

The Island Trust Limited
(Limited by Guarantee)

Unaudited Annual Report

Year ended 31 December 2022

Company Registration No: 3107339

Charity Registration No: 1049722

The Island Trust Limited

(Limited by Guarantee)

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The Island Trust Limited

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Year ended 31 December 2022

Trustees' Annual Report

The trustees present their annual report and financial statements of the charitable company for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with 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 and Republic of Ireland (FRS 102).

1. Objectives and activities for the public benefit

The charity was formed to enable disadvantaged young people to enjoy the benefits of sailing, which are perceived to help with their personal development, confidence and motivation. The charity caters for any type of disadvantaged young person, none of whom could even contemplate sailing without the trust's help. It has supported the following:

- Young people from inner cities and areas of deprivation
- Those suffering financial hardship
- Those with special educational needs, including
 - The visually and hearing impaired
 - Young people with learning difficulties
 - Young people with learning and/or physical disability
- Those with behavioural difficulties

The trustees confirm that they have taken into account 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.

2. Achievements and performance

After two years of restrictions due to the Covid-19 pandemic, we were able to return to normal operations in early April 2022, and we sailed through until mid-October, enabling 566 young people to take part in sailing voyages with us. We had a wonderful sailing season taking young people all along the south coast to Hope Cove, Burgh Island, Portmellon Cove, Gorran Haven, Dartmouth, Weymouth, over to The Isle of Wight to take part in the ASTO (Association of Sail Training Organisations) small ships race, to Gosport and Osborne Bay (in the Solent), to Milford Haven and Pembroke Dock (in Wales) and we even managed our first visit in a while to France, sailing over to Paimpol where Pegasus took part in the Classic Channel Regatta. It was fantastic to be able to resume sailing and take young people on so many sailing adventures this year.

We sailed with many groups in 2022 and Next Steps, a home education group from Cornwall, sailed with us for the first time. They were very keen to take part and benefitted hugely from their days out.

After a one-off visit last year when we discovered the extent of the demands and stress among a group of young carers, who are themselves disabled, we were able to start a programme that allows these carers to come sailing with us regularly.

Several individuals who sailed with us showed a particular interest in learning more about sailing both as a sporting activity and as a possible future career. These young people have been recommended by our skippers to return to sail with us on future voyages both to continue to develop their sailing skills and potentially to join our trainee programme.

The impact of our work has been positive, young people who sailed with us have told us that being on board our traditionally rigged boats and taking part in sailing activities enables them to forget the stresses and worries that they felt in their home lives. They enjoyed learning new skills as they sailed together as a team and took part in physical activities they ordinarily would not have been able to participate in.

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2. Achievements and performance (continued)

At nearly 78 years old, our venerable flagship, Johanna Lucretia, needed essential restoration works to ensure her ongoing seaworthiness. She underwent a programme of works over the winter of 2022/23 and was ready to re-commence youth sail training in the spring. The total cost was substantial and funding the work has greatly depleted our funds.

The competition for funding has increased since the pandemic and it has become more difficult to obtain. However, we continue to focus our fundraising efforts to ensure that we can meet our charitable aims. We are long established and in 2023 we are celebrating our 50th Anniversary. To have helped so many disadvantaged young people over the last 50 years is a tremendous achievement. We remain as committed as ever to continuing the work of the trust for many years to come.

3. Financial Review

Results

The trust's income increased from £329,440 in 2021 to £771,831 in 2022. This increase was due to a generous legacy.

Johanna Lucretia, our 96ft topsail schooner that is the flagship of our fleet, required an extensive refit and maintenance programme over the winter. Part of the legacy was spent on this in late 2022 and the rest was earmarked for the remaining works that were completed in early 2023. The result is that the trust has returned to the same financial position that it was in prior to receipt of the legacy although, of course, Johanna Lucretia is now in excellent condition.

