Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2004

Open to Public Inspection

A For the 2004 calendar year, or tax year beginning JUL 1, 2004 and ending JUN 30, 2005

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Final return [ ] Amended return [ ] Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: ISLAND INSTITUTE

Number and street (or P.O. box if mail is not delivered to street address): 386 MAIN STREET, PO BOX 648 — Room/suite:

City or town, state or country, and ZIP + 4: ROCKLAND, ME 04841

D Employer identification number: 22-2786731

E Telephone number: 207-594-9209

F Accounting method [ ] Cash [X] Accrual [ ] Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? N/A [ ] Yes [ ] No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No

G Website: ▶WWW.ISLANDINSTITUTE.ORG

J Organization type (check only one) ▶ [X] 501(c) (3) ◀ (insert no) [ ] 4947(a)(1) or [ ] 527

I Group Exemption Number ▶

K Check here ▶ [ ] if the organization's gross receipts are normally not more than $25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

M Check ▶ [ ] if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 7,551,625.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

SCANNED JUL 21 2006

Revenue

1	Contributions, gifts, grants, and similar amounts received:					
a	Direct public support		1a	6,484,868.		
b	Indirect public support		1b			
c	Government contributions (grants)		1c			
d	**Total** (add lines 1a through 1c) (cash $ 6,252,057. noncash $ 232,811.)				1d	6,484,868.
2	Program service revenue including government fees and contracts (from Part VII, line 93)				2	140,136.
3	Membership dues and assessments				3	72,139.
4	Interest on savings and temporary cash investments				4	6,828.
5	Dividends and interest from securities				5	38,558.
6 a	Gross rents		6a			
b	Less: rental expenses		6b			
c	Net rental income or (loss) (subtract line 6b from line 6a)				6c	
7	Other investment income (describe ▶)				7	
8 a	Gross amount from sales of assets other than inventory	(A) Securities 344,409.	8a	(B) Other 98,450.		
b	Less: cost or other basis and sales expenses	338,726.	8b	169,314.		
c	Gain or (loss) (attach schedule)	5,683.	8c	<70,864.>		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	STMT 1		STMT 2	8d	<65,181.>
9	Special events and activities (attach schedule). If any amount is from gaming, check here ▶ [ ]					
a	Gross revenue (not including $ of contributions reported on line 1a)		9a			
b	Less: direct expenses other than fundraising expenses		9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)				9c	
10 a	Gross sales of inventory, less returns and allowances		10a	364,295.		
b	Less: cost of goods sold		10b	188,603.		
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			STMT 3	10c	175,692.
11	Other revenue (from Part VII, line 103)				11	1,942.
12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				12	6,854,982.

Expenses

13	Program services (from line 44, column (B))	13	1,704,222.
14	Management and general (from line 44, column (C))	14	691,089.
15	Fundraising (from line 44, column (D))	15	876,188.
16	Payments to affiliates (attach schedule)	16	
17	**Total expenses** (add lines 16 and 44, column (A))	17	3,271,499.

Net Assets

18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	3,583,483.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	11,975,906.
20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 4	20	309,617.
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	15,869,006.

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Part II **Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ 76,925. noncash $)	22	76,925.	76,925.	STATEMENT 7	
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	329,188.	65,419.	48,540.	215,229.
26 Other salaries and wages	26	1,243,274.	772,067.	318,280.	152,927.
27 Pension plan contributions	27	47,145.	25,779.	9,957.	11,409.
28 Other employee benefits	28	100,165.	54,770.	21,155.	24,240.
29 Payroll taxes	29	118,177.	64,619.	24,959.	28,599.
30 Professional fundraising fees	30				
31 Accounting fees	31	20,640.		20,640.	
32 Legal fees	32				
33 Supplies	33	29,877.	6,964.	14,816.	8,097.
34 Telephone	34	22,758.	7,117.	13,968.	1,673.
35 Postage and shipping	35	32,421.	4,696.	10,270.	17,455.
36 Occupancy	36	33,919.		33,919.	
37 Equipment rental and maintenance	37	25,150.	9,513.	15,637.	
38 Printing and publications	38	192,196.	175,136.	10,086.	6,974.
39 Travel	39	44,697.	36,163.	7,055.	1,479.
40 Conferences, conventions, and meetings	40	16,093.	12,577.	2,831.	685.
41 Interest	41	14,533.		14,533.	
42 Depreciation, depletion, etc. (attach schedule)	42	156,310.	89,903.	53,346.	13,061.
43 Other expenses not covered above (itemize):					
a	43a				
b	43b				
c	43c				
d	43d				
e SEE STATEMENT 5	43e	768,031.	302,574.	71,097.	394,360.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	3,271,499.	1,704,222.	691,089.	876,188.

