



The Island Initiative

Annual Report: 2020 – 2021

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Reference and administrative information

Charity number	1179271
Country of registration	England
Registration date	20 July 2019
Organisation type	Charitable Incorporated Organisation (“CIO”)
Operational address	The Gables, Hornblotton, Somerset, BA46SF
Trustees	Charles Watson Hinano Bagnis Mathew McHugh Michael Youkee Tobias Coe Vae Tracqui
Bankers	Barclays Bank
Solicitors	Trowers & Hamlins
Independent examiner	Ark Accountancy

Independent Examiner's Report to the Trustees of The Island Initiative

I report on the accounts for the year ended 30 June 2021, which are set out on pages 8 to 14.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the 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.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

Mary E Ryan
FCCA
Ark Accountancy
Chartered Certified Accountant
31 Cheam Road
Epsom
Surrey
KT17 1QX

Date:19 April 2022.....

CHAIRMANS INTRODUCTION

This was without doubt a deeply frustrating year for The Island Initiative.

COVID 19 essentially saw French Polynesia closed down throughout the period and the corresponding travel restrictions meant that no members of our team could visit our projects and progress the various initiatives that we were hoping to develop.

The above being noted, we have been encouraged to learn from the local community in Anaa, that the benefits of our fisheries conservation work are starting to make themselves apparent. Local fisherman are reporting large increases in bonefish fry reappearing in the lagoon and we were delighted to hear that the Rahui closed season which we initiated three years ago has continued to be observed enthusiastically.

With the islands now opening up again, it is our priority to return to quantify scientifically these results, as well as progress the various related development projects that we had initiated, but unavoidably had to put on hold.

We very much look forward to reactivating our important work to help small island communities in the coming months and we thank all The Island Initiative's friends and supporters for their forbearance and continued support during such a challenging time for all concerned.

Trustees report for The Island Initiative year ended 30 June 2021

Covid-19 impact on French Polynesia:

Covid-19 had a very significant impact on French Polynesia during the year through to the end of June 2021. The country was the worst affected area in Oceania in terms of total confirmed cases and deaths per population. The most significant Covid wave in the country occurred between September 2020 and January 2021 which resulted in The Island Initiative putting on hold much of its planned work and projects. Travel to the small islands of the Tuamotu was severely restricted.

With an economy mainly based on tourism and relying on importation for food and goods Covid-19 has impacted all sectors of the economy and will have significant ramifications for some time.

Achievements and work programs

The third year of TII's operations was difficult with much of our planned work put on hold. The board made a decision early in the pandemic to stop travel to the islands in order to protect local communities from exposure to Covid-19. Work has continued on the core goals of the charity and several major developments have occurred :

- 1) **Rahui Anaa Atoll** - March 2021 was the first year TII trustees were unable to visit Anaa for the beginning of the bonefish Rahui. This 3 month Rahui is playing a crucial part in the conservation of the island's bonefish population which is critical to the island's food security as well as economic opportunities through eco-tourism. TII is funding a 5 year scientific monitoring study of the impacts of the Rahui on the bonefish population. TII also compensates those local fishermen who remove their traps, for lost earnings during the 3 month Rahui period and the fishermen have honoured the Rahui in 2021 despite very difficult times for all on the island due to Covid closure.
- 2) **FarmSmart App** - The development of the FarmSmart app for coral atolls is ongoing. Much of the work relating to the app had to be put on hold due to the closure of Anaa atoll to visitors, as a result of Covid travel restrictions. In 2021-2022 the first roll out of the app is expected with the app providing users the ability to access techniques for growing various crops on coral atolls.