Our expenditure rose by £128,863. Part of this increase was due to an increase in the amount expended on sailing courses for beneficiaries and the other part reflected the work done to Johanna Lucretia over the winter of 2022/23. As ever the trust has to balance the desire to employ excellent crews and maintain the boats to the highest standards with the need to keep costs under control.

Once again, we are also extremely grateful to the Reardon Smith Nautical Trust, The Frank Jackson Foundation, the Association of Sail Training Organisations (ASTO) and The Ironmongers' Company for their continued annual support.

4. Investment powers and policy

The investment powers are to invest in the name of the charity such parts of the funds as is felt fit and to direct the sale or transposition of such investments and to expend the proceeds of any such sale in furtherance of the objectives of the charity.

The trust's policy is to manage its investments in a manner that aims to provide a high and growing income, while at the same time protecting the capital from the erosive effect of inflation. The trust's policy is also to achieve this objective by investing in one or more major charitable unit trusts rather than investing the money directly itself.

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5. Risk management

The trustees identify and review from time to time the risks to which the charity is materially exposed and the action to be taken to mitigate them. Presently, they are seen as:

- a lack of funds adequate to support the charity's activities.
- an accident to one of the charity's beneficiaries whose costs are not wholly met by insurance and which results in a substantial claim on the charity for negligence and/or breach of contract.

In respect of the former, trustees raise as much money as they are able and have in place safeguards to ensure they do not commit funds in excess of those available.

In respect of the latter, contracts for the provision of tuition are between those being sponsored and our operating subsidiary, Island (Cutter) Ltd, and the trust's role is to help fund the costs of its activities without being a party to the contract.

6. Reserves policy

The trust's income is largely unpredictable, both as to timing and quantum, whereas operations by the fleet of the subsidiary, Island (Cutter) Ltd, require forward commitments incurring expenditure. The trustees therefore consider it desirable to maintain a general reserve of 6 month's anticipated expenditure. This reserve is deployed in a blend of bank balances.

At 31 December 2022 the trust had free reserves of £584,069 (2021: £343,926). This figure includes loans made to our operating subsidiary Island (Cutter) Ltd for the purchase of our boats. In the opinion of the trustees, a more realistic picture of our financial reserves is given by the trust's cash at bank and in hand. This stood at £339,509 at the end of 2022, up from £132,195 at the end of 2021. Most of the excess cash balance was earmarked to be spent on the completion of the refit and maintenance programme for Johanna Lucretia. This has now occurred and the trust's cash at bank and in hand has returned to a similar level to that at the end of 2021.

7. Plans for future periods

We will work towards building a sustainable future by rebuilding our reserves.

8. Structure, governance and management

Governing document

The company was incorporated on 27 September 1995 and is limited by guarantee, having no share capital. It is a registered charity and is governed by its Memorandum and Articles of Association.

At 31 December 2022 the company had 5 members. In the event of the company being wound up the liability of each member is limited to £10.

Organisation

The Island Trust Limited is administered by a board consisting of at least three trustees and they also serve as directors. The trustees are, in the main, people with professional experience combined with a background of considerable business experience. They currently include people with experience in sailing and people with none, but all sharing a commitment and enthusiasm for bringing the benefits for sail training to young people who because they are disadvantaged in some form or another would otherwise never have the chance to take part.

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8. Structure, governance and management (continued)

Appointment of trustees

Trustees are appointed by the members or existing trustees.

Trustee induction and training

Newly appointed trustees are given a full introduction to the background and work of the trust, and are provided with all the necessary documents. They are also encouraged to visit Plymouth where sail training takes place and our boats are based, and to meet and listen to the young people who are benefiting from the work of the trust.

Related parties

During 2006 a subsidiary trading company, Island (Cutter) Limited, was set up, its purpose being to build a boat which is now being chartered to organisations including ourselves. Formal loan agreements exist between the charity and the subsidiary.

Key management personnel remuneration

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 10 to the financial statements.

