

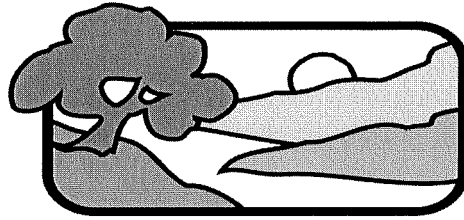
Islands Trust

STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned represents the Trust Council of the Islands Trust and approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

A handwritten signature in cursive script, reading "Kim Benson", is written over a horizontal line.

Kim Benson
Chair of the Executive Committee, Trust Council



Islands Trust

The Financial Statements contained in this Statement of Financial Information under the Financial Information Act have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

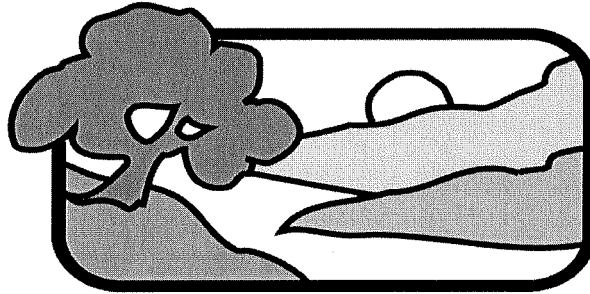
The Trust Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit Committee of Trust Council. The Audit Committee meets with management and the external auditors two times a year.

The external auditors, KPMG, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Audit Committee of Trust Council and meet with it on a regular basis.

On behalf of **Islands Trust**

A handwritten signature in black ink, appearing to read 'Craig Elder', written over a horizontal line.

Craig Elder
Director, Administrative Services
September 3, 2008



Islands Trust

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

Islands Trust has not given any guarantees or indemnities under the Guarantees and Indemnity Regulation

STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements made between Islands Trust and its non-unionized employees during fiscal year 2007/2008.

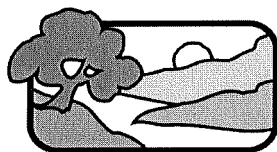
Prepared under the Financial Information Regulation, Schedule 1,
Subsection 6 (7)

A handwritten signature in black ink, appearing to read 'Craig Elder', is written over a horizontal line.

Craig Elder
Director, Administrative Services
September 3, 2008

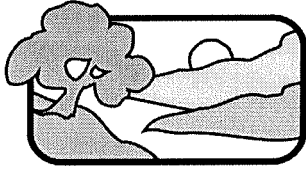
SCHEDULE OF REMUNERATION & EXPENSES

APRIL 1, 2007 - MARCH 31, 2008



Islands Trust

NAME	POSITION	Total Honoraria	Expenses
Bell, Louise	Trustee/TF Board	\$7,370.00	6,800.72
Benson, Kim	Trustee/Exec Chair	\$40,765.00	19,855.53
Borrowman, David	TF Board	\$750.00	137.12
Clegg, Joyce	Trustee	\$7,480.00	1,750.68
Dodds, Jeanine	Trustee	\$7,480.00	1,039.01
Dunn, Micheal	TF Board	\$300.00	0.00
Ehring, George	Trustee	\$12,530.00	0.00
Emerson, Ron	Trustee	\$7,480.00	2,956.87
French, Sue	Trustee	\$6,960.00	1,676.43
Frinton, Peter	Trustee	\$2,540.00	1,898.05
Graham, David	Trustee	\$7,220.00	1,032.84
Hancock, Ken	Trustee	\$8,250.00	3,452.39
Henshaw, John	Trustee	\$1,045.55	0.00
Hollingshead, Brian	Trustee	\$6,960.00	3,414.04
Johnstone, Tom	Trustee	\$6,960.00	1,537.05
Lamb, Peter	Trustee/TF Board	\$13,580.00	1,462.27
Law, Tony	Trustee	\$4,265.50	1,887.63
Luckham, Peter	Trustee	\$6,960.00	0.00
Malcolmson, Sheila	Trustee/TF Board	\$11,400.00	4,546.25
McConchie, Bruce	Trustee	\$6,960.00	878.52
Morse, Alison	Trustee	\$2,540.00	1,383.63
Potvin, Marie	TF Board	\$600.00	0.00
Preece, Bronwyn	Trustee	\$6,960.00	938.28
Rowe, Gary	Trustee	\$7,480.00	1,646.81
Rudischer, Gisele	Trustee/Vice Chair	\$36,478.00	12,351.70
Scholefield, Wendy	Trustee	\$3,970.00	774.45
Sharp, Michael	Trustee	\$7,720.00	556.52
Smith, Roy	TF Board	\$7,720.00	935.18
St. Pierre, Cari	Trustee	\$1,062.88	962.25
Steeves, Gary	Trustee/Vice Chair/TF Board	\$35,528.00	\$7,838.49
Torgrimson, Christine	TF Board	\$250.00	\$162.65
Whittington, Bruce	TF Board	\$900.00	\$768.00
Willow, Rose	Trustee/Vice Chair	\$33,588.00	\$10,883.12
TOTAL		\$312,052.93	\$93,526.48



