



The Island Initiative



Annual Report: 2024 – 2025

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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 Tobias Coe
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 2025, 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, Cert PFS, DChA
For and on Behalf Ark Accountancy Limited
Chartered Certified Accountant
56-58 High St, Ewell
Epsom
Surrey
KT17 1RW

Date: 29/04/2026

This page does not form part of the statutory financial statements

Chairman's Introduction

The 2024–2025 year has been one of both reflection and renewed commitment for The Island Initiative, set against an increasingly complex global backdrop for small island communities. While we celebrate the achievements of the people of Anaa Atoll in extending the Rahui for a further five years, we must also recognise that such communities are facing mounting pressures that make this work more urgent than ever.

Across the Pacific and other remote island regions, communities are confronting the intersecting challenges of climate change, resource depletion, and economic vulnerability. Rising sea levels, changing ocean temperatures, and increased storm intensity continue to threaten fragile atoll ecosystems and the livelihoods that depend on them. At the same time, global economic shifts and the rising cost of living have disproportionately impacted remote islands, where supply chains are long, infrastructure is limited, and resilience is often tested.

Energy remains one of the most pressing and complex issues. Many small island communities remain heavily dependent on imported fossil fuels, exposing them to volatile prices and supply insecurity. For communities such as Anaa, achieving sustainable energy solutions will be critical not only for economic stability but also for supporting conservation, food security, and long-term development.

It is within this broader context that the work of The Island Initiative takes on added significance. The decision by the Anaa community to extend the Rahui demonstrates the strength of locally led, culturally grounded approaches to resource management. It is a powerful example of how traditional knowledge, when supported by scientific data and collaborative partnerships, can deliver tangible environmental and social benefits.

However, it is clear that conservation cannot exist in isolation. The future resilience of small island communities will depend on integrated approaches that link environmental stewardship with sustainable livelihoods, energy security, and community empowerment. As an organisation, we are increasingly mindful that our role must evolve to reflect this reality.

The coming year will be pivotal. The next phase of scientific analysis will allow us to fully understand and communicate the outcomes of the initial Rahui programme, providing an evidence base for future action. At the same time, we will continue our dialogue with the Anaa community and other stakeholders to explore how our work can support broader resilience goals, including the long-term sustainability of both natural resources and essential infrastructure such as energy systems.

I would like to extend my sincere thanks to my fellow trustees, our partners, and above all the people of Anaa, whose leadership and commitment continue to inspire our work. Their willingness to take collective action for the benefit of future generations stands as a model not only for other island communities, but for the wider world.

Charles Watson
Chairman, The Island Initiative

Trustees' Report for the Year Ended 30 June 2025

Achievements and Work Programmes

The 2024–2025 period marked a significant milestone in the work of The Island Initiative (TII), following the completion of the initial five-year Rahui conservation programme on Anaa Atoll. This year focused on stakeholder engagement, consolidation of outcomes, and planning for the next phase of conservation activity.

In late February to early March 2025, Trustees Hinano Bagnis and Mathew McHugh visited Anaa Atoll (26 February – 5 March 2025) to meet with key local stakeholders. These included the Anaa council, fish trappers, tourism operators (including fishing guides and accommodation providers), and wider community representatives.

A key outcome of these discussions was the unanimous agreement among stakeholders to extend the Rahui for a further five-year period. This decision reflects the strong local support for the conservation measures and confidence in the positive ecological and economic outcomes observed during the initial programme.

While on the island, the Trustees participated in and helped facilitate a Rahui ceremony involving community members, visiting tourists, and the local school. This event reinforced the cultural significance of the Rahui and its role in uniting traditional practices with contemporary conservation efforts.

Data Collection and Scientific Programme

Fisheries data collection has continued throughout the reporting period, maintaining the integrity and continuity of the dataset established during the initial study phase. The accumulated data represents a valuable longitudinal record of lagoon fisheries health and management outcomes.

With the completion of the first five-year phase, the programme is now entering a critical stage of detailed analysis. A new phase of data analysis and interpretation is planned over the next 12–18 months, to be led by Alex Filous. This work will focus on consolidating findings, validating long-term trends, and preparing outputs for dissemination to the scientific community.

The results of this analysis are expected to play an important role in informing both local management decisions on Anaa and broader applications of community-led marine conservation models.

Future Conservation Programme

The extension of the Rahui represents a transition from an initial trial phase to a longer-term, community-endorsed management framework. Discussions with stakeholders also included consideration of expanding protections to additional species, reflecting growing local engagement and ambition for broader ecosystem management.

TII will continue to support the Anaa community in implementing and monitoring the extended Rahui, while also evaluating opportunities for replication of this model in other atoll environments.

Trustees' Report for the Year Ended 30 June 2025 (continued)

FarmSmart App

Development of the FarmSmart App for coral atoll agriculture remains on hold during the reporting period. This pause continues due to the unavailability of key local coordination resources required to complete outstanding development work, including the addition of further crop data.