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9. Legal and administrative details

Trustees and directors

S C L Dobson (Chairman)
S W Arnold
C E Cleaves
J M Lloyd
C J Macdonald-Brown
R F Lloyd MBE (passed away 14 October 2022)
R F Riding (passed away 11 May 2022)

Independent Examiner

Neil Hitchings FCA
Francis Clark LLP
Chartered Accountants
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Solicitors

TLT LLP
One Redcliff Street
BRISTOL
BS1 6TP

Bankers

Lloyds Bank plc
High Street
EXETER
EX4 3NL

Registered Office

17 Halyards
Topsham
EXETER
EX3 0JU

Registered Number

3107339

Registered Charity Number

1049722

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Trustees' Annual Report

10. Trustees' Responsibilities in Relation to the Financial Statements

The charity trustees (who are also the directors of The Island Trust Limited for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the 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;
- 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 business.

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

11. Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By Order of the Board



S C L Dobson
Trustee

Date

15/7/2023

The Island Trust Limited
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Independent Examiner's Report to the Trustees

I report on the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Charity (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 Charity 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 charity'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 ICAEW, 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:

1. accounting records were not kept in respect of the Charity 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.

Signed:


Neil Hitchings FCA
Francis Clark LLP
Chartered Accountants
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Date 24/7/23

The Island Trust Limited
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Statement of Financial Activities
(incorporating the Income and Expenditure Account)

		Restricted funds £	Unrestricted funds £	2022 Total funds £	2021 Total funds £
INCOME	Notes				
Donations and legacies	4	71,665	614,457	686,122	228,383
Income from charitable activities	5	-	43,397	43,397	75,181
Income from other trading activities	6	-	8,214	8,214	6,449
Investment income	7	-	34,098	34,098	19,427
Total income		71,665	700,166	771,831	329,440
EXPENDITURE					
Cost of raising funds		-	30,729	30,729	29,013
Expenditure on charitable activities					
Sailing courses for beneficiaries		-	324,186	324,186	208,917
Grants payable		47,295	-	47,295	168,060
Other costs	8	-	232,643	232,643	100,000
Total expenditure	8	47,295	587,558	634,853	505,990
Net Income/(expenditure) for the year		24,370	112,608	136,978	(176,550)
Transfers between funds	17	(127,142)	127,142	-	-
Net movement in funds		(102,772)	239,750	136,978	(176,550)
Reconciliation of funds					
Total funds brought forward		441,565	344,592	786,157	962,707
Total funds carried forward		338,793	584,342	923,135	786,157
2022				2022	2021
				£	£
Represented by:					
Fixed assets		-	273	273	666
Current assets (including debtors over one year)		338,793	591,697	930,490	816,934
Liabilities		-	(7,628)	(7,628)	(31,443)
		338,793	584,342	923,135	786,157
2021				2021	2020
				£	£
Represented by:					
Fixed assets		-	666	666	642
Current assets (including debtors over one year)		441,565	375,369	816,934	1,003,546
Liabilities		-	(31,443)	(31,443)	(41,481)
		441,565	344,592	786,157	962,707

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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Balance Sheet

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	11	272	665
Investments - unlisted	12	1	1
		<u>273</u>	<u>666</u>
Current assets			
Debtors	13	76,189	90,794
Debtors due after more than one year	13	514,792	593,945
Cash at bank and in hand		339,509	132,195
		<u>930,490</u>	<u>816,934</u>
Creditors - Amounts falling due within one year	14	(7,628)	(31,443)
Net current assets		<u>922,862</u>	<u>785,491</u>
Total assets less current liabilities		923,135	786,157
Creditors - Amounts falling due after one year	14	-	-
Net assets		<u>923,135</u>	<u>786,157</u>
The Funds of the Charity			
Income funds			
Restricted funds	17	338,793	441,565
Unrestricted funds	17	584,342	344,592
Total charity funds		<u>923,135</u>	<u>786,157</u>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

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

These financial statements were approved by the members of the Board on 15/7/23 and are signed on their behalf by:



S C L Dobson
Trustee

Registered Company Number: 3107339

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Notes to the financial statements

1 Accounting policies (continued)

(e) Income

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

For legacy income, entitlement is taken as the earlier of the date: when the charity becomes aware that probate has been granted; when the estate has been finalised and notification made by the executors that a distribution will be made; or when the distribution is received.