- 3) **EDF SSF Hub Prototype Testing** - In the process of creating The Small-Scale Fisheries Resource and Collaboration Hub (SSF Hub), Environmental Defense Fund have asked The Island Initiative to test the SSF HUB with local communities. The goal of the SSF HUB is to share knowledge, tools, resources, and processes developed by participants in forms that are accessible by, and relatable to, Hub users. It is an interactive online space that provides open-source tools to strengthen SSF governance and community development for small scale fisheries. With our strong links to the Anaa community and Tahiti authorities, we have been able to meet and share the tool and collect information on the pros and cons of the tool from the user prospective.
- 4) **Bonefish Scientific Monitoring Study Anaa Atoll** - Our scientist Alex Filous was unable to visit Anaa atoll for follow up work during the past year due to Covid restrictions. Data collection has continued despite this, with several local people employed to collect local fisheries data which will help to assess the effectiveness of the Rahui on Kio Kio (bonefish) which has been running for the past 4 years. It is expected that in the upcoming 12 months data will be generated that will provide guidance on the effectiveness of the established Rahui with the hope of extending for a further 5 years. TII will then look to expand its Rahui to other species like giant clams in the Tuamotu.
- 5) **Annual Expenditure and accounts** - The Trustees met 4 times by telecon over the reporting year to June 2021. The opening balance at 1 July 2020 was £115,339, donations amounted to £22,741 (including interest) with £52,745 expenditure. The closing balance at 30 June 2021 was £73,792

Statement of Financial Activities for the year ended 30 June 2021

	Notes	Unrestricted funds	Restricted income funds	Endowment funds	2021 Total funds	2020 Total funds
		£	£	£	£	£
Income from:						
Donations	3	22,510	-	-	22,510	21,654
Interest income		231	-	-	231	2,488
Total income		22,741	-	-	22,741	24,142
Expenditure on:						
Raising funds		4,310	-	-	4,310	14,505
Charitable activities						
Research		-	-	-	-	11,903
Travel and subsistence		12,412	-	-	12,412	27,774
Support costs		33,695	-	-	33,695	37,211
Other		2,328	-	-	2,328	520
Total expenditure		52,745	-	-	52,745	91,913
Net income/(expenditure) before investment gains/(losses)		(30,004)	-	-	(30,004)	(67,771)
Net gains/(losses) on investments		-	-	-	-	-
Net income/(expenditure)		(30,004)	-	-	(30,004)	(67,771)
Other recognised gains/(losses):						
Exchange difference on translation		(11,243)	-	-	(11,243)	3,385
Net movement in funds		(41,247)	-	-	(41,247)	(64,386)

Reconciliation of funds:

Total funds brought forward	115,039	-	-	115,039	179,425
Total funds carried forward	73,792	-	-	73,792	115,039

The Island Initiative, Annual Report: 2020 - 2021⁹

NOTE FROM PAGE 8: There were no recognised gains or losses except those stated above.
The notes on pages 11 to 14 form part of these financial statements.

Balance Sheet as at 30 June 2021

	Notes	Unrestricted funds	Restricted income funds	Endowment funds	2021 Total funds	2020 Total funds
		£	£	£	£	£
Current assets						
Cash at bank and in hand	7	74,893	-	-	74,893	114,269
Debtors		1,062	-	-	1,062	-
Prepayments		958	-	-	958	1,070
Total current assets		76,913	-	-	76,913	115,339
Liabilities						
Creditors: amounts falling due within one year	6	(3,121)	-	-	(3,121)	(300)
Net current assets/(liabilities)		73,792	-	-	73,792	115,039
Total net assets		73,792	-	-	73,792	115,039
Funds of the Charity						
Endowment funds		-	-	-	-	-
Restricted income funds		-	-	-	-	-
Unrestricted funds		73,792	-	-	73,792	115,039
Total Funds		73,792	-	-	73,792	115,039

The notes on pages 11 to 14 form part of these financial statements.

These financial statements were approved by the Trustees on ...11 April.....2022 and were signed on their behalf by:

Michael Youkee
..... Trustee
Michael Youkee

...19 April.....2022

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Statement of Cash Flows for the year ended 30 June 2021

	2021 Total funds £	2020 Total funds £
Net income / (expenditure) for the year	(30,004)	(67,771)
Adjustments for:		
(Increase)/Decrease in debtors	(1,062)	-
(Increase)/Decrease in prepayments	112	(1,070)
(Decrease)/Increase in creditors	2,821	(290)
Net cash provided by operating activities	(28,133)	(69,131)
Net cash used in investing activities	-	-
Net cash provided by financial activities	-	-
Change in cash and cash equivalents in the reporting period	(28,133)	(69,131)
Cash and cash equivalents at the beginning of the reporting period	114,269	180,015
Change in cash and cash equivalents due to exchange rate movements	(11,243)	3,385

Cash and cash equivalents at the end of the reporting period

74,893	114,269
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The notes on pages 11 to 14 form part of these financial statements.

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Notes to the Financial Statements for the year ending 30 June 2021

1. Accounting Policies

a) Statutory information

The Island Initiative is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The office address is The Boat House, Bridgemarsh Lane, Althorne, Chelmsford CM3 6DQ.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (September 2015) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

c) Foreign currency

The presentation currency of these financial statements is sterling. The functional currency of the Charity is considered to be United States Dollar, as that is the currency in which donations are predominately received, in which receipts are usually retained and in which costs are mostly incurred. A presentation currency of sterling has been used in these financial statements instead of United States Dollar as the Charity is administered in the United Kingdom and a presentation currency of sterling is considered to better reflect the reporting requirements of the Charity.

Transactions in foreign currencies are translated to the Charity's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account. For the purposes of presenting the financial statements, the assets and liabilities of the Charity are translated at the exchange rates prevailing on the balance sheet date. Income and expense items are translated at average rates for the period. Exchange differences arising are recognised in other comprehensive income.

Notes to the Financial Statements for the year ending 30 June 2021 (continued)

1. Accounting Policies (continued)

d) Public benefit entity

The Charity meets the definition of a public benefit entity under FRS 102.

e) Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

f) Income

Income is recognised and included in the accounts when the Charity has entitlement, any performance conditions attached to the income have been met or are fully within the control of the Charity, there is sufficient certainty that the receipt of the income is probable and the amount can be measured reliably.

Donated services are measured and included in the accounts on the basis of the value of the gift to the Charity.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

h) Expenditure and irrecoverable VAT

All expenditure is included on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the professional costs incurred by the charity in managing the investment portfolios, and the associated support costs.

- Expenditure on charitable activities includes the costs of grants undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the Financial Statements for the year ending 30 June 2021 (continued)

1. Accounting Policies (continued)

k) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Taxation

The Charity is exempt from corporation taxation as all its income is charitable and is applied for charitable purposes.

3. Summary of Donations

	2021	2020
	£	£
Donations	19,944	8,486
Donation of services	2,566	13,168
Total	22,510	21,654

During the year, the Charity received donations of services in respect of design work, administration work and accounting services with a total value of £2,566 (2020: £13,168).

4. Analysis of staff costs, Trustee remuneration and expenses

The Island Initiative does not employ any members of staff directly, instead employing the services of consultants, contractors and third party organisations as and when required.

The Trustees received no remuneration for their role as trustees in the period, nor received any other benefit from employment with the Charity. Related party transactions with Trustees are disclosed in note 5.

5. Related party transactions

During the period, Mathew McHugh (Trustee) was reimbursed for expenses of £nil in respect of travel, accommodation and subsistence (2020: £4,190), Hinano Bagnis (Trustee) was reimbursed for expenses of £12,412 in respect of travel, accommodation and subsistence (2020: £13,979), Charles Watson (Trustee) was reimbursed for expenses of £nil in respect of travel, accommodation and subsistence (2020: £6,499) and Mike Youkee (Trustee) was reimbursed for expenses of £nil in respect of travel, accommodation and subsistence (2020: £1,040), as allowed by the Charity's governing document.

During the year, Teneo International, of which Charles Watson (Trustee) is Chairman, provided a donation of services to the Charity, relating to design work and administrative services with a value of £nil (2020: £8,255). During the year, Fly Odyssey, of which Mathew McHugh (Trustee) is a Director, collected and remitted cash donations of £nil to the Charity (2020: £2,588). As at 30 June 2021, the Charity had a debtor receivable of £1,062 due from Fly Odyssey.

Notes to the Financial Statements for the year ending 30 June 2021 (continued)

6. Creditors: amount falling due within one year

	2021	2020
	£	£
Accruals	300	300
Trade Creditors	2,821	-
Total	3,121	300

7. Cash and Cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	74,893	114,269
Total Cash and Cash equivalents	74,893	114,269

8. Subsequent events

The Trustees are not aware of any material subsequent events that require disclosure.