Islands Trust

SCHEDULE OF PAYMENTS TO SUPPLIERS

APRIL 1, 2007 TO MARCH 31, 2008

FIR, Schedule 1, section 7

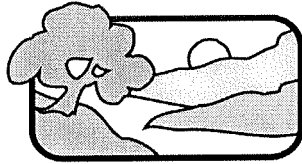
1. SUPPLIERS OVER \$25,000	Aggregate amount paid to Supplier
Adrian Jancey	\$41,063.36
AON Reed Stenhouse	\$67,508.00
BC Hydro CAD	\$50,178.42
Cathy McNamara	\$62,058.69
Colliers Macaulary Nicolls Inc.	\$206,723.65
Grand & Toy	\$41,036.36
Konica Minolta Business Solutions	\$34,616.11
KPMG LLP	\$27,149.78
Lidstone Young & Anderson	\$255,461.45
Madrone Environmental Service	\$72,483.88
McElhanney Consulting Services	\$49,974.33
Meadowwood Village Development	\$30,206.88
Telus Communications	\$56,140.13
Think Communications	\$97,731.27
Total Aggregate Amount Paid to Suppliers over \$25,000	\$1,092,332.31

2. Total Consolidated Payments of \$25,000 or less	\$764,029.69
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Total Expenditures for Goods & Services	\$1,856,362.00
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4. RECONCILIATION

Total Expenditures by Object per Financial Statements	\$	5,207,062
Less: salaries and benefits	\$	(2,798,949)
trustee honoraria included in "Council & Trustee Costs"	\$	(312,053)
expenses paid to employees this fiscal year	\$	(146,172)
expenses paid to Trustees this fiscal year	\$	(93,526)
Net expenditures to Suppliers	\$	1,856,362



Islands Trust

2. SCHEDULE OF REMUNERATION & EXPENSES FOR EMPLOYEES

Employees whose remuneration plus expenses exceed \$75,000	REMUNERATION	EXPENSES
Adams, Linda	\$115,855.37	\$14,476.19
Elder, Craig	\$83,421.24	\$2,176.41
Fraser, Mac	\$60,915.54	\$21,697.64
Hamblin, Gerry	\$81,007.10	\$8,309.88
Jackson, Chris	\$75,632.65	\$6,478.26
Kojima, Robert	\$71,320.61	\$6,974.12
Marlor, David	\$84,772.14	\$19,988.86
Porter, Brodie	\$92,857.26	\$7,267.17
Richardson, Gary	\$73,304.55	\$4,431.24
All Other Employees	\$1,574,151.50	\$54,371.73
TOTAL	\$2,313,237.96	\$146,171.50