The Trustees will review the status of the project in the coming year and assess the feasibility of resuming development when appropriate resources become available.

Summary

The 2024–2025 year has been defined by the successful transition from a time-bound conservation study to a longer-term, community-supported environmental management programme. The extension of the Rahui on Anaa Atoll stands as a significant achievement, demonstrating the effectiveness of combining local knowledge, cultural practices, and scientific data in achieving sustainable fisheries management.

The forthcoming data analysis phase will be critical in capturing and communicating the full impact of the initiative, supporting future funding, research, and potential expansion of TII's work.

Statement of Financial Activities for the year ended 30 June 2025

	Notes	Unrestricted funds	Restricted income funds	2025 Total funds	2024 Total funds
		£	£	£	£
Income from:					
Donations	3	2,651	-	2,651	2,511
Interest income		-	-	-	-
Total income		2,651	-	2,651	2,511
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities					
Research		1,024	-	1,024	-
Travel and subsistence		12,374	-	12,374	-
Support costs		6,512	-	6,512	7,305
Rahui costs		5,823	-	5,823	5,987
Other		(3,251)	-	(3,251)	756
Total expenditure		22,482	-	22,482	14,048
Net income/(expenditure) before investment gains/ (losses)		(19,831)	-	(19,831)	(11,537)
Net gains/(losses) on investments		-	-	-	-
Net income/(expenditure)		(19,831)	-	(19,831)	(11,537)
Other recognised gains/ (losses):					
Exchange difference on translation		(1,561)	-	(1,561)	(30)
Net movement in funds		(21,392)	-	(21,392)	(11,567)

Reconciliation of funds:

Total funds brought forward	34,321	-	34,321	45,888
Total funds carried forward	12,929	-	12,929	34,321

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 2025

	Notes	Unrestricted funds £	Restricted income funds £	2025 Total funds £	2024 Total funds £
Current assets					
Cash at bank and in hand	7	20,314	-	20,314	39,723
Debtors		1,022	-	1,022	-
Prepayments		173	-	173	1,048
Total current assets		21,509	-	21,509	40,771
Liabilities					
Creditors: amounts falling due within one year	6	(8,580)	-	(8,580)	(6,450)
Net current assets/ (liabilities)		12,929	-	12,929	34,321
Total net assets		12,929	-	12,929	34,321
Funds of the Charity					
Restricted income funds		-	-	-	-
Unrestricted funds		12,929	-	12,929	34,321
Total Funds		12,929	-	12,929	34,321

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

These financial statements were approved by the Trustees on the 29th April, 2026 and were signed on their behalf by:


 Trustee
 Mathew McHugh

29/04/2026

Statement of Cash Flows for the year ended 30 June 2025

	2025 Total funds £	2024 Total funds £
Net income / (expenditure) for the year	(19,831)	(11,537)
Adjustments for:		
(Increase)/decrease in debtors	(1,022)	10,750
Decrease in prepayments	875	1
Increase in creditors	2,130	6,090
Net cash (used in)/provided by operating activities	(17,848)	5,304
Net cash used in investing activities	-	-
Net cash provided by financial activities	-	-
Change in cash and cash equivalents in the reporting period	(17,848)	5,304
Cash and cash equivalents at the beginning of the reporting period	39,723	34,449
Change in cash and cash equivalents due to exchange rate movements	(1,561)	(30)
Cash and cash equivalents at the end of the reporting period	20,314	39,723

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

Notes to the Financial Statements for the year ending 30 June 2025

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

Notes to the Financial Statements for the year ending 30 June 2025

1. Accounting Policies (continued)

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.

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.

Notes to the Financial Statements for the year ending 30 June 2025

1. Accounting Policies (continued)

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.

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

	2025	2024
	£	£
Donation of services	2,651	2,511
Total	2,651	2,511

During the year, the Charity received donations of services in respect of accounting services with a total value of £2,651 (2024: £2,511).

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.

Notes to the Financial Statements for the year ending 30 June 2025 (continued)

5. Related party transactions

During the year, Hinano Bagnis (Trustee) incurred expenses of £5,823 in respect of Rahui payments made (2024: £5,987) and incurred expenses of £3,420 in respect of travel, accommodation and subsistence (2024: £Nil), as allowed by the Charity's governing document. As at 30 June 2025, the Charity had a debtor receivable of £1,022 due from Hinano Bagnis.

During the year, Mathew McHugh (Trustee) was reimbursed for expenses of £8,954 in respect of travel, accommodation and subsistence (2024: £Nil), as allowed by the Charity's governing document.

6. Creditors: amount falling due within one year

	2025	2024
	£	£
Accruals	8,580	6,450
Trade Creditors	-	-
Total	8,580	6,450

7. Cash and Cash equivalents

	2025	2024
	£	£
Cash at bank and in hand	20,314	39,723
Total Cash and Cash equivalents	20,314	39,723

8. Subsequent events

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