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ▶ ☐ Yes ☒ No

If "Yes," enter **(i)** the aggregate amount of these joint costs $ ______ ; **(ii)** the amount allocated to Program services $ ______ ;

(iii) the amount allocated to Management and general $ ______ ; and **(iv)** the amount allocated to Fundraising $ ______

Part III **Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? ▶ SEE STATEMENT 6

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)
a COMMUNITY INITIATIVES: ISLAND SCHOOL CONFERENCES, GRANTS, FELLOWSHIPS, SCHOLARSHIPS, AFFORDABLE HOUSING, AND COMMUNITY AND ECONOMIC DEVELOPMENT STMT 7 (Grants and allocations $ 76,925.)	1,114,984.
b ECOLOGICAL SERVICES AND MARINE SCIENCES: AQUACULTURE MODELING FISHERIES ECOSYSTEM MANAGEMENT MODELING, AND FIELD RESEARCH (Grants and allocations $)	112,397.
c INFORMATION: ISLAND JOURNAL, MONTHLY NEWSPAPER, TECHNICAL BULLETINS, EDUCATIONAL AND HISTORICAL PUBLICATIONS, AND GEOGRAPHIC INFORMATION SYSTEMS (Grants and allocations $)	476,841.
d (Grants and allocations $)	
e Other program services (attach schedule) (Grants and allocations $)	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	1,704,222.

Part IV Balance Sheets

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*			(A) Beginning of year		(B) End of year
Assets					
45 Cash - non-interest-bearing			347,398.	45	79,747.
46 Savings and temporary cash investments			34,160.	46	6,654.
47 a Accounts receivable	47a	77,157.			
b Less: allowance for doubtful accounts	47b	1,582.	48,335.	47c	75,575.
48 a Pledges receivable	48a	2,464,824.			
b Less: allowance for doubtful accounts	48b	11,670.	3,496,668.	48c	2,453,154.
49 Grants receivable				49	
50 Receivables from officers, directors, trustees, and key employees				50	
51 a Other notes and loans receivable	51a				
b Less: allowance for doubtful accounts	51b		5,528.	51c	
52 Inventories for sale or use			216,649.	52	207,552.
53 Prepaid expenses and deferred charges			31,987.	53	27,487.
54 Investments - securities STMT 8 STMT 11 ▶ ☐ Cost ☒ FMV			2,890,570.	54	8,322,960.
55 a Investments - land, buildings, and equipment: basis	55a				
b Less: accumulated depreciation	55b			55c	
56 Investments - other				56	
57 a Land, buildings, and equipment: basis	57a	4,707,684.			
b Less: accumulated depreciation	57b	1,095,653.	3,712,045.	57c	3,612,031.
58 Other assets (describe ▶ SEE STATEMENT 9)			1,431,573.	58	1,438,976.
59 **Total assets** (add lines 45 through 58) (must equal line 74)			12,214,913.	59	16,224,136.
Liabilities					
60 Accounts payable and accrued expenses			116,559.	60	226,484.
61 Grants payable			36,000.	61	38,400.
62 Deferred revenue			2,206.	62	3,097.
63 Loans from officers, directors, trustees, and key employees				63	
64 a Tax-exempt bond liabilities				64a	
b Mortgages and other notes payable				64b	
65 Other liabilities (describe ▶ SEE STATEMENT 10)			84,242.	65	87,149.
66 **Total liabilities** (add lines 60 through 65)			239,007.	66	355,130.
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			2,895,103.	67	9,359,919.
68 Temporarily restricted			2,101,450.	68	864,591.
69 Permanently restricted			6,979,353.	69	5,644,496.
Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.					
70 Capital stock, trust principal, or current funds				70	
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds				72	
73 **Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72; column (A) **must** equal line 19; column (B) **must** equal line 21)			11,975,906.	73	15,869,006.
74 **Total liabilities and net assets / fund balances** (add lines 66 and 73)			12,214,913.	74	16,224,136.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements ▶	a	7,291,788.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments $ 233,273.		
(2)	Donated services and use of facilities $		
(3)	Recoveries of prior year grants $		
(4)	Other (specify): STMT 12 $ 264,947.		
	Add amounts on lines (1) through (4) ▶	b	498,220.
c	Line a minus line b ▶	c	6,793,568.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $ 61,414.		
(2)	Other (specify): $		
	Add amounts on lines (1) and (2) ▶	d	61,414.
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	6,854,982.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements ▶	a	3,398,688.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities $		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify): STMT 13 $ 188,603.		
	Add amounts on lines (1) through (4) ▶	b	188,603.
c	Line a minus line b ▶	c	3,210,085.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $ 61,414.		
(2)	Other (specify): $		
	Add amounts on lines (1) and (2) ▶	d	61,414.
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	3,271,499.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 14		329,188.	20,097.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? If "Yes," attach schedule. ▶ [ ] Yes [X] No