3. RECONCILIATION

Total Remuneration - Elected Officials	\$312,053
Reconciling Items - non-remuneration Council Services	\$438,682
Subtotal	\$750,735
Total per Statement of Revenue & Expenditure- Council Services (Statement B)	\$750,735
Variance	\$0

Total Remuneration - Employees	\$2,313,238
Less: taxable benefits not recorded in general ledger	(\$37,564)
Plus: benefits not included in Remuneration	\$523,275
Subtotal	\$2,798,949
Total per Statement of Revenue & Expenditure - Salaries & Benefits	\$2,798,949
Variance	\$0

Financial Statements of

THE ISLANDS TRUST

Year ended March 31, 2008

THE ISLANDS TRUST

Financial Statements

Year ended March 31, 2008

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FINANCIAL REPORTING RESPONSIBILITY

The accompanying statements of The Islands Trust (the "Trust") are the responsibility of management. To ensure their integrity, objectivity and reliability, management has selected appropriate accounting policies that are consistent with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The financial statements necessarily include some amounts that are based on estimates and the judgment of management with appropriate consideration to materiality.

The Trust's accounting systems and related internal controls and supporting procedures are designed and maintained to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorized use or disposition. The procedures include training and selection of qualified staff, the establishment of an organizational structure that provides a well-defined division of responsibilities, accountability for performance and communication of standards of business conduct.

The Trust Council, acting through its Financial Planning and Audit Committees, oversees management's responsibilities for the financial reporting and internal control systems. The Committees meet periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged, to review the consolidated financial statements and to recommend approval of the consolidated financial statements to Trust Council.

KPMG LLP, Chartered Accountants, the independent auditors appointed by the Trust have examined these financial statements and issued their report which follows. The auditors have full and unrestricted access to the Council to discuss their audit and their related findings as to the integrity of the financial reporting process.



Chief Administrative Officer



KPMG LLP
Chartered Accountants
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7

Telephone (250) 480-3500
Fax (250) 480-3539
Internet www.kpmg.ca

AUDITORS' REPORT TO THE TRUSTEES OF THE ISLANDS TRUST

We have audited the consolidated statement of financial position of The Islands Trust as at March 31, 2008 and the consolidated statements of financial activities and fund balances and changes in financial position and the related statements of financial activities and fund balance for the general revenue and capital funds for the year then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust as at March 31, 2008 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

A handwritten signature in black ink that reads 'KPMG LLP'.

Chartered Accountants

Victoria, Canada

May 14, 2008

THE ISLANDS TRUST

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

STATEMENT A


March 31, 2008, with comparative figures for 2007

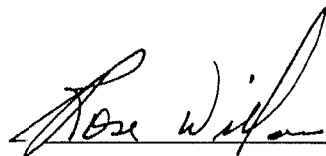
	2008	2007
Financial Assets		
Cash and short-term investments (note 2)	\$ 2,367,072	\$ 1,884,746
Accounts receivable (note 3)	89,872	55,457
Other assets	26,730	27,669
Due from The Islands Trust Fund	-	10,400
	<u>2,483,674</u>	<u>1,978,272</u>
Liabilities		
Wages and benefits payable	777,354	709,259
Accounts payable and accrued liabilities	305,576	353,914
Deferred revenue	27,045	73,513
Employee benefit obligations (note 4)	180,796	150,476
	<u>1,290,771</u>	<u>1,287,162</u>
Net financial assets	<u>1,192,903</u>	<u>691,110</u>
Physical assets (note 5)	<u>1,167,481</u>	<u>1,058,026</u>
Total net financial assets and physical assets	<u>\$ 2,360,384</u>	<u>\$ 1,749,136</u>
The Islands Trust Position		
General Revenue Fund (Statement D)	\$ 1,192,903	\$ 691,110
Capital Fund and equity in capital assets (Statement E)	1,167,481	1,058,026
Total The Islands Trust position	<u>\$ 2,360,384</u>	<u>\$ 1,749,136</u>

Commitments (note 6)
Contingent liabilities (note 7)

See accompanying notes to financial statements.