Investment income is recognised on a receivable basis.

Income in respect of contributions towards sailing activities is recognised when the charity is entitled to the funds.

(f) Expenditure

Expenditure is included on an accruals basis. Overhead and other costs not directly attributable to particular functional activities are apportioned over the relevant categories on the basis of management estimates of the amount of costs relevant to that activity. The irrecoverable element of VAT is included within the item of expense to which it relates.

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Costs of charitable activities include expenditure associated with the cost of sailing activities and include both the direct costs and support costs relating to those activities.

(g) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments which are initially recognised at transaction value. The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Investments;
- Intercompany loan

2 Legal status of the trust

The trust is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

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Notes to the financial statements

3 Subsidiary undertakings

The charity wholly owns the UK subsidiary Island (Cutter) Limited. The subsidiary's principal activity is the hire of boats for transport for in excess of ten people. Trading results for the year ended 31 December 2022, extracted from its accounts, are shown below:

	2022	2021
	£	£
Turnover and other income	503,585	528,337
Cost of sales and administration costs	(657,229)	(502,783)
Interest payable	(35,031)	(20,636)
Profit/(Loss) for the financial year	<u>(188,675)</u>	<u>4,918</u>

The assets and liabilities of the subsidiary were:

Tangible fixed assets	652,579	703,274
Current assets	69,740	25,471
Current liabilities	(173,360)	(134,314)
Creditors due after more than one year	(1,015,193)	(871,990)
Aggregate share capital and reserves - deficiency	<u>(466,234)</u>	<u>(277,559)</u>

4 Donations and legacies

	2022	2022	2022	2021
	Restricted	Unrestricted	Total	Total
	Funds	Funds	£	£
	£	£	£	£
Donations	71,665	109,974	181,639	228,070
Legacies	-	504,483	504,483	313
	<u>71,665</u>	<u>614,457</u>	<u>686,122</u>	<u>228,383</u>

Of the £686,122 (2021: £228,383) income from donations and legacies in 2022, £71,665 (2021: £176,573) were restricted funds and £614,457 (2021: £51,810) were unrestricted.

5 Income from charitable activities

	2022	2022	2022	2021
	Restricted	Unrestricted	Total	Total
	Funds	Funds	£	£
	£	£	£	£
Sailing activities	-	43,397	43,397	75,181
	<u>-</u>	<u>43,397</u>	<u>43,397</u>	<u>75,181</u>

The income was wholly for sailing activities, all of which was unrestricted.

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Notes to the financial statements

6 Income from other trading activities

	2022 Restricted Funds £	2022 Unrestricted Funds £	2022 Total £	2021 Total £
Fundraising events	-	8,214	8,214	6,449
	<u>-</u>	<u>8,214</u>	<u>8,214</u>	<u>6,449</u>
	<u>-</u>	<u>8,214</u>	<u>8,214</u>	<u>6,449</u>

7 Investment income

	2022 Restricted Funds £	2022 Unrestricted Funds £	2022 Total £	2021 Total £
Dividends	-	-	-	-
Interest	-	34,098	34,098	19,427
	<u>-</u>	<u>34,098</u>	<u>34,098</u>	<u>19,427</u>
	<u>-</u>	<u>34,098</u>	<u>34,098</u>	<u>19,427</u>

All comparative income was unrestricted.