Part VI Other Information

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ ______ and check whether it is ☐ exempt or ☐ nonexempt.			
81 a	Enter direct or indirect political expenditures. See line 81 instructions — 81a: 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) — 82b:			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	*501(c)(4), (5), or (6) organizations.* a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members — 85c: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	*501(c)(7) organizations.* Enter: a Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations.* Enter: a Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b: N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			

90 a List the states with which a copy of this return is filed ▶ NONE

b Number of employees employed in the pay period that includes March 12, 2004 — 90b: 44

91 The books are in care of ▶ NORENE BISHOP Telephone no. ▶ 207-594-9209

Located at ▶ 386 MAIN STREET, PO BOX 648, ROCKLAND, ME ZIP + 4 ▶ 04841

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* **Form 1041**- Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92: N/A

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income		Excluded by section 512, 513, or 514		
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	(E) Related or exempt function income
93 Program service revenue:					
a INFORMATION	541800	85,404.			53,232.
b SPONSORSHIPS					1,500.
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					72,139.
95 Interest on savings and temporary cash investments			14	6,828.	
96 Dividends and interest from securities			14	38,558.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	<65,181.>	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					175,692.
103 Other revenue:					
a OTHER REVENUE - RELATED			01	1,942.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		85,404.		<17,853.>	302,563.
105 Total (add line 104, columns (B), (D), and (E)) ▶					370,114.

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	SEE STATEMENT 15

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: *If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).*

Please Sign Here — Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

▶ Signature of officer [signature] Date 5/15/06 ▶ Type or print name and title. Philip Conkling, Pres.

Paid Preparer's Use Only — Preparer's signature ▶ [signature] Date 4/26/06 Check if self-employed ▶ ☐ Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ BERRY, DUNN, MCNEIL & PARKER, LLC
36 PLEASANT STREET
BANGOR, ME 04401

EIN ▶

Phone no. ▶ (207) 942-1600

423161 01-13-05

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No 1545-0047

2004

Name of the organization: ISLAND INSTITUTE

Employer identification number: 22 2786731

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NORENE BISHOP 368 MAIN STREET ROCKLAND, ME 04841	FINANCE MGR. 40	71,631.	6,221.	
DAVID PLATT 368 MAIN STREET ROCKLAND, ME 04841	INFO DIRECTOR 40	60,499.	1,964.	
ROB SNYDER 368 MAIN STREET ROCKLAND, ME 04841	VP PROGRAMS 40	52,885.	4,467.	
Total number of other employees paid over $50,000 ▶	0			

Part II **Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
DEMONT & ASSOCIATES, INC. 477 CONGRESS STREET PORTLAND, ME 04101	CAPITAL CAMPAIGN CONSULTANTS	174,600.
Total number of others receiving over $50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

		Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ $ ______ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)* SEE STATEMENT 16			
a Sale, exchange, or leasing of property?	2a		X
b Lending of money or other extension of credit?	2b		X
c Furnishing of goods, services, or facilities?	2c		X
d Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	X	
e Transfer of any part of its income or assets?	2e		X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.) SEE STATEMENT 17	3a	X	
b Do you have a section 403(b) annuity plan for your employees?	3b		X
4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).

9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ ______

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 ☐ An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	3,827,259.	4,361,775.	2,682,118.	3,116,360.	13,987,512.
16 Membership fees received	82,690.	62,365.	60,451.	62,343.	267,849.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	519,191.	463,914.	562,302.	657,749.	2,203,156.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	16,964.	20,191.	33,748.	36,153.	107,056.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	8,170.	16,551.	SEE STATEMENT 18 525.		25,246.
23 Total of lines 15 through 22	4,454,274.	4,924,796.	3,339,144.	3,872,605.	16,590,819.
24 Line 23 minus line 17	3,935,083.	4,460,882.	2,776,842.	3,214,856.	14,387,663.
25 Enter 1% of line 23	44,543.	49,248.	33,391.	38,726.	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a 287,753.

