

The Island School Trust

(Established under a Trust Deed
dated 27th day of April 2007)

Report for the period from
establishment to December, 2008



ISLAND SCHOOL

INTRODUCTION AND PURPOSE

Introduction to Island School

Island School is an international, co-educational, comprehensive school, providing secondary education for children of all nations who can benefit from an education through the medium of English. The school has over 30 nationalities and we benefit greatly from the richness of our culture and its ethnic diversity.

As an international school, we strive to develop our students as global citizens prepared for the 21st century. We are proud of our liberal approach, and place real value on high quality relationships between all in our learning community. Island School has as its aim, the development of all the talents of its students: intellectual, academic, imaginative, physical, moral and social. We impose no academic barriers on entrance and cater for a wide range of ability and learning needs. For us, the success of every individual student is of equal value.

Purposes of the Trust

The Island School Trust has been set up as a charitable trust with the following objectives:

- To educate and assist students attending the school so as to develop their physical, mental and spiritual capacities so that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- To award scholarships, bursaries or maintenance allowances tenable at any school, university or other educational establishment approved by the trustees to students of Island School.
- To construct, redevelop and maintain within the school such halls, rooms, gymnasium, library, swimming pool or any other buildings and/or facilities which the Trustees think proper for the benefit of the students and staff of Island School.

For the advancement of education and benefit of the community generally.



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GOVERNANCE AND PROCEDURES

The Island School Trust has been set up as a charitable trust governed by a Trust Deed which is available for inspection at the Island School General Office, 20 Borrett Road, Hong Kong.

It is governed by eight Trustees. Two of these trustees are 'ex-officio'; the Island School Principal and an elected teaching staff member who is a Head of House at Island School. The other six Trustees are chosen by the existing trustees.

The initial Trustees are:

Mr. Leo Chan (Treasurer and Independent Trustee)
Mr. Pak Chan (Head of House, Island School)
Mr. Bo Fussing (Independent Trustee)
Mr. Malcolm Gibson (Independent Trustee)
Ms. Anita Gidumal (Independent Trustee)
Mrs. Michelle Hughes (Principal of Island School)
Mr. Jimmy Master (Independent Trustee)
Mrs. Helen Stansfeld (Independent Trustee)

Mrs. Carmel Sharp replaced Mrs. Helen Stansfeld as an Independent Trustee as Chair of the PTA on the election of the new Chair on 9th October 2007.

Annual Report

The Island School Trust Board met seven times between June 2007 and August 2008.

The Island School 40th Anniversary Gala Ball was held on 20th September 2007 and this raised \$1,373,702 for the Island School Trust. Together with other donation totaling \$234,000, donation income of the Island School Trust for the period from inception to 30th September, 2008, its accounting year end date, amounted to \$1,607,702. The Trustees agreed that the maximum amount to be distributed in the first year of the Trust Fund (2007-8) would not exceed 25% of this sum. Approximately one quarter of the 25% figure would be distributed in the form of bursaries and three quarters of the figures would be distributed in the form of university scholarships. It was agreed that the fund would only meet up to 50% of the costs of applicants (course fee and living expenses) for scholarships for the first year and 50% of the costs of applicants for bursaries. Any application to the Principal for a scholarship needs a confidential supporting letter from their Head of House.

It was hoped that the reserve amount would generate through conservative investments, an annual return of 8 – 10%, and that further donation and fundraisers would help to recoup that rest on an annual basis. However, in view of the economic condition and financial climate, the Trustees decided to place the funds on savings account and fixed deposits which have so far generated an income far less than this



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targeted return, albeit keeping the funds intact compared to significant losses suffered in the financial communities. The Trustees are of the opinion that it is in the best interest of the Trust to continue with the current prudent approach to investing the Trust funds in the coming year until a clear turnaround of the economy is in sight. In this light little return on the investment of the Trust funds is expected for 2008-9.

During the period 2007-8 two university applications were received. Both of these applications were approved by the Board and are reflected in the financial accounts. The Trust will pay 50% of tuition fees for the first year and 50% of living costs. The scholarship is dependent on the offer from the university being finalized in August. The Board pays 50% of tuition fees direct to the university and a first payment of 25% of the agreed living costs in September. The student needs to get a confirmation letter from the university and pass it to the Principal to show that they are still attending the course in January before the final 25% of the agreed living costs will be paid to parents in February.

\$100,000 was put aside for Bursaries. 50% of the approved funding would be offered. Bursaries made to the end of September and December 2008 amounted to \$4,000 and \$8,550 respectively.

Financial statement

The Island School Trust Board decided to close the books for the Trust on 30th September each year. The first draft financial report covering the period from the establishment of the Trust to 30th September, 2008 is attached to this Report.

Conclusion

Applications for university scholarships for 2008-9 close on 3rd April 2009. Bursaries continue to be offered throughout the school year. The Trust fund stood at HK\$1,473,151 and HK\$1,478,976 at 30th September and 31st December, respectively.

Michelle Hughes
Principal
Island School
8th January 2009