8 Expenditure

	2022 Restricted Funds £	2022 Unrestricted Funds £	2022 Total £	2021 Total £
Sailing expenses	-	298,886	298,886	164,852
Depreciation	-	105	105	166
Support costs (Note 8a)	-	55,924	55,924	72,912
Grants payable – Covid19 support paid to subsidiary	47,295	-	47,295	168,060
Other costs – provision against amounts due from subsidiary	-	232,355	232,355	100,000
Loss on disposal of fixed asset	-	288	288	-
	<u>47,295</u>	<u>587,558</u>	<u>634,853</u>	<u>505,990</u>
	<u>47,295</u>	<u>587,558</u>	<u>634,853</u>	<u>505,990</u>

For the year ended 31 December 2022 expenditure on charitable activities (including grants payable) was £371,481 (2021: £376,977) of which £324,186 (2021: £146,400) was unrestricted and £47,295 (2021: 230,577) was restricted. Cost of raising funds of £30,729 (2021: £29,013) was unrestricted.

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Notes to the financial statements

8a Allocation of support costs

The Trust allocates its support costs on the basis of usage as shown below:

	2022	2022	2022	2021
	Sailing	Costs of	Total	Total
Support costs	Activities	raising funds	£	£
Wages	15,368	28,430	43,798	62,523
Printing, postage and stationery	1,117	-	1,117	805
Running expenses	3,153	-	3,153	3,087
Travel and subsistence	1,266	-	1,266	196
Bank charges	111	-	111	110
Campaign costs	-	339	339	267
Donation collection costs	-	278	278	112
Subscriptions	-	290	290	290
Fundraising	-	820	820	825
PR & Marketing	15	-	15	389
Miscellaneous	-	572	572	193
<i>Governance costs:</i>				
Accountancy and legal	4,165	-	4,165	4,115
	<u>25,195</u>	<u>30,729</u>	<u>55,924</u>	<u>72,912</u>

Included in the above are recharged wages relating to one employee used on a part time basis. Costs of generating voluntary income include costs relating to two fundraisers who are engaged on a part time basis.

No employees were paid in excess of £60,000.

9 Taxation

The company is a registered charity and its charitable activities are exempt from corporation tax.

10 Trustees' emoluments and key management personnel

No remuneration was received by the trustees during the year and no trustees were reimbursed for expenditure (2021: £nil reimbursed expenses). The key management personnel of the Trust comprise the trustees.

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Notes to the financial statements

11 Fixed assets – tangible

	Fixtures & fittings £	Total £
Cost		
At 1 January 2022	9,349	9,349
Disposals	(7,527)	(7,527)
At 31 December 2022	<u>1,822</u>	<u>1,822</u>
Depreciation		
At 1 January 2022	8,684	8,684
Charge for the year	105	105
Eliminated on disposal	(7,239)	(7,239)
At 31 December 2022	<u>1,550</u>	<u>1,550</u>
Net book value		
At 31 December 2022	<u>272</u>	<u>272</u>
At 31 December 2021	<u>665</u>	<u>665</u>

12 Investments

	£
Unlisted investments	
Subsidiary undertaking at cost	
As at 1 January 2022 and 31 December 2022	<u>1</u>

The unlisted subsidiary undertaking is Island (Cutter) Limited whose principal activity is the operation of three boats. Its registered office is 17 Halyards, Topsham, Exeter, EX3 0JU. The Island Trust Limited owns 100% of the subsidiary's ordinary shares.

13 Debtors

	2022 £	2021 £
Due within one year:-		
Prepayments and accrued income	516	478
Tax recoverable	2,134	1,473
Accrued Income	2,125	-
Amounts owed by subsidiary undertaking	71,414	88,843
	<u>76,189</u>	<u>90,794</u>
Due after more than one year:-		
Amounts owed by subsidiary undertaking	514,792	593,945
	<u>590,981</u>	<u>684,739</u>

A formal loan agreement exists between the subsidiary and the charity. The amounts due after more than one year are shown net of a provision against recoverability of £466,234 (2021: £233,879).