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b 1,176,568.

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c 14,387,663.

d Add: Amounts from column (e) for lines: 18 107,056. 19 ______ 22 25,246. 26b 1,176,568. ▶ 26d 1,308,870.

e Public support (line 26c minus line 26d total) ▶ 26e 13,078,793.

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 90.9028%

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year: N/A

(2003) (2002) (2001) (2000)

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year: N/A

(2003) (2002) (2001) (2000)

c Add: Amounts from column (e) for lines: 15 ______ 16 ______ 17 ______ 20 ______ 21 ______ ▶ 27c N/A

d Add: Line 27a total ______ and line 27b total ______ ▶ 27d N/A

e Public support (line 27c total minus line 27d total) ▶ 27e N/A

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f N/A

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g N/A %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h N/A %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return** Do not include these grants in line 15.

NONE

Part V **Private School Questionnaire** (See page 7 of the instructions.) N/A
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.) N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ a ☐ if the organization belongs to an affiliated group. Check ▶ b ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -	41		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

If the amount on line 40 is -	**The lobbying nontaxable amount is -**
Not over $500,000	20% of the amount on line 40
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B **Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule: N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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11-24-04

FORM 990 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 1

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
VARIOUS SECURITIES	344,409.	338,726.	0.	5,683.
TO FORM 990, PART I, LINE 8	344,409.	338,726.	0.	5,683.

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
VARIOUS ASSETS	VARIOUS	VARIOUS	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	98,450.	198,135.	0.	28,821.	<70,864.>
TO FM 990, PART I, LN 8	98,450.	198,135.	0.	28,821.	<70,864.>

FORM 990 — INCOME AND COST OF GOODS SOLD INCLUDED ON PART I, LINE 10 — STATEMENT 3

INCOME

1. GROSS RECEIPTS	364,295	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		364,295
4. COST OF GOODS SOLD (LINE 13)	188,603	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		175,692

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR	216,649	
7. MERCHANDISE PURCHASED	179,506	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		396,155
12. INVENTORY AT END OF YEAR	207,552	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)		188,603

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 4

DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	233,273.
CHANGE IN BENEFICIAL INTEREST IN PERPETUAL TRUST	76,344.
ROUNDING	
TOTAL TO FORM 990, PART I, LINE 20	309,617.

FORM 990 OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
OTHER EXPENSES	194,019.	185,350.	8,669.	
FELLOWSHIP - PROF DEVELOP	1,011.	1,011.		
FELLOWSHIP - ROOM & BOARD	6,220.	6,220.		
FELLOWSHIP HEALTH/LIFE INSURANCE	39,110.	39,110.		
FELLOWSHIP MEALS & ENTERTAINMENT	2,100.	2,100.		
FELLOWSHIP MISC EXPENSES	1,031.	1,031.		
GIFTS	850.	850.		
STAFF RECRUITMENT	4,158.	1,928.		2,230.
STAFF DEVELOPMENT	3,350.	840.	2,360.	150.
DUES & SUBS	2,683.	2,365.		318.
BOATS/BOAT CHARTERS	19,765.	19,765.		
BAD DEBTS	4,246.		4,246.	
MISCELLANEOUS	23,634.	10,224.	11,834.	1,576.
CONSULTING	22,451.	562.	21,889.	
TAXES AND INSURANCE	36,780.		36,780.	
MIS EXPENSES	12,288.		12,288.	
DIRECT PROJECT EXPENSES	14,353.			14,353.
MARKETING	96,252.			96,252.
CAPITAL CAMPAIGN EXPENSES	259,410.			259,410.
SCHOLARSHIP EXPENSES	3,475.	3,475.		
OVERHEAD ALLOCATION	<42,719.>	25,593.	<88,383.>	20,071.
INVESTMENT FEES	61,414.		61,414.	
SCHOLARSHIP EXPENSES	2,150.	2,150.		
TOTAL TO FM 990, LN 43	768,031.	302,574.	71,097.	394,360.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 6
PART III

EXPLANATION

VOICE FOR THE BALANCED FUTURE OF THE ISLANDS AND
WATERS OF THE GULF OF MAINE

FORM 990 CASH GRANTS AND ALLOCATIONS STATEMENT 7

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
SEE ATTACHED			NONE	76,925.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				76,925.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 8

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
CORPORATE STOCKS	FMV	5,554,163.			5,554,163.
MUTUAL FUNDS	FMV			121,360.	121,360.
TO FORM 990, LINE 54, COL B		5,554,163.		121,360.	5,675,523.

FORM 990 OTHER ASSETS STATEMENT 9

DESCRIPTION	AMOUNT
ASSETS HELD FOR SALE	124,083.
BENEFICIAL INTEREST IN PERPETUAL TRUST	1,314,893.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	1,438,976.

FORM 990 — OTHER LIABILITIES — STATEMENT 10

DESCRIPTION	AMOUNT
ANNUITY OBLIGATIONS	57,149.
LOAN GUARANTEE PAYABLE	30,000.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	87,149.

FORM 990 — OTHER SECURITIES — STATEMENT 11

SECURITY DESCRIPTION	COST/FMV	OTHER SECURITIES
MONEY MARKET FUNDS/CD	FMV	2,647,437.
TO FORM 990, LINE 54, COL B		2,647,437.

FORM 990 — OTHER REVENUE NOT INCLUDED ON FORM 990 — STATEMENT 12

DESCRIPTION	AMOUNT
COST OF GOODS SOLD	188,603.
CHANGE IN BENEFICIAL INTEREST IN PERPETUAL TRUST	76,344.
TOTAL TO FORM 990, PART IV-A	264,947.

FORM 990 — OTHER EXPENSES NOT INCLUDED ON FORM 990 — STATEMENT 13

DESCRIPTION	AMOUNT
COST OF GOODS SOLD	188,603.
TOTAL TO FORM 990, PART IV-B	188,603.

[redacted]

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 14

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PHILIP CONKLING 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	PRESIDENT 40	115,707.	8,098.	0.
PETER RALSTON 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	EXECUTIVE VP 40	106,544.	7,756.	0.
HORACE A. HILDRETH, JR. 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	CHAIRMAN 1	0.	0.	0.
DONNA DAMON 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
JOHN BIRD 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	CHAIR - PROGRAMS COMMITTEE 1	0.	0.	0.
SAMUEL PARKMAN SHAW 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
WILLIAM J. GINN 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	CHAIR & SECRETARY 1	0.	0.	0.
ERIC DAVIS 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
JOHN HIGGINS 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TREASURER 1	0.	0.	0.
ELDON C. MAYER, JR. 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
LOUIS W. CABOT 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	CHAIR - CAPITAL CAMPAIGN 1	0.	0.	0.

ROBERT E. CANDAGE 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
MICHAEL BOYD 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	CLERK 1	0.	0.	0.
POLLY GUTH 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
NANCY HOPKINS-DAVISSON 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
PETER QUESADA 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
GEORGE SHAW 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
BARBARA SWEET 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
DAVID THOMAS 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
NANCY JORDAN 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
NANCY PUTNAM 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
MATTHEW SIMMONS 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	TRUSTEE 1	0.	0.	0.
BART MORRISON 386 MAIN STREET, PO BOX 648 ROCKLAND, ME 04841	CHIEF OPERATING OFFICER 40	106,937.	4,243.	0.
TOTALS INCLUDED ON FORM 990, PART V		329,188.	20,097.	0.

FORM 990 — PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES — STATEMENT 15

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93B	EXHIBITS SPONSORED TO EDUCATE AND OUTREACH TO THE GENERAL PUBLIC
102	ARCHIPELAGO GIFT SHOP PROVIDES A VENUE FOR ISLAND AND COASTAL ARTISTS LIVING IN REMOTE COMMUNITIES TO OFFER ARTWORK AND HANDMADE CRAFTS EVOKING THE HERITAGE OF COASTAL MAINE
94	DEVELOPED AWARENESS OF MARINE RELATED ISSUES AND THE ROLE OF THE ISLAND INSTITUTE
93A	PRODUCED ISLAND AND MARINE ORIENTED PUBLICATIONS AND RAN CONFERENCES AND FORUMS TO EDUCATE THE PUBLIC AND FACILITATE THE RESOLUTION OF CRITICAL MARINE AND ISLAND ISSUES.

SCHEDULE A — STATEMENT REGARDING ACTIVITIES WITH SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, CREATORS, KEY EMPLOYEES, ETC,. PART III, LINE 2 — STATEMENT 16

SEE FORM 990, PART V

SCHEDULE A — EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS PART III, LINE 3 — STATEMENT 17

A PERCENTAGE OF EACH CONTRIBUTION OF $100 AS WELL AS CONTRIBUTIONS DESIGNATED FOