



The Island Initiative

Annual Report: 2021 – 2022



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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 Boat House, Bridgemarsh Lane, Althorne, Chelmsford CM3 6DQ
Trustees	Charles Watson Hinano Bagnis Mathew McHugh Michael Youkee (resigned 31/12 2024) Tobias Coe Vae Tracqui
Bankers	Barclays Bank
Solicitors	Trowers & Hamlins
Independent examiner	Ark Accountancy

CHAIRMANS INTRODUCTION

The last 12 months, the Island Initiative's work has been hampered again by the covid pandemic and its impact on the small islands we work with.

COVID 19 restrictions in the remote areas of French Polynesia meant that no members of our team could visit the region until February 2022 which effectively meant again putting on hold the many planned projects that we were hoping to develop.

The above being noted, we have managed to continue to collect scientific data on our main conservation project on Anaa atoll on preliminary data are presented in the following report. Excitingly the work implemented over the previous 4 years is now bearing fruit with the data showing a significant recovery in the kio kio population of Anaa atoll, an extremely important species for food security and tourism on the island.

Our second major project, The FarmSmart app designed to provide critical information for growing a variety of crops on coral islands will be completed and launched in 2023 which we are excited to finally progress. Several new conservation projects are also planned and have community support and willingness to help in implementation due to the success of the project on Anaa atoll.

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.

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

I report on the accounts for the year ended 30 June 2022, which are set out on pages 10 to 16.

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:

This page does not form part of the statutory financial statements

Trustees report for The Island Initiative year ended 30 June 2022

Covid-19 impact on French Polynesia:

Covid-19 continued to impact our work in French Polynesia during the year through to the end of June 2022. Travel to the small islands of the Tuamotu's where much of the work is undertaken has been severely restricted, however the island of Anaa was opening up towards the end of the period and our scientific advisor Alex Filous did manage one trip to Anaa atoll in early 2022.

With an economy mainly base 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 fourth year of TII's operations was difficult which much of our planned work put on hold, however in early 2022 we began to plan for reopening of the island of Anaa proposed projects to be undertaken within that community. Whilst 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 in early 2022 it became clear that we would be able to recommence our work in the remote Tuamotu islands either late in 2022 or early 2023. Work has continued on the core goals of the charity and several major developments have occurred :

- 1) **Rahui Anaa Atoll** - Again in 2022 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 islands bonefish population which is critical to the island's food security as well as economic opportunities through eco-tourism. 2022 was the fourth year that the traditional Rahui was implemented by the local population. TII is funding a 5 year scientific monitoring study of the impacts of the Rahui on the bonefish population. TII also compensates the local fishermen for lost earnings who remove their traps during the 3 month Rahui period and the fishermen again honoured the Rahui in 2022 despite very difficult times for all on the island due to covid closure. Data generated from this initiative has shown a significant recovery in bonefish stocks, a vital species for both tourism on the island but also food security.

- 2) **FarmSmart App** - The development of the FarmSmart app for coral atoll's 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 due to COVID. The final crops to be implemented onto the app is due to be completed in the first half of 2023 with the app expected to be rolled out in late 2023/ early 2024. The app providing users the ability to access techniques for growing various crops on coral atolls.
- 3) **Bonefish Scientific Monitoring Study Anaa Atoll** - Our scientific advisor, Alex Filous visited Anaa atoll for follow up working February 2022 spending a week on the island collecting data and reengaging with the community. Data collection has continued though 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 important fish species and crustaceans important to the islands communities food security throughout the Tuamotu's. Below you can find the latest scientific update indicating the significant impact of the Rahui as a conservation measure to improve depleted fish stocks.

2022 - Update on the Efficacy of Rahui at Anaa Atoll

- In 2019 the community of Anaa instituting a kiokio rahui during which the trap fishery inside the atoll's Educational Marine Managed Area is closed for three months of the spawning season (i.e., March, April, and May), because of low kiokio numbers.
- We developed a research program to evaluate the Spawning Potential Ratio, which is basically a scientific measure of the kiokio populations egg production on a scale of 0-100%.
- Yearly egg production between 20 and 40 % is the minimum egg production required to maintain healthy fish stocks, while an egg production less than 20% means that the kiokio are over fished.
- Between 2019 to 2022, during the season open to fishing in the EMMA at Anaa Atoll (June-February), the length of kiokio that were harvested in the trap fishery was measured by local fishers.

- This post rahui data was combined with the data collected prior to the rahui from 2016 to 2018 and we estimated the populations egg production from 2016-2022.
- The results of the research suggest that the egg production of the stock increased from 8% (over fished) in 2017 to 20 % (sustainable) in 2021 and it remained at this 20% level in 2022 (Figure 1).
- These results suggest that the health of the bonefish stock is improving in response to the rahui, there are bigger and more fish in the stock.
- The increase in egg production to 20%, brings the stock to the threshold where the fishing pressure at Anaa is sustainable, the stock is on its way to recovery, and the resource will continue to provide for generations to come if the community maintains this management effort.
- These results are encouraging; however, the rahui must be maintained for the population to continue to recover.
- We will continue to monitor the stock over the following years evaluate the rahui's efficacy.

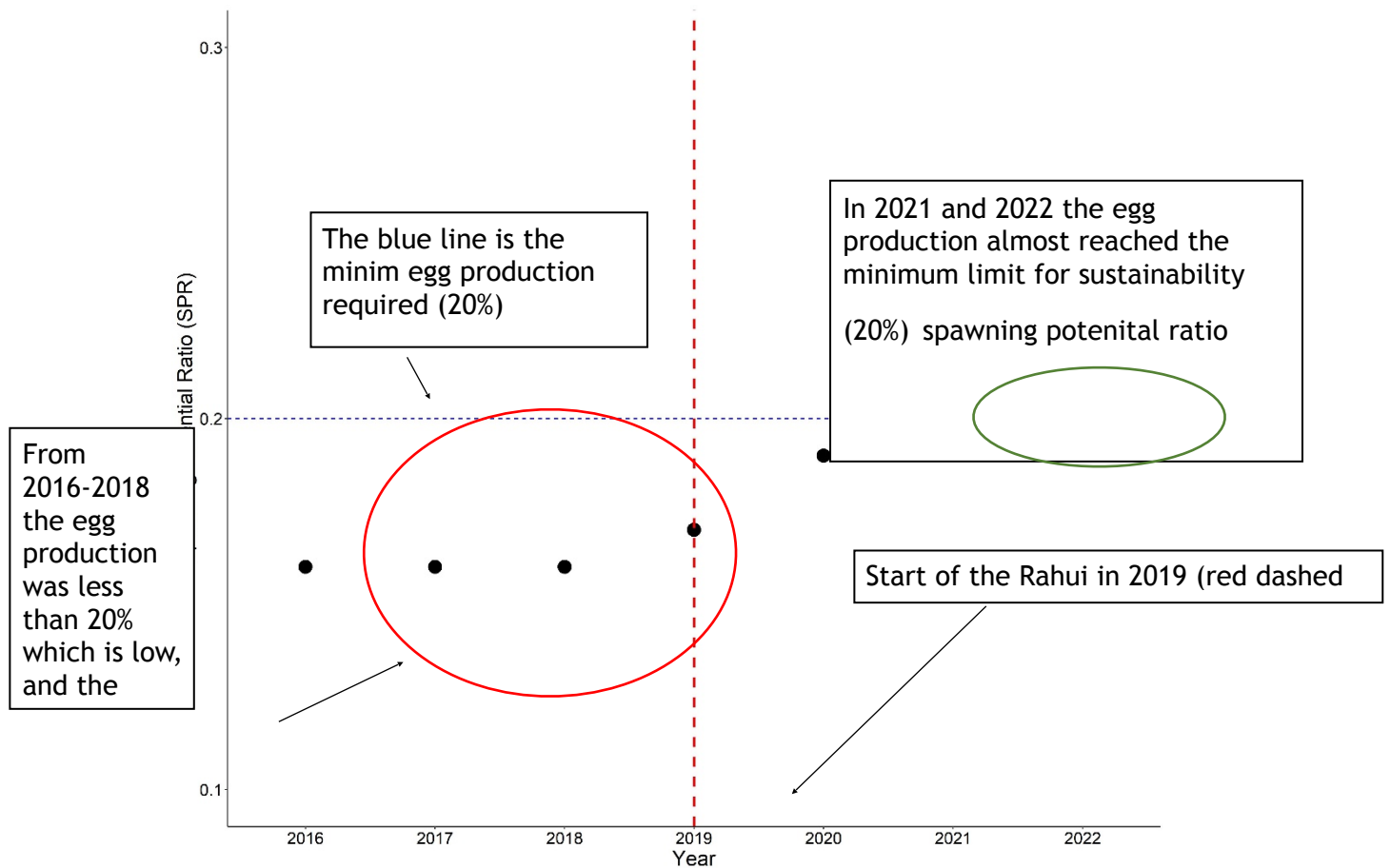
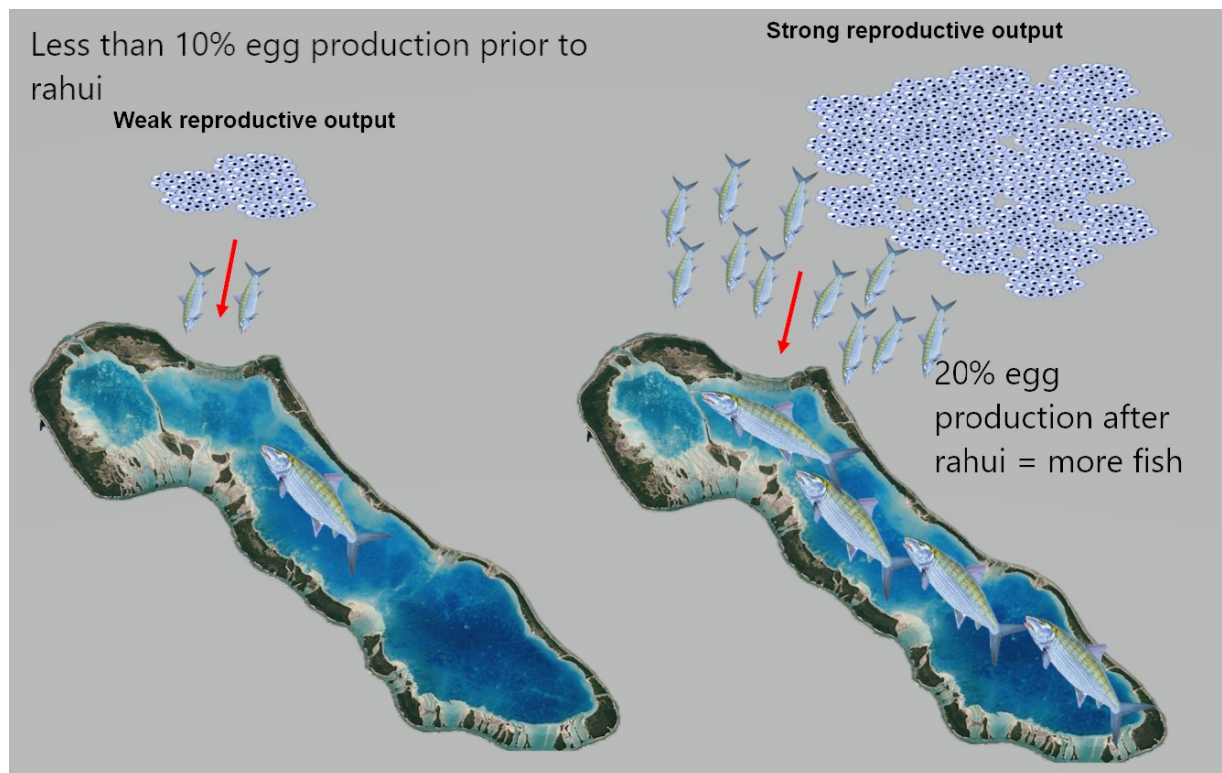


Figure 1: The egg production of female kiokio harvested at Anaa Atoll, from 2016 to 2022 and the increase in SPR to approximately 20% in 2021.



- 4) **Annual Expenditure and accounts** - The Trustees met 4 times (through teleconferences) over the reporting year to June 2022. The opening balance at st 1 July 2021 was £74,893, donations amounted to £2,284 (including interest) th with expenditure of £14,994. The closing balance at 30 June 2022 was £70,092.



..... *Trustee*
Mathew McHugh

18th April, 2023

Statement of Financial Activities for the year ended 30 June 2022

	Notes	Unrestricted funds	Restricted income funds	2022 Total funds	2021 Total funds
		£	£	£	£
Income from:					
Donations	3	2,284	-	2,284	22,510
Interest income		-	-	-	231
Total income		2,284	-	2,284	22,741
Expenditure on:					
Raising funds		-	-	-	4,310
Charitable activities					
Research		2,672	-	2,672	-
Travel and subsistence		465	-	465	12,412
Support costs		3,656	-	3,656	33,695
Other		8,151	-	8,151	2,328
Total expenditure		14,944	-	14,944	52,745
Net income/(expenditure) before investment gains/(losses)		(12,660)	-	(12,660)	(30,004)
Net gains/(losses) on investments		-	-	-	-
Net income/(expenditure)		(12,660)	-	(12,660)	(30,004)
Other recognised gains/(losses):					
Exchange difference on translation		8,925	-	8,925	(11,243)
Net movement in funds		(3,735)	-	(3,735)	(41,247)
Reconciliation of funds:					
Total funds brought forward		73,792	-	73,792	115,039
Total funds carried forward		70,057	-	70,057	73,792

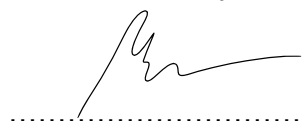
There were no recognised gains or losses except those stated above.
The notes on pages 13 to 16 form part of these financial statements.

Balance Sheet as at 30 June 2022

	Notes	Unrestricted funds	Restricted income funds	2022 Total funds	2021 Total funds
		£	£	£	£
Current assets					
Cash at bank and in hand	7	70,029	-	70,029	74,893
Debtors		-	-	-	1,062
Prepayments		1,090	-	1,090	958
Total current assets		71,119	-	71,119	76,913
Liabilities					
Creditors: amounts falling due within one year	6	(1,062)	-	(1,062)	(3,121)
Net current assets/ (liabilities)		70,057	-	70,057	73,792
Total net assets		70,057	-	70,057	73,792
Funds of the Charity					
Restricted income funds		-	-	-	-
Unrestricted funds		70,057	-	70,057	73,792
Total Funds		70,057	-	70,057	73,792

The notes on pages 13 to 16 form part of these financial statements.

These financial statements were approved by the Trustees on the 18th April 2023 and were signed on their behalf by:



..... Trustee
Mathew McHugh

18th April, 2023

Statement of Cash Flows for the year ended 30 June 2022

	2022 Total funds £	2021 Total funds £
Net income / (expenditure) for the year	(12,660)	(30,004)
Adjustments for:		
Decrease/(increase) in debtors	1,062	(1,062)
(Increase)/Decrease in prepayments	(132)	112
(Decrease)/Increase in creditors	(2,059)	2,821
Net cash provided by operating activities	(13,789)	(28,133)
Net cash used in investing activities	-	-
Net cash provided by financial activities	-	-
Change in cash and cash equivalents in the reporting period	(13,789)	(28,133)
Cash and cash equivalents at the beginning of the reporting period	74,893	114,269
Change in cash and cash equivalents due to exchange rate movements	8,925	(11,243)
Cash and cash equivalents at the end of the reporting period	70,029	74,893

The notes on pages 13 to 16 form part of these financial statements.

Notes to the Financial Statements for the year ending 30 June 2022

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, Bridgemark 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 2022 (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 2022 (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

	2022	2021
	£	£
Donations	-	19,944
Donation of services	2,284	2,566
Total	2,284	22,510

During the year, the Charity received donations of services in respect of accounting services with a total value of £2,284 (2021: £2,566).

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 year, 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 year, Hinano Bagnis (Trustee) was reimbursed for expenses of £nil in respect of travel, accommodation and subsistence (2021: £12,412), as allowed by the Charity's governing document. As at 30 June 2021, the Charity had a debtor receivable of £1,062 due from Fly Odyssey, of which Mathew McHugh (Trustee) is a Director. During the year, the debtor was paid.

Notes to the Financial Statements for the year ending 30 June 2022 (continued)

6. Creditors: amount falling due within one year

	2022	2021
	£	£
Accruals	300	300
Trade Creditors	762	2,821
Total	1,062	3,121

7. Cash and Cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	70,029	74,893
Total Cash and Cash equivalents	70,029	74,893

8. Subsequent events

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