Education & Sustainability, including our two flagship programmes of Restoring Floreana and Plastic Pollution Free Galapagos. GCT's focus for the Floreana programme in 2019 will continue to be on mitigating the impacts of the eradication process on existing native species. We will fund partners to develop trials to identify the temporary captive holding needs for species that have been identified as being at risk of secondary poisoning from baiting during eradication phase, and to build capacity to transfer the expertise needed to local operators.

For our Plastic Pollution Free Galapagos programme, we will focus on accelerating our fundraising to keep pace with programme rollout. We will seed fund key projects identified in the programme's strategy across each theme - Physical, Biological and Human. We will use the strategy to guide partner fundraising through collateral; directly fundraise for project elements with a focus on corporate and trust fundraising; provide project management and partnership facilitation with key partners including Conservation International, the Galapagos Science Center, Charles Darwin Research Centre and the Galapagos National Park. A key objective early in 2019 is to secure the programme in the Galapagos National Park's Management Plan (2014-2024).

We will continue to develop and fundraise for our multi-year Endangered Sharks of Galapagos programme; build the narrative for our Galapagos Tortoise Movement Ecology programme to develop a three-year programme; and investigate developing a multi-year 'invasive species' programme to incorporate, whilst still supporting, the mangrove finch, vermillion flycatcher and land iguana projects.

GALAPAGOS CONSERVATION TRUST

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As part of our education and outreach activities, we will focus our oceans outreach work on San Cristobal partnering with the Galapagos Science Center to support our Plastics and Sharks programmes. We will also establish stronger collaboration with the Scalesia Foundation's Teacher Training programme via our oceans outreach links. We will continue to work with partners in the UK to further reach out to schools including working with Montessori, Erasmus Darwin House and the Darwin Correspondence Project.

Income. A key focus is to continue growing our income, which increased by 25% in 2018 to £814k (£667k in 2017). We plan to match this income target in 2019. We will continue to focus on major gifts from individuals and trusts, with a greater emphasis on expanding our donor base, while also aiming to increase our average grant size and secure a higher proportion of multi-year grants. We are now in a stronger position to raise income from corporate supporters, with the Development Group established to focus on raising funds for the Plastic Pollution Free Galapagos programme. We will build upon our work in 2018 with the tourism industry (tour operators in the UK and on boats in Galapagos), to increase our membership income, secure pro-bono consultancy support and develop our individual giving strategy.

Partnerships. We will continue to build upon the strong partnerships developed over the last few years especially with key delivery partners and government agencies in Galapagos, such as the Charles Darwin Foundation, Galapagos National Park and the Galapagos Science Center. We are developing closer working relations with the tourism industry (tour operators in the UK and on boats in Galapagos) in order to promote responsible tourism, with a particular focus on reducing plastic use.

Organisation. In 2018, we recruited a Chair-Elect to join our Board of Trustees and to take over from our current Chair, Dr Mark Collins when he retires after 12 years with the Trust in May 2019. In 2019, we will prepare our next Strategic Plan (2020-2023). Another key activity will be an office move planned for late 2019. A key priority in 2018 was to comply with new GDPR regulations and this will continue in 2019.

Communication. In 2019, we will continue to build our communications activities and become more proactive with the media. We will support community-led plastics communication campaigns and actions in Galapagos working in partnership with the Galapagos Science Center, linked to our oceans activities on San Cristobal. We also aim to use our Ambassadors more effectively to support our communications.

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.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

In 2018 GCT welcomed four new Trustees onto the Board. The Trustees who served during the year were:

Dr Mark Collins - Chair
Michael Drake – Vice Chair
Jonathan Lea – Honorary Treasurer
Dr Simon Dickson
Charmian Caines*
Sandra Charity*
Derek Humphries**
Chris Jarrett*
Dr Rebecca Nesbit
Jane Tozer*
Dr Marta Tufet

* Appointed on 17 September 2018

** Retired on 20 May 2018

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, where possible, advertising in the GCT magazine, on the GCT website, on other appropriate appointment 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.

Board Effectiveness

The Board has adopted a process for periodically reviewing its effectiveness and completed such a review in 2016.

Key Management Personnel

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

GDPR

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 which came into effect in 2018. A GDPR and Data Compliance framework was established outlining progress, which is reviewed quarterly by the Board.

Fundraising Disclosure

The majority of GCT's fundraising is from its members, individual donors, trusts and corporates. On occasion, we may fundraise from the general public through our events and through 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 complies 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. GCT received one minor complaint during the year related to the timing of fundraising communication. Staff responded immediately to resolve the complaint.

GALAPAGOS CONSERVATION TRUST

REPORT OF THE TRUSTEES

Staff and training

GCT is committed to improving the skills of its staff and supporting staff in their roles. 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. Staff training undertaken in 2018 includes time management, modern leadership for communicators, member retention strategies, writing successful applications, and fundraising now course. Furthermore, GCT is committed to the wellbeing of its staff and invests in perks including a weekly fruit bowl, tickets to relevant lectures and events, access to an occupational health provider and bi-annual staff away days.

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 just seven 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:

- Administration support
- Processing of appeal, membership and other transactions
- Supporting our communications including producing content for our website, blogs and social media
- Assisting staff at our major events by running our merchandise stand and selling raffle tickets
- Undertaking research tasks around our projects and networks
- Categorising our photography library
- Spanish translations for our Discovering Galapagos website

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: 20 May 2019

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 2018 set out on pages 14 to 29.

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,
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date: 3-6-19

GALAPAGOS CONSERVATION TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income:					
Donations and legacies	2	242,175	316,931	559,106	446,218
Charitable activities	3	108,078	-	108,078	118,923
Other trading activities	4	77,147	85,970	163,117	102,174
Investment income	5	1,105	-	1,105	430
Total income		428,505	402,901	831,406	667,745
Expenditure:					
Raising funds	6	121,566	-	121,566	110,508
Charitable activities	7	200,811	427,342	628,153	567,722
Total expenditure	8	322,377	427,342	749,719	678,230
Net income/(expenditure)		106,128	(24,441)	81,687	(10,485)
Transfers	17	(78,419)	78,419	-	-
Net movements in funds		27,709	53,978	81,687	(10,485)
Reconciliation of funds:					
Total funds brought forward		552,483	112,914	665,397	675,882
Total funds carried forward	19	580,192	166,892	747,084	665,397

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 17 to 29 form part of these financial statements

GALAPAGOS CONSERVATION TRUST

BALANCE SHEET

COMPANY NUMBER: 03004112

AS AT 31 DECEMBER 2018

	Notes	2018	2017
		£	£
Fixed assets			
Tangible fixed assets	14	3,028	2,688
Current assets			
Debtors	15	129,333	29,198
Cash and bank		<u>655,452</u>	<u>657,053</u>
		784,785	686,251
Creditors: Amounts falling due within one year	16	<u>(40,729)</u>	<u>(23,542)</u>
Net current assets		744,056	662,709
Net assets		<u>747,084</u>	<u>665,397</u>
Restricted funds	17	166,892	112,914
Unrestricted funds			
Designated funds	18	320,000	364,235
General funds		260,192	188,248
Total funds	19	<u>747,084</u>	<u>665,397</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

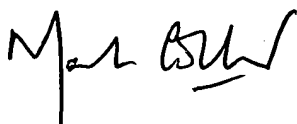
The Trustees acknowledge their responsibilities for:

- 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 20 May 2019 and signed on its behalf by:

Dr Mark Collins
Chairman



Jonathan Lea
Treasurer



The notes on pages 17 to 29 form part of these financial statements.

GALAPAGOS CONSERVATION TRUST**CASHFLOW STATEMENT****AS AT 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	22	322	9,279
Net cash provided by (used in) operating activities		<u>322</u>	<u>9,279</u>
Cash flows from investing activities:			
Bank Interest received		1,105	430
Purchase of tangible fixed assets		(3,028)	(2,102)
Net cash provided by (used in) investing activities		<u>(1,923)</u>	<u>(1,672)</u>
Change in cash and cash equivalents in the reporting period		(1,601)	7,607
Cash and cash equivalents at the beginning of the reporting period		657,053	649,446
Cash and cash equivalents at the end of the reporting period		<u>655,452</u>	<u>657,053</u>

The notes on pages 17 to 29 form part of these financial statements

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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 2017), 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 2017.

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 2018

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 2018

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 2018

2. DONATIONS AND LEGACIES

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Donations	55,337	313,136	368,473	391,295
Legacies	150,000	-	150,000	10,000
Tax recoverable under Gift Aid	36,838	3,795	40,633	44,923
	242,175	316,931	559,106	446,218

In 2017, £115,286 of donations and legacies income was attributable to unrestricted funds and £330,932 was attributable to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Memberships	108,078	-	108,078	118,923
	108,078	-	108,078	118,923

In 2017 all of the income from charitable activities was attributable to unrestricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Fundraising events	46,812	19,100	65,912	50,564
Appeals and raffles	13,651	66,870	80,521	41,491
Fundraising trading	16,684	-	16,684	10,119
	77,147	85,970	163,117	102,174

In 2017, £70,626 of income from other trading activities was attributable to unrestricted funds and £31,548 was attributable to restricted funds.

5. INVESTMENT INCOME

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Bank interest	1,105	-	1,105	430

In 2017, all of the investment income was attributable to unrestricted funds.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

6. RAISING FUNDS

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Costs of generating voluntary income	121,566	-	121,566	110,508
	<u>121,566</u>	<u>-</u>	<u>121,566</u>	<u>110,508</u>

In 2017 all of the expenditure was attributable to the unrestricted fund.

7. CHARITABLE ACTIVITIES

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Education and Sustainability	128,527	216,362	344,889	263,468
Science and Conservation	72,284	210,980	283,264	304,254
	<u>200,811</u>	<u>427,342</u>	<u>628,153</u>	<u>567,722</u>

In 2017 £190,145 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £377,577 being attributable to the restricted fund.

8. ANALYSIS OF EXPENDITURE

	Direct Charitable £	Grant Making (note 9) £	Support Costs (note 10) £	Total 2018 £	Total 2017 £
Raising Funds:					
Generating income	93,533	-	28,033	121,566	110,508
Charitable Activities:					
Education and Sustainability	165,063	108,117	71,709	344,889	263,468
Science and Conservation	76,380	162,709	44,175	283,264	304,254
	<u>334,976</u>	<u>270,826</u>	<u>143,917</u>	<u>749,719</u>	<u>678,230</u>

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. ANALYSIS OF GRANTS COMMITTED DURING THE YEAR

	2018	2017
	£	£
Restricted		
<u>Education and Sustainability</u>		
Discovering Galapagos	6,919	7,083
General Education	-	2,000
Outreach in Galapagos	39,211	15,625
Teacher Training	-	7,844
Flagship: Plastic Pollution Programme	61,987	17,791
Visitor Experience	-	2,062
<u>Science and Conservation</u>		
Seabird Surveys	-	3,000
Giant Tortoise Movement Ecology Project	24,480	29,084
Mangrove Finch Project	23,467	48,664
Flagship: Floreana Native Species Restoration	51,536	52,762
Land Iguana Project	-	5,000
Endangered Sharks Programme	41,226	24,509
Marine Invasive Project	22,000	30,960
Total grants committed	270,826	246,384

9.1 Reconciliation of grants payable

	2018	2017
	£	£
Commitments at 1 January 2018	-	-
Grants committed during the year	270,826	246,384
Grants paid during the year	(270,826)	(246,384)
Commitments at 31 December 2018	-	-

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. SUPPORT COSTS

	2018	2017
	£	£
Governance costs (note 11)	25,639	19,135
Administrative office function	38,317	39,486
Depreciation	2,688	1,643
HR & Recruitment	21,665	564
Premises costs	55,608	42,608
	143,917	103,436

11. GOVERNANCE COSTS

	2018	2017
	£	£
Independent examination fee		
- Fee for the year	4,000	4,000
- Under provision in prior years	80	296
	4,080	4,296
Staff costs	21,559	14,839
	25,639	19,135

The increase in staff costs in 2018 represented staff time spent on trustee recruitment and GDPR activities in the year.

12. NET INCOME/ (EXPENDITURE) FOR THE YEAR

	2018	2017
	£	£
This is stated after charging:		
Depreciation	2,688	1,643
Independent examination fee	4,080	4,296
Operating lease costs	48,427	42,721

GALAPAGOS CONSERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

13.

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

	2018	2017
Salaries and wages	229,947	213,532
Social security costs	18,519	17,765
Pension costs	5,033	4,402
	253,499	235,699
The total average monthly number of employees (full-time equivalent) during the year were as follows:		
Generating funds	2	1
Charitable activities	7	7
	9	8

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 (2017: one employee £60,000 to £69,999). During 2018, no Trustees were paid or received any other benefits from employment with the charitable company (2017: £nil). 1 (2017: 1) Trustee was reimbursed for travel and meeting expenses amounting to £890 (2017: £419). 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 £99,958 (2017: £113,024).

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

14. TANGIBLE FIXED ASSETS	Fixtures and Fittings £	Computer Equipment £	Total £
Cost			
At 1 January 2018	13,256	32,843	46,099
Additions	-	3,028	3,028
	<hr/>	<hr/>	<hr/>
At 31 December 2018	13,256	35,871	49,127
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2018	13,256	30,155	43,411
Charge for the year	-	2,688	2,688
	<hr/>	<hr/>	<hr/>
At 31 December 2018	13,256	32,843	46,099
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31 December 2018	-	3,028	3,028
	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	2,688	2,688
	<hr/>	<hr/>	<hr/>
15. DEBTORS		2018 £	2017 £
Accrued income		118,080	14,198
Tax recoverable under Gift Aid		10,244	12,455
Other debtors and prepayments		1,009	2,545
		<hr/>	<hr/>
		129,333	29,198
		<hr/>	<hr/>
16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2018 £	2017 £
Accruals and deferred income		35,352	23,401
Other creditors		5,377	141
		<hr/>	<hr/>
		40,729	23,542
		<hr/>	<hr/>

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

17 RESTRICTED FUNDS – Current year

	1 January 2018	Income	Expenditure	Transfers	31 December 2018
	£	£	£	£	£
Restricted funds					
<u>Education and Sustainability</u>					
Discovering Galapagos	-	5,830	(41,792)	35,962	-
Outreach in Galapagos	-	30,000	(50,675)	20,675	-
Flagship: Plastic Pollution Programme	50,000	132,669	(123,895)	7,219	65,993
 <u>Science and Conservation</u>					
Giant Tortoise Movement Ecology Project	3,678	23,684	(33,358)	5,996	-
Mangrove Finch Project	9,236	22,690	(28,938)	1,231	4,219
Floreana Native Species Restoration Fund	50,000	107,434	(70,754)	-	86,680
Endangered Sharks Programme	-	58,594	(55,930)	7,336	10,000
Marine Invasive Project	-	22,000	(22,000)	-	-
	112,914	402,901	(427,342)	78,419	166,892

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 project supports the understanding of tortoise movement and ecology on the Islands; the mangrove finch project 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:

General and designated funds totalling £78,419 have been transferred in the year as planned. £63,856 was transferred into Education & Sustainability programme to provide increased support in this area, particularly for our outreach work which was a major focus in 2018; and £14,563 into our Science & Conservation programme to support our giant tortoise, mangrove finch and endangered shark projects.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

17.1 RESTRICTED FUNDS – Prior 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

18. DESIGNATED FUNDS – Current year

	1 January 2018	New designation	Designations released	Transfers	31 December 2018
	£	£	£	£	£
Designated funds					
Science and Conservation	182,118	160,000	(167,555)	(14,563)	160,000
Education and Sustainability	182,117	160,000	(118,261)	(63,856)	160,000
	364,235	320,000	(285,816)	(78,419)	320,000

Science & Conservation and Education & Sustainability are the two key strategic areas of work for the Trust. £160,000 has been designated into each area in line with the planned programme spend in 2019. These reserves provide us with a strong base from which to implement our strategy to increase our impact in Galapagos.

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

18.1 DESIGNATED FUNDS – Prior 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
	<u>400,000</u>	<u>364,235</u>	<u>(364,235)</u>	<u>(35,765)</u>	<u>364,235</u>

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

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2018 are represented by:			
Tangible fixed assets	3,028	-	3,028
Cash at bank and in hand	564,795	90,657	655,452
Other net current assets	12,369	76,235	88,604
	<u>580,192</u>	<u>166,892</u>	<u>747,084</u>

19.1 ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Prior 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/(liabilities)	10,715	(5,059)	5,656
	<u>552,483</u>	<u>112,914</u>	<u>665,397</u>

GALAPAGOS CONSERVATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

20. OPERATING LEASE COMMITMENTS

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

	Land and buildings	
	2018	2017
	£	£
Expiry date:		
Within one year	21,504	42,758
Between one and five years	-	21,504

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. The Royal Society for Public Health is currently looking to sell its lease and therefore GCT is on a short lease running until June 2019. GCT is expected to sign another short lease prior to this date unless notice is issued by the Royal Society of Public Health in which case, GCT is expected to move offices prior to the end of 2019.

21. RELATED PARTY TRANSACTIONS

There are no related party transactions during the period (2017: £ nil).

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

	2018	2017
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	81,687	(10,485)
Adjustments for:		
Bank Interest	(1,105)	(430)
Depreciation charges	2,688	1,643
(Increase)/Decrease in debtors	(100,135)	1,569
Increase in creditors	17,187	16,982
Net cash provided by (used in) operating activities	322	9,279