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Notes to the financial statements

14 Creditors

	2022 £	2021 £
Amounts falling due within one year:		
Trade creditors	49	552
Trustee Loan	-	25,000
PAYE and social security	2,559	3,191
Accruals and deferred income	5,020	2,700
	<u>7,628</u>	<u>31,443</u>
Amounts falling due after one year:		
Trustee Loan	-	-
	<u>-</u>	<u>-</u>

15 Members' liability

The company is limited by guarantee. At 31 December 2022 there were 5 members, whose maximum liability in the event of the company being wound up is £10 each.

16 Control

The company is under the control of its Trustees.

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Notes to the financial statements

17 Funds

2022

	1 Jan 2022 £	Incoming resources £	Expenditure £	Transfer £	31 Dec 2022 £
Restricted funds					
The Frank Jackson Foundation- Capital	298,555	-	-	(25,774)	272,781
Sailing courses	61,159	46,590	-	(89,409)	18,340
Boat refit costs	-	25,075	-	(2,503)	22,572
Peter Harrison Foundation	26,300	-	-	(1,200)	25,100
Coronavirus Covid-19 support	55,551	-	(47,295)	(8,256)	-
	<u>441,565</u>	<u>71,665</u>	<u>(47,295)</u>	<u>(127,142)</u>	<u>338,793</u>
Unrestricted funds	344,592	700,166	(587,558)	127,142	584,342
Total funds	<u>786,157</u>	<u>771,831</u>	<u>(634,853)</u>	<u>-</u>	<u>923,135</u>

2021

	1 Jan 2021 £	Incoming resources £	Expenditure £	Profit/(loss) on Investments/ Transfer £	31 Dec 2021 £
Restricted funds					
The Frank Jackson Foundation	15,000	-	-	(15,000)	-
The Frank Jackson Foundation - Capital	324,330	-	-	(25,775)	298,555
Sailing courses	91,356	49,684	(79,881)	-	61,159
Equipment	-	440	-	(440)	-
Peter Harrison Foundation	27,500	-	-	(1,200)	26,300
Coronavirus Covid-19 support	79,798	126,449	(150,696)	-	55,551
	<u>537,984</u>	<u>176,573</u>	<u>(230,577)</u>	<u>(42,415)</u>	<u>441,565</u>
Unrestricted funds	424,723	152,867	(275,413)	42,415	344,592
Total funds	<u>962,707</u>	<u>329,440</u>	<u>(485,871)</u>	<u>-</u>	<u>786,157</u>

Restricted funds represent money received by the charity subject to conditions requiring the charity to spend the money on specified purposes.

The Island Trust Limited

(Limited by Guarantee)

31 December 2022

Notes to the financial statements

17 Funds (continued)

Monies received from The Frank Jackson Foundation were specified for the building of a boat. The boat is held as an asset in Island (Cutter) Limited, the charity's subsidiary company. A transfer will be made each year releasing the depreciation on the asset to unrestricted funds.

Monies received from the Peter Harrison Foundation were restricted for the purposes of the new boat purchase, this has therefore been recorded as restricted. The boat is held as an asset in Island (Cutter) Limited, the charity's subsidiary company. A transfer will be made each year releasing the depreciation on the asset to unrestricted funds.

Other restricted donations during the year related to specific sail training trips and the refit and maintenance programme for Johanna Lucretia, of which £18,340 and £22,572 respectively, remains to be spent in 2023.

The remaining Coronavirus Covid-19 support was fully expended during the year.

18 Related parties

At 31 December 2022, £1,052,440 (2021: £916,667) was owed to the parent charity by its subsidiary (before a provision of £466,234). A formal loan agreement exists between the charity and the Island (Cutter) Limited. Interest is to be paid on the loan at 2% above the base rate of Lloyds Bank, as varied from time to time. During the year £34,040 (2021: £19,417) has been received.