

The Island Trust Limited
(Limited by Guarantee)

Unaudited Annual Report

Year ended 31 December 2024

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 2024

Trustees' Annual Report

The trustees present their annual report and financial statements of the charitable company for the year ended 31 December 2024. 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

2024 was about purpose and partnership for The Island Trust. Following our reluctant decision at the end of the 2023 season to reduce the trust's fleet from three boats to one, we only operated Johanna Lucretia. By trimming our operating costs we successfully ran a full sailing season, providing hundreds of young people with the opportunity of learning to sail, including a large number of returning beneficiaries furthering their Royal Yachting Association (RYA) qualifications. Many of our young sailors come from financially deprived backgrounds, have physical or learning disabilities, while others come from Special Educational Needs schools, community groups or might be home educated and joining us individually.

Our voyages along the beautiful South West coastline included destinations from the Isles of Scilly to Salcombe, Dartmouth and the Isle of Wight.

To support our charitable work we also run adventure sailing weeks and Duke of Edinburgh's Award Gold Residentials during the school holidays for independent young people, which attracts a mix of non-beneficiaries and beneficiaries. Participants take responsibility for all aspects of life on board, from helming and navigation to cooking, keeping the boat clean and tidy, getting the sails up and rowing ashore. We remain committed to our mission to empower and inspire young people through the transformative experience of sailing, gaining not only nautical skills but also confidence, resilience, and unforgettable memories.

At quieter times we welcome adults on board for paid day sails and five night voyages. One such group from a rehabilitation charity joined us for a sailing and wild swimming experience to enjoy the benefits of cold water swimming.

We continued to provide day-voyages as part of our Ocean Discoverability programme benefitting over 100 participants, helping young people from Special Educational Needs schools and day centres across Plymouth, Devon and Cornwall overcome obstacles to accessing the ocean. Many of our disabled beneficiaries are first-timers, having never previously experienced the level of independence that they enjoy on board a boat. Sailing is a great activity for both mind and body, enabling even those who have a disability, or are not used to being active, to face their challenges and have the chance to try something new.

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2. Achievements and performance (continued)

The start of October saw us head to one of our favourite events of the season, the annual 'round-the-cans' Small Ships Race in Cowes, Isle of Wight, run by the Association of Sail Training Organisations (ASTO). A tough course for Johanna Lucretia to complete, but such determination was shown by our young crew, leading us to win two awards.

In order to flourish going forward we need additional income streams. We are exploring new commercial ventures that align with our charitable mission to provide supplementary income, alongside plans for fresh funding avenues to create a wider base of supporters.

We would like to extend our heartfelt thanks to our loyal and long-standing supporters. The generosity and commitment of our repeat donors and grant-making organisations remain the cornerstone of our work. Thanks to your support, hundreds of young lives have been positively impacted this year alone.

As we look ahead, we remain focused on our core mission: to offer opportunity, build self-belief, and unlock potential through the experience of sail training.

We are delighted to share the news that 2025 sees the return of Moosk into operation, on which we are offering a number of teenage and adult RYA courses and Duke of Edinburgh's Award Gold Residentials and Expeditions for the under 25s.

Our sincere thanks go to everyone who sailed with us, supported us, or shared in our journey in 2024.

3. Financial Review

Results

The trust's income decreased from £433,721 in 2023 to £284,147 in 2024. In 2023 we held a fundraising dinner in London celebrating our 50th year in operation. Gross income from this event amounted to £88,059. The absence of a similar event in 2024 accounted for a major part of the decrease in income. In addition, the trust and its operating subsidiary, Island (Cutter) Limited, only operated one boat in 2024 rather than three in 2023 and this accounted for the remainder of the decline in income.

In late 2023 the trustees made the painful but necessary decision to reduce the scale of the trust's activities in order to reduce costs. Our two smaller vessels, Pegasus and Moosk, were taken out of service. In the first half of 2025, Pegasus was sold. This has enabled the trust and its operating subsidiary to make substantial cost savings in operations both ashore and afloat.

Our expenditure of £393,678 was significantly lower than in 2023 due to cost savings made through the reduction in the size of our operations. In both 2023 and 2024, expenditure also included a provision against loans made by the trust to its operating subsidiary. These loans financed the purchase and upkeep of the boats. Excluding this provision, which is a non-cash item, the trust recorded a small surplus in income over expenditure in 2024.

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

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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.

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) Limited, 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 quantity, whereas operations by the fleet of the subsidiary, Island (Cutter) Limited, require forward commitments incurring expenditure. The trustees therefore consider it desirable to maintain a general reserve of 6 months' anticipated expenditure. This reserve is deployed in a blend of bank balances.

At 31 December 2024 the trust had free reserves of £213,967 (2023: £288,315). This figure includes loans made to our operating subsidiary Island (Cutter) Limited 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 £31,765 at the end of 2024, down from £80,925 at the end of 2023.

7. Plans for future periods

We will endeavour to deliver the trust's core charitable objective, namely to enable disadvantaged young people to enjoy the benefits of sailing, whilst seeking to raise sufficient funds to ensure the financial stability of the whole organisation.

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.

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8. Structure, governance and management (continued)

At 31 December 2024 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.

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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Trustees' Annual Report

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

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 11 August 2025

The Island Trust Limited
(Limited by Guarantee)
Year ended 31 December 2024

Independent Examiner's Report to the Trustees

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2024.

Responsibilities and basis of report

As the 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 : 14 August 2025

The Island Trust Limited
(Limited by Guarantee)
Year ended 31 December 2024

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

| | | Restricted funds £ | Unrestricted funds £ | 2024 Total funds £ | 2023 Total funds £ |
|---|--------------|-----------------------|-------------------------|--------------------------|--------------------------|
| INCOME | Notes | | | | |
| Donations and legacies | 4 | 77,146 | 66,775 | 143,921 | 192,484 |
| Income from charitable activities | 5 | - | 40,310 | 40,310 | 63,046 |
| Income from other trading activities | 6 | - | - | - | 88,059 |
| Investment income | 7 | - | 99,916 | 99,916 | 90,132 |
| Total income | | 77,146 | 207,001 | 284,147 | 433,721 |
| EXPENDITURE | | | | | |
| Cost of raising funds | 8 | - | 35,020 | 35,020 | 47,854 |
| Expenditure on charitable activities Sailing courses for beneficiaries | 8 | - | 226,893 | 226,893 | 411,871 |
| Other costs | 8 | - | 131,765 | 131,765 | 327,710 |
| Total expenditure | 8 | - | 393,678 | 393,678 | 787,435 |
| Net Income/(expenditure) for the year | | 77,146 | (186,677) | (109,531) | (353,714) |
| Transfers between funds | 17 | (112,285) | 112,285 | - | - |
| Net movement in funds | | (35,139) | (74,392) | (109,531) | (353,714) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 280,887 | 288,534 | 569,421 | 923,135 |
| Total funds carried forward | | 245,748 | 214,142 | 459,890 | 569,421 |
| 2024 | | | | 2024 | 2023 |
| | | | | £ | £ |
| Represented by: | | | | | |
| Fixed assets | | - | 175 | 175 | 219 |
| Current assets (including debtors over one year) | | 245,748 | 291,089 | 536,837 | 645,672 |
| Liabilities | | - | (77,122) | (77,122) | (76,470) |
| | | 245,748 | 214,142 | 459,890 | 569,421 |
| 2023 | | | | 2023 | 2022 |
| | | | | £ | £ |
| Represented by: | | | | | |
| Fixed assets | | - | 219 | 219 | 273 |
| Current assets (including debtors over one year) | | 280,887 | 364,785 | 645,672 | 930,490 |
| Liabilities | | - | (76,470) | (76,470) | (7,628) |
| | | 280,887 | 288,534 | 569,421 | 923,135 |

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 | 2024 £ | 2023 £ |
|--|-------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 174 | 218 |
| Investments - unlisted | 12 | 1 | 1 |
| | | <u>175</u> | <u>219</u> |
| Current assets | | | |
| Debtors | 13 | 164,532 | 112,291 |
| Debtors due after more than one year | 13 | 340,540 | 452,456 |
| Cash at bank and in hand | | 31,765 | 80,925 |
| | | <u>536,837</u> | <u>645,672</u> |
| Creditors - Amounts falling due within one year | 14 | (77,122) | (76,470) |
| Net current assets | | <u>459,715</u> | <u>569,202</u> |
| Total assets less current liabilities | | <u>459,890</u> | <u>569,421</u> |
| Net assets | | <u><u>459,890</u></u> | <u><u>569,421</u></u> |
| The Funds of the Charity | | | |
| Income funds | | | |
| Restricted funds | 17 | 245,748 | 280,887 |
| Unrestricted funds | 17 | 214,142 | 288,534 |
| Total charity funds | | <u><u>459,890</u></u> | <u><u>569,421</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 11 August 2025 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 2024, extracted from its accounts, are shown below:

| | 2024 | 2023 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Turnover and other income | 337,575 | 578,808 |
| Cost of sales and administration costs | (369,816) | (815,870) |
| Interest payable | (99,524) | (90,648) |
| Profit/(Loss) for the financial year | <u>(131,765)</u> | <u>(327,710)</u> |

The assets and liabilities of the subsidiary were:

| | | |
|---|-------------------------|-------------------------|
| Tangible fixed assets | 502,975 | 570,120 |
| Current assets | 39,402 | 30,510 |
| Current liabilities | (187,670) | (124,008) |
| Creditors due after more than one year | (1,280,416) | (1,270,566) |
| Aggregate share capital and reserves - deficiency | <u>(925,709)</u> | <u>(793,944)</u> |

4 Donations and legacies

| | 2024 | 2024 | 2024 | 2023 |
|-----------|----------------------|----------------------|-----------------------|-----------------------|
| | Restricted | Unrestricted | Total | Total |
| | Funds | Funds | | |
| | £ | £ | £ | £ |
| Donations | 77,146 | 66,775 | 143,921 | 192,484 |
| Legacies | - | - | - | - |
| | <u>77,146</u> | <u>66,775</u> | <u>143,921</u> | <u>192,484</u> |

Of the £143,921 (2023: £192,484) income from donations and legacies in 2024, £77,146 (2023: £105,083) were restricted funds and £66,775 (2023: £87,401) were unrestricted.

5 Income from charitable activities

| | 2024 | 2024 | 2024 | 2023 |
|--------------------|-------------------|----------------------|----------------------|----------------------|
| | Restricted | Unrestricted | Total | Total |
| | Funds | Funds | | |
| | £ | £ | £ | £ |
| Sailing activities | - | 40,310 | 40,310 | 63,046 |
| | <u>-</u> | <u>40,310</u> | <u>40,310</u> | <u>63,046</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

| | 2024 Restricted Funds £ | 2024 Unrestricted Funds £ | 2024 Total £ | 2023 Total £ |
|--------------------|----------------------------------|------------------------------------|--------------------|----------------------|
| Fundraising events | - | - | - | 88,059 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>88,059</u> |
| | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>88,059</u></u> |

All comparative income was unrestricted.

7 Investment income

| | 2024 Restricted Funds £ | 2024 Unrestricted Funds £ | 2024 Total £ | 2023 Total £ |
|----------|----------------------------------|------------------------------------|----------------------|----------------------|
| Interest | - | 99,916 | 99,916 | 90,132 |
| | <u>-</u> | <u>99,916</u> | <u>99,916</u> | <u>90,132</u> |
| | <u><u>-</u></u> | <u><u>99,916</u></u> | <u><u>99,916</u></u> | <u><u>90,132</u></u> |

All comparative income was unrestricted.

8 Expenditure

| | 2024 Restricted Funds £ | 2024 Unrestricted Funds £ | 2024 Total £ | 2023 Total £ |
|---|----------------------------------|------------------------------------|-----------------------|-----------------------|
| Sailing expenses | - | 201,925 | 201,925 | 383,075 |
| Depreciation | - | 44 | 44 | 54 |
| Support costs (Note 8a) | - | 59,944 | 59,944 | 76,596 |
| Other costs – provision against amounts due from subsidiary | - | 131,765 | 131,765 | 327,710 |
| | <u>-</u> | <u>393,678</u> | <u>393,678</u> | <u>787,435</u> |
| | <u><u>-</u></u> | <u><u>393,678</u></u> | <u><u>393,678</u></u> | <u><u>787,435</u></u> |

For the year ended 31 December 2024 expenditure on charitable activities was £226,893 (2023: £411,871) of which £226,893 (2023: £411,871) was unrestricted and £nil (2023: £nil) was restricted. Cost of raising funds of £35,020 (2023: £47,854) 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:

| | 2024 | 2024 | 2024 | 2023 |
|----------------------------------|----------------|-----------------|---------------|---------------|
| | Sailing | Costs of | Total | Total |
| Support costs | £ | £ | £ | £ |
| Wages | 15,806 | 31,412 | 47,218 | 48,701 |
| Printing, postage and stationery | 847 | - | 847 | 1,189 |
| Running expenses | 1,587 | - | 1,587 | 1,916 |
| Travel and subsistence | 724 | - | 724 | 1,396 |
| Bank charges | 159 | - | 159 | 133 |
| Campaign costs | - | 2,000 | 2,000 | 16,282 |
| Donation collection costs | - | 113 | 113 | 163 |
| Subscriptions | - | 141 | 141 | 195 |
| Fundraising | - | 1,320 | 1,320 | 720 |
| PR & Marketing | 448 | - | 448 | 158 |
| Miscellaneous | - | 34 | 34 | 425 |
| <i>Governance costs:</i> | | | | |
| Accountancy and legal | 5,353 | - | 5,353 | 5,318 |
| | 24,924 | 35,020 | 59,944 | 76,596 |

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 (2023: £nil). Trustee J Lloyd was reimbursed for expenditure totalling £335 (2023: £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 2024 | 1,822 | 1,822 |
| Disposals | (1,397) | (1,397) |
| At 31 December 2024 | <u>425</u> | <u>425</u> |
| Depreciation | | |
| At 1 January 2024 | 1,604 | 1,604 |
| Charge for the year | 44 | 44 |
| Eliminated on disposal | (1,397) | (1,397) |
| At 31 December 2024 | <u>251</u> | <u>251</u> |
| Net book value | | |
| At 31 December 2024 | <u>174</u> | <u>174</u> |
| At 31 December 2023 | <u>218</u> | <u>218</u> |

12 Investments

| | £ |
|---|----------|
| Unlisted investments | |
| Subsidiary undertaking at cost | |
| As at 1 January 2024 and 31 December 2024 | <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

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Due within one year:- | | |
| Trade debtors | 162 | 244 |
| Prepayments and accrued income | 198 | 254 |
| Tax recoverable | - | 4,323 |
| Accrued Income | 363 | 1,000 |
| Amounts owed by subsidiary undertaking | 163,809 | 106,470 |
| | <u>164,532</u> | <u>112,291</u> |
| Due after more than one year:- | | |
| Amounts owed by subsidiary undertaking | 340,540 | 452,456 |
| | <u>505,072</u> | <u>564,747</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 £925,709 (2023: £793,944).

The Island Trust Limited

(Limited by Guarantee)

31 December 2024

Notes to the financial statements

14 Creditors

| | 2024 | 2023 |
|---|----------------------|----------------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade creditors | 917 | 120 |
| Trustee Loan | 70,000 | 70,000 |
| PAYE and social security | 2,545 | 3,038 |
| Accruals and deferred income | 3,660 | 3,312 |
| | <u>77,122</u> | <u>76,470</u> |

15 Members' liability

The company is limited by guarantee. At 31 December 2024 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

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Notes to the financial statements

17 Funds

2024

| | 1 Jan 2024 | Incoming resources | Expenditure | Transfer | 31 Dec 2024 |
|--------------------------------------|-----------------------|-----------------------|-------------------------|------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds | | | | | |
| The Frank Jackson Foundation-Capital | 247,007 | - | - | (25,775) | 221,232 |
| Sailing courses | 9,980 | 74,146 | - | (82,626) | 1,500 |
| Boat refit costs | - | - | - | - | - |
| Equipment | - | 3,000 | - | (2,684) | 316 |
| Peter Harrison Foundation | 23,900 | - | - | (1,200) | 22,700 |
| | <u>280,887</u> | <u>77,146</u> | <u>-</u> | <u>(112,285)</u> | <u>245,748</u> |
| Unrestricted funds | 288,534 | 207,001 | (393,678) | 112,285 | 214,142 |
| Total funds | <u>569,421</u> | <u>284,147</u> | <u>(393,678)</u> | <u>-</u> | <u>459,890</u> |

2023

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

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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:

| | |
|-----------------|------------------------|
| TKF Spirit Fund | £11,506 (2023: £5,808) |
|-----------------|------------------------|

Other incoming resources include:

| | |
|--------------------------|-------------------------|
| The Sonardyne Foundation | £25,000 (2023: £25,000) |
|--------------------------|-------------------------|

18 Related parties

At 31 December 2024, £1,430,058 (2023: £1,352,870) was owed to the parent charity by its subsidiary (before a provision of £925,709). A formal loan agreement exists between the charity and 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 £99,032 (2023: £90,132) has been received.

At 31 December 2024, £70,000 (2023: £70,000) was owed by the charity to the trustees S Dobson and C Macdonald-Brown in an interest free loan with no formal loan agreement.