Approved by the Trust Council:

 Trustee

 Trustee

THE ISLANDS TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND FUND BALANCES

STATEMENT B

Year ended March 31, 2008, with comparative figures for 2007

	<i>Budget 2008</i>	Actual 2008	Actual 2007
Revenue:			
Property tax - general	\$ 4,995,795	\$ 4,995,795	\$ 4,257,877
Property tax levy - Bowen Island Municipality	178,060	178,060	156,315
Provincial grant - operating	120,000	138,000	120,000
Fees and sales	180,000	138,409	187,658
Appropriation from surplus	20,000	-	-
Interest	80,000	122,541	91,127
Other income	103,600	136,050	93,102
	<u>5,677,455</u>	<u>5,708,855</u>	<u>4,906,079</u>
Expenditure:			
Council services	788,490	750,735	707,781
Local services	4,135,514	3,956,426	3,505,238
Trust Fund services	578,451	499,901	458,482
	<u>5,502,455</u>	<u>5,207,062</u>	<u>4,671,501</u>
Excess of revenue over expenditure	<u>175,000</u>	<u>501,793</u>	<u>234,578</u>
Fund balances, beginning of year	1,749,136	1,749,136	1,497,564
Asset acquisitions	105,600	151,688	89,964
Asset disposals	-	(42,233)	(72,970)
Fund balances, end of year	<u>\$ 2,029,736</u>	<u>\$ 2,360,384</u>	<u>\$ 1,749,136</u>

See accompanying notes to financial statements.

THE ISLANDS TRUST

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

STATEMENT C

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditure	\$ 501,793	\$ 234,578
Increase (decrease) in net financial assets other than cash	(19,467)	525,851
Increase in cash	482,326	760,429
Cash and short-term investments, beginning of year	1,884,746	1,124,317
Cash and short-term investments, end of year	\$ 2,367,072	\$ 1,884,746

See accompanying notes to financial statements.

THE ISLANDS TRUST

STATEMENT OF FINANCIAL ACTIVITIES AND FUND BALANCE GENERAL REVENUE FUND

STATEMENT D

Year ended March 31, 2008, with comparative figures for 2007

	<i>Budget 2008</i>	Actual 2008	Actual 2007
Revenue:			
Property tax - general	\$ 4,995,795	\$ 4,995,795	\$ 4,257,877
Property tax levy - Bowen Island Municipality	178,060	178,060	156,315
Provincial grant - operating grant	120,000	138,000	120,000
Fees and sales	180,000	138,409	187,658
Appropriation from surplus	20,000	-	-
Interest	80,000	122,541	91,127
Other income	103,600	136,050	93,102
	<u>5,677,455</u>	<u>5,708,855</u>	<u>4,906,079</u>
Expenditure (note 8):			
Council services	788,490	727,982	691,588
Local services	4,135,514	3,844,177	3,442,263
Trust Fund services	578,451	483,215	447,686
	<u>5,502,455</u>	<u>5,055,374</u>	<u>4,581,537</u>
Excess of revenue over expenditure	<u>175,000</u>	<u>653,481</u>	<u>324,542</u>
Net transfers to Capital Fund	(105,600)	(151,688)	(89,964)
Change in fund balance	69,400	501,793	234,578
Fund balance, beginning of year	691,111	691,110	456,532
Fund balance, end of year	<u>\$ 760,511</u>	<u>\$ 1,192,903</u>	<u>\$ 691,110</u>

See accompanying notes to financial statements.

THE ISLANDS TRUST

STATEMENT OF FINANCIAL ACTIVITIES AND FUND BALANCE CAPITAL FUND

STATEMENT E

Year ended March 31, 2008, with comparative figures for 2007

	<i>Budget 2008</i>	Actual 2008	Actual 2007
Expenditure (note 8):			
Council services	\$ 15,840	\$ 22,753	\$ 16,193
Local services	78,144	112,249	62,975
Trust Fund services	11,616	16,686	10,796
	<u>105,600</u>	<u>151,688</u>	<u>89,964</u>
Deficiency of revenue over expenditure	<u>(105,600)</u>	<u>(151,688)</u>	<u>(89,964)</u>
Net transfers from General Revenue Fund	105,600	151,688	89,964
Change in fund balance	-	-	-
Fund balance, beginning of year	1,058,026	1,058,026	1,041,032
Asset acquisitions	105,600	151,688	89,964
Asset disposals	-	(42,233)	(72,970)
Fund balance, end of year	<u>\$ 1,163,626</u>	<u>\$ 1,167,481</u>	<u>\$ 1,058,026</u>

See accompanying notes to financial statements.

THE ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2008

The Islands Trust (the "Trust") is incorporated under The Islands Trust Act of British Columbia (as amended). The objectives of the Trust are to preserve and protect the Trust area and its unique amenities and environment for the benefit of the residents of the Trust area and of the Province generally.

1. Significant accounting policies:

The financial statements of the Trust are prepared by management in accordance with generally accepted accounting principles for local governments, as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Trust are as follows:

(a) Reporting entity:

The financial statements reflect the assets, liabilities, revenues, expenditures, and changes in fund balances and in financial position of the Trust.

(b) Revenue recognition:

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the goods and services are acquired and a liability is incurred or transfers are due.

Revenue unearned in the current period is recorded as deposits or deferred revenue.

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(c) Cost recoveries:

The Trust sometimes conducts work on behalf of development applicants on a cost-recovery basis. The related expenses and cost recoveries are not reported as Trust expenses and revenue so that the cost-recovery activities do not distort the financial reporting for the Trust. The net cost recovery activities are reported as accounts receivable.

(d) Fund accounting:

Funds within the financial statements consist of the general revenue and capital funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

(e) Short-term investments:

Short-term investments are recorded at cost, which approximates fair market value.

THE ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2008

1. Significant accounting policies (continued):

(f) Employee benefit obligations:

The Trust and its employees make contributions to the Public Service Pension Plan. These contributions are expensed as incurred.

Retirement allowance benefits are also available to the Trust's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(g) Physical assets:

Physical assets, comprised of capital assets and leasehold improvements, are recognized as expenditures in the period they are acquired. Donated capital assets are reported at estimated fair value at the time they are received. Physical assets are recorded at cost.

The Trust does not record amortization on physical assets in the financial statements.

The Trust is in the process of accumulating information and developing its accounting policies relating to its tangible capital assets in order to comply with the new Public Sector Accounting Board standards 3150. This new standard will be applicable to the Trust's 2010 annual financial statements. As at March 31, 2008, the cost and accumulated amortization have not yet been finalized for the individual classes of tangible capital assets and hence details concerning the major categories of tangible capital assets have not been provided.

(h) Equity in capital assets:

Equity in capital assets represents the historical cost of those capital assets. Equity increases as capital assets are acquired without incurring long-term debt or, where such debt is incurred, by the reduction of that debt. Equity decreases as capital assets are written off on disposal.

(i) Measurement uncertainty:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the period. Actual results could differ from those estimates.

THE ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2008

2. Cash and short-term investments:

	2008	2007
Bank account balances	\$ 1,669,254	\$ 1,362,757
Term investments	697,818	521,989
	<u>\$ 2,367,072</u>	<u>\$ 1,884,746</u>

3. Accounts receivable:

	2008	2007
Opening balance - cost recoveries	\$ (5,047)	\$ -
Expenses for the year	37,036	84,122
Cash received in the year	(24,364)	(89,169)
Closing balance - cost recoveries	7,625	(5,047)
Accounts receivable - other	82,247	60,504
Total accounts receivable	<u>\$ 89,872</u>	<u>\$ 55,457</u>

4. Employee benefit obligations:

The Trust provides sick leave and certain other benefits to its employees.

	2008	2007
Vacation	\$ 80,879	\$ 64,275
Compensatory time off	24,696	20,500
Accrued retirement allowance	75,221	65,701
	<u>\$ 180,796</u>	<u>\$ 150,476</u>

Vacation and compensatory time off represent the liability for accumulated banks for draw down at future dates and/or for payout either on an approved retirement, or upon termination or death. Accrued retirement allowance represents the Trust's share of the cost to provide employees with certain retirement allowances in the year of retirement, which were estimated by an actuarial valuation completed in March 2007.

THE ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2008

4. Employee benefit obligations (continued):

The significant actuarial assumptions adopted in measuring the Trust's accrued retirement allowance are as follows:

	2008	2007
Discount rates	6.00%	6.00%
Expected future inflation rates	3.00%	3.00%
Expected wage and salary increases	2.00%-3.00%	2.00%-3.00%

5. Physical assets:

	2008	2007
Office furniture, equipment, and computers	\$ 912,999	\$ 818,250
Denman Island Old School Site	10,000	10,000
Leasehold improvements	244,482	229,776
	<u>\$ 1,167,481</u>	<u>\$ 1,058,026</u>

Denman Island Old School Site:

In 1993/94 the Denman Island Old School Site was sold to the Trust for \$10,000, which was donated by the Denman Island Ratepayers' Association who, in turn, leased the building from the Trust for 99 years for a total fee of \$10. The Trust agreed to facilitate the sale of the school between School District #71 and the Ratepayers' Association and to hold title to the property on behalf of the community.

THE ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2008

6. Commitments:

The Trust is committed to leases over rented premises and equipment. Minimum future payments in the next five years are as follows:

	Premises	Equipment
2009	\$ 158,858	\$ 30,219
2010	40,022	16,124
2011	480	4,095
2012	480	1,785
2013	480	1,785

7. Contingent liabilities:

In the normal course of a year, claims for alleged damages are made against the Trust. Costs, if any, are recorded when a liability and the amount is determinable.

8. Expenditures by object:

	2008	2007
Salaries and benefits	\$ 2,798,949	\$ 2,684,759
Travel/training and recruitment	197,144	125,187
Council and trustee costs	571,620	550,148
Office operations	842,669	642,670
Programs	386,202	365,311
Legal and elections	258,790	213,462
Equipment	151,688	89,964
	\$ 5,207,062	\$ 4,671,501

THE ISLANDS TRUST

Notes to Financial Statements

Year ended March 31, 2008

9. Pension plan:

The Trust and its employees contribute to the Public Service Pension Plan (the "plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the plan, including investment of the assets and administration of benefits. The plan is a multi-employer, contributory pension plan. Basic pension benefits are defined. The plan has approximately 51,000 active and 30,000 retired plan members. Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The latest valuation, as at March 31, 2005, indicated an unfunded liability of \$767,000,000 for basic pension benefits. The next required valuation will be as at March 31, 2008 with results available in 2009. The actuary does not attribute portions of the deficit to individual employers. Employee and employer contributions to the plan were increased by 1.88% of salaries effective April 1, 2007 in accordance with the plan actuary's recommendations. Contributions to the plan by the Trust totaled \$174,548 (2007 - \$151,430) during the year.

10. Trust fund under administration:

The Trust administers The Islands Trust Fund (the "Fund") which is related through the composition of the Fund's Board. The Fund's Board is comprised of three members from the Trust's Council and up to three members appointed by the Minister of Community Services.

For financial reporting purposes, the Trust and the Fund are reported on separately. These financial statements present the financial position and results of operations of the Trust.

The Fund's annual expenses are funded by and reported as part of the Trust in accordance with The Islands Trust Act. These expenses are summarized as follows:

	2008	2007
Programs	\$ 362,190	\$ 337,513
Board	11,529	6,068
Administration	126,182	114,901
	<u>\$ 499,901</u>	<u>\$ 458,482</u>