

**The Island Trust Limited**  
(Limited by Guarantee)

**Unaudited Annual Report**

**Year ended 31 December 2023**

**Company Registration No: 3107339**

**Charity Registration No: 1049722**

**The Island Trust Limited**  
(Limited by Guarantee)

<b>Contents</b>	<b>Page</b>
Trustees' Annual Report (incorporating the Directors' Report)	1
Independent Examiner's Report to the Trustees	7
Statement of Financial Activities (incorporating the Income and Expenditure Account)	8
Balance Sheet	9
Notes and Accounting Policies	10

# The Island Trust Limited

(Limited by Guarantee)

Year ended 31 December 2023

## Trustees' Annual Report

The trustees present their annual report and financial statements of the charitable company for the year ended 31 December 2023. 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

2023 marked a significant milestone for The Island Trust as we celebrated our 50<sup>th</sup> Anniversary. In a sailing season in which we enabled 620 young people to take part in inspirational sailing voyages, we celebrated our 50<sup>th</sup> year at the Royal Thames Yacht Club in London. Led by our trustee Charters Macdonald-Brown, we acknowledged the hard work of our staff and volunteers and thanks to many of our supporters we raised significant funds to support The Island Trust. Gracie Chick, a former beneficiary and now volunteer, spoke at the Dinner and shared her experience of sailing with The Island Trust:

*"Sailing has shown me that it is understanding what we're capable of and seeing a future to aspire to that will bring us hope in the first place. It has also shown me that it just takes the right environment to unlock a young person's potential."*

Starting in early April 2023, we sailed through to the end of October, our 620 beneficiaries (defined as being aged under 25) learning through sailing and maritime activities with us. Our sailing voyages supported individuals from special schools and community groups and some who joined us independently, all of whom either live in financial deprivation and/or have a physical or learning disability. We successfully ran 28-day voyages as part of our Ocean Discoverability programme, supporting 181 young people from local special schools and community groups such as Pencalenick School, Coombe Pafford School, Next Steps, Cann Bridge School and The Beckly Centre. 52 home-educated young people joined us for voyages across the year, some of these young people are living with a learning disability, high levels of anxiety, poor mental health and eating disorders or behavioural difficulties. Some had never seen the sea before, let alone sailed offshore, so the sense of wellbeing gained from fresh air, exercise, and interaction with others in a marine environment was inspiring and memorable.

During the winter of 2022/2023, Johanna Lucretia underwent an extensive programme of restoration and maintenance, which was extremely costly and depleted our financial reserves. This programme of essential work also meant that we were unable to sail on Johanna Lucretia for nine weeks of the sailing season, which further impacted our financial situation.

# **The Island Trust Limited**

**(Limited by Guarantee)**

Year ended 31 December 2023

## Trustees' Annual Report

### **2. Achievements and performance (continued)**

To safeguard the future of the Trust, our board of trustees, very reluctantly, decided to reduce our fleet from three boats to one. We will continue to operate Johanna Lucretia, a very fine 96ft topsail schooner, which will enable us to take the maximum numbers of beneficiaries while operating with one boat. Our two other boats, Pegasus and Moosk, are currently up for sale.

The trustees, who know our staff and our boats well, made this decision with great sadness but with the Trust's longevity and core charitable objectives at heart. The paramount goal remains to provide disadvantaged young people with the opportunity to widen their horizons and develop their skills and capabilities through the joy and challenges of learning to sail.

The trustees recognise the immense importance of the Trust's supporters and donors to the continuing fulfilment of its charitable objectives and have asked for everyone's continued dedication and assistance during this period of change. Contributions, whether through participation, engagement, or financial assistance, will play a crucial role in shaping the future of The Island Trust.

### **3. Financial Review**

#### **Results**

The trust's income decreased from £771,831 in 2022 to £433,721 in 2023. A generous legacy was received in 2022, boosting income in that year. Income in 2023 returned to a more normal level.

Johanna Lucretia, our 96ft topsail schooner that is the flagship of our fleet, required an extensive refit and maintenance programme over the winter of 2022/23. The substantial legacy received in 2022 financed this refit and maintenance programme. Part of the legacy was spent on this in late 2022 with the remainder being spent in early 2023. Expenditure rose by £152,582 as a result.

It is expected that the reduction in the size of our fleet will substantially reduce expenditure in 2024. 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 extremely grateful to the Reardon Smith Nautical Trust, The Frank Jackson Foundation, The Sonardyne Foundation, The Ironmongers' Company and The Swire Charitable Trust for their continued annual support for the Trust. We would also like to thank the Association of Sail Training Organisations (ASTO) for their support and partnership across many areas of our operation.

### **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.

# The Island Trust Limited

(Limited by Guarantee)

Year ended 31 December 2023

## Trustees' Annual Report

### 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 2023 the Trust had free reserves of £288,534 (2022: £584,342). 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 £80,925 at the end of 2023, down from £339,509 at the end of 2022. The cost of the completion of the refit and maintenance programme for Johanna Lucretia accounted for the reduction in the cash balance. Cash reserves at the end of 2023 stood at less than 6 month's anticipated annual expenditure.

### 7. Plans for future periods

We will work towards building a sustainable future by rebuilding our reserves to the stated desired level through our fundraising programme.

### 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 2023 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.

# **The Island Trust Limited**

**(Limited by Guarantee)**

Year ended 31 December 2023

Trustees' Annual Report

## **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.

**The Island Trust Limited**  
(Limited by Guarantee)  
Year ended 31 December 2023

Trustees' Annual Report

**9. Legal and administrative details**

<b>Trustees and directors</b>	S C L Dobson (Chairman) S W Arnold C E Cleaves J M Lloyd C J Macdonald-Brown
<b>Independent Examiner</b>	Neil Hitchings FCA Francis Clark LLP Chartered Accountants Centenary House Peninsula Park Rydon Lane EXETER EX2 7XE
<b>Solicitors</b>	TLT LLP One Redcliff Street BRISTOL BS1 6TP
<b>Bankers</b>	Lloyds Bank plc High Street EXETER EX4 3NL
<b>Registered Office</b>	17 Halyards Topsham EXETER EX3 0JU
<b>Registered Number</b>	3107339
<b>Registered Charity Number</b>	1049722

# **The Island Trust Limited**

**(Limited by Guarantee)**

Year ended 31 December 2023

## 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

30 May 2024  
Date

# The Island Trust Limited

(Limited by Guarantee)

Year ended 31 December 2023

## 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 2023.

### 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 5 June 2024

# The Island Trust Limited

(Limited by Guarantee)

Year ended 31 December 2023

## Statement of Financial Activities (incorporating the Income and Expenditure Account)

		Restricted funds £	Unrestricted funds £	2023 Total funds £	2022 Total funds £
<b>INCOME</b>	<b>Notes</b>				
Donations and legacies	4	105,083	87,401	<b>192,484</b>	686,122
Income from charitable activities	5	-	63,046	<b>63,046</b>	43,397
Income from other trading activities	6	-	88,059	<b>88,059</b>	8,214
Investment income	7	-	90,132	<b>90,132</b>	34,098
<b>Total income</b>		<b>105,083</b>	<b>328,638</b>	<b>433,721</b>	771,831
<b>EXPENDITURE</b>					
Cost of raising funds		-	47,854	<b>18,982</b>	30,729
<b>Expenditure on charitable activities</b>					
Sailing courses for beneficiaries		-	411,871	<b>411,871</b>	324,186
Grants payable		-	-	-	47,295
<b>Other costs</b>	8	-	327,710	<b>327,710</b>	232,643
<b>Total expenditure</b>	8	-	<b>787,435</b>	<b>787,435</b>	634,853
<b>Net Income/(expenditure) for the year</b>		<b>105,083</b>	<b>(458,797)</b>	<b>(353,714)</b>	136,978
Transfers between funds	17	(162,989)	162,989	-	-
<b>Net movement in funds</b>		<b>(57,906)</b>	<b>(295,808)</b>	<b>(353,714)</b>	136,978
<b>Reconciliation of funds</b>					
Total funds brought forward		338,793	584,342	<b>923,135</b>	786,157
<b>Total funds carried forward</b>		<b>280,887</b>	<b>288,534</b>	<b>569,421</b>	923,135
<b>2023</b>				<b>2023</b>	<b>2022</b>
				<b>£</b>	<b>£</b>
<b>Represented by:</b>					
Fixed assets		-	219	<b>219</b>	273
Current assets (including debtors over one year)		280,887	364,785	<b>645,672</b>	930,490
Liabilities		-	(76,470)	<b>(76,470)</b>	(7,628)
		<b>280,887</b>	<b>288,534</b>	<b>569,421</b>	923,135
<b>2022</b>				<b>2022</b>	<b>2021</b>
				<b>£</b>	<b>£</b>
<b>Represented by:</b>					
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)
		<b>338,793</b>	<b>584,342</b>	<b>923,135</b>	<b>786,157</b>

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

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## Balance Sheet

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	218	272
Investments - unlisted	12	1	1
		<u>219</u>	<u>273</u>
<b>Current assets</b>			
Debtors	13	112,291	76,189
Debtors due after more than one year	13	452,456	514,792
Cash at bank and in hand		80,925	339,509
		<u>645,672</u>	<u>930,490</u>
<b>Creditors</b> - Amounts falling due within one year	14	(76,470)	(7,628)
<b>Net current assets</b>		<u>569,202</u>	<u>922,862</u>
Total assets less current liabilities		569,421	923,135
<b>Net assets</b>		<u><u>569,421</u></u>	<u><u>923,135</u></u>
<b>The Funds of the Charity</b>			
<b>Income funds</b>			
Restricted funds	17	280,887	338,793
Unrestricted funds	17	288,534	584,342
<b>Total charity funds</b>		<u><u>569,421</u></u>	<u><u>923,135</u></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 30 May 2024 and are signed on their behalf by:

**S C L Dobson**  
Trustee

**Registered Company Number: 3107339**



# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## 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.

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## 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 2023, extracted from its accounts, are shown below:

	2023	2022
	£	£
Turnover and other income	578,808	503,585
Cost of sales and administration costs	(815,870)	(657,229)
Interest payable	(90,648)	(35,031)
Profit/(Loss) for the financial year	<u>(327,710)</u>	<u>(188,675)</u>

The assets and liabilities of the subsidiary were:

Tangible fixed assets	570,120	652,579
Current assets	30,510	69,740
Current liabilities	(124,008)	(173,360)
Creditors due after more than one year	(1,270,566)	(1,015,193)
Aggregate share capital and reserves - deficiency	<u>(793,944)</u>	<u>(466,234)</u>

### 4 Donations and legacies

	2023	2023	2023	2022
	Restricted	Unrestricted	Total	Total
	Funds	Funds		
	£	£	£	£
Donations	105,083	87,401	192,484	181,639
Legacies	-	-	-	504,483
	<u>105,083</u>	<u>87,401</u>	<u>192,484</u>	<u>686,122</u>

Of the £192,484 (2022: £686,122) income from donations and legacies in 2023, £105,083 (2022: £71,665) were restricted funds and £87,401 (2022: £614,457) were unrestricted.

### 5 Income from charitable activities

	2023	2023	2023	2022
	Restricted	Unrestricted	Total	Total
	Funds	Funds		
	£	£	£	£
Sailing activities	-	63,046	63,046	43,397
	<u>-</u>	<u>63,046</u>	<u>63,046</u>	<u>43,397</u>

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

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## Notes to the financial statements

### 6 Income from other trading activities

	2023 Restricted Funds £	2023 Unrestricted Funds £	2023 Total £	2022 Total £
Fundraising events	-	88,059	<b>88,059</b>	8,214
	-	88,059	<b>88,059</b>	8,214

### 7 Investment income

	2023 Restricted Funds £	2023 Unrestricted Funds £	2023 Total £	2022 Total £
Dividends	-	-	-	-
Interest	-	90,132	<b>90,132</b>	34,098
	-	90,132	<b>90,132</b>	34,098

All comparative income was unrestricted.

### 8 Expenditure

	2023 Restricted Funds £	2023 Unrestricted Funds £	2023 Total £	2022 Total £
Sailing expenses	-	383,075	<b>383,075</b>	298,886
Depreciation	-	54	<b>54</b>	105
Support costs (Note 8a)	-	76,596	<b>76,596</b>	55,924
Grants payable – Covid19 support paid to subsidiary	-	-	-	47,295
Other costs – provision against amounts due from subsidiary	-	327,710	<b>327,710</b>	232,355
Loss on disposal of fixed asset	-	-	-	288
	-	<b>787,435</b>	<b>787,435</b>	634,853

For the year ended 31 December 2023 expenditure on charitable activities was £441,871 (2022: £371,481) of which £441,871 (2022: £324,186) was unrestricted and £nil (2022: £47,295) was restricted. Cost of raising funds of £47,854 (2022: £30,729) was unrestricted.

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## Notes to the financial statements

### 8a Allocation of support costs

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

	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Sailing</b>	<b>Costs of</b>	<b>Total</b>	<b>Total</b>
<b>Support costs</b>	<b>Activities</b>	<b>raising funds</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages	18,632	30,069	<b>48,701</b>	43,798
Printing, postage and stationery	1,189	-	<b>1,189</b>	1,117
Running expenses	1,916	-	<b>1,916</b>	3,153
Travel and subsistence	1,396	-	<b>1,396</b>	1,266
Bank charges	133	-	<b>133</b>	111
Campaign costs	-	16,282	<b>16,282</b>	339
Donation collection costs	-	163	<b>163</b>	278
Subscriptions	-	195	<b>195</b>	290
Fundraising	-	720	<b>720</b>	820
PR & Marketing	158	-	<b>158</b>	15
Miscellaneous	-	425	<b>425</b>	572
<i>Governance costs:</i>				
Accountancy and legal	5,318	-	<b>5,318</b>	4,165
	<u><b>28,742</b></u>	<u><b>47,854</b></u>	<u><b>76,596</b></u>	<u><b>55,924</b></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 (2022: £nil reimbursed expenses). The key management personnel of the Trust comprise the trustees.

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## Notes to the financial statements

### 11 Fixed assets – tangible

	Fixtures & fittings £	Total £
<b>Cost</b>		
At 1 January 2023	1,822	1,822
Disposals	-	-
<b>At 31 December 2023</b>	<u>1,822</u>	<u>1,822</u>
<b>Depreciation</b>		
At 1 January 2023	1,550	1,550
Charge for the year	54	54
<b>At 31 December 2023</b>	<u>1,604</u>	<u>1,604</u>
<b>Net book value</b>		
<b>At 31 December 2023</b>	<u>218</u>	<u>218</u>
At 31 December 2022	<u>272</u>	<u>272</u>

### 12 Investments

	£
<b>Unlisted investments</b>	
Subsidiary undertaking at cost	
As at 1 January 2023 and 31 December 2023	<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

	2023 £	2022 £
<b>Due within one year:-</b>		
Trade debtors	244	-
Prepayments and accrued income	254	516
Tax recoverable	4,323	2,134
Accrued Income	1,000	2,125
Amounts owed by subsidiary undertaking	106,470	71,414
	<u>112,291</u>	<u>76,189</u>
<b>Due after more than one year:-</b>		
Amounts owed by subsidiary undertaking	452,456	514,792
	<u>564,747</u>	<u>590,981</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 £793,944 (2022: £466,234).

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## Notes to the financial statements

### 14 Creditors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade creditors	120	49
Trustee Loan	70,000	-
PAYE and social security	3,038	2,559
Accruals and deferred income	3,312	5,020
	<u>76,470</u>	<u>7,628</u>

### 15 Members' liability

The company is limited by guarantee. At 31 December 2023 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.

# The Island Trust Limited

(Limited by Guarantee)

31 December 2023

## Notes to the financial statements

### 17 Funds

#### 2023

	1 Jan 2023	Incoming resources	Expenditure	Transfer	31 Dec 2023
	£	£	£	£	£
<b>Restricted funds</b>					
The Frank Jackson Foundation-Capital	272,781	-	-	(25,774)	<b>247,007</b>
Sailing courses	18,340	60,083	-	(68,443)	<b>9,980</b>
Boat refit costs	22,572	40,000	-	(62,572)	-
Equipment	-	5,000	-	(5,000)	-
Peter Harrison Foundation	25,100	-	-	(1,200)	<b>23,900</b>
	<u>338,793</u>	<u>105,083</u>	<u>-</u>	<u>(162,989)</u>	<u><b>280,887</b></u>
Unrestricted funds	584,342	328,638	(787,435)	162,989	<b>288,534</b>
<b>Total funds</b>	<b><u>923,135</u></b>	<b><u>433,721</u></b>	<b><u>(787,435)</u></b>	<b><u>-</u></b>	<b><u>569,421</u></b>

#### 2022

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

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 2023

## 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.

#### Donor Acknowledgements

Incoming resources in respect of sailing courses include:

The Steel Charitable Trust	£7,500
TKF Spirit Fund	£5,808

Incoming resources in respect of the Johanna Lucretia refit and maintenance programme 'Next Step Appeal' include awards from:

The Sonardyne Foundation	£25,000 (2022: £25,000)
The Swire Charitable Trust	£15,000

### 18 Related parties

At 31 December 2023, £1,352,870 (2022: £1,052,440) was owed to the parent charity by its subsidiary (before a provision of £793,944). 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 £90,132 (2022: £34,098) has been received.

During the year, Trustees S Dobson and C Macdonald-Brown, each loaned the charity £35,000. The loan is interest free with no formal loan agreement. At 31 December 2023, £70,000 (2022: £nil) was owed to the Trustees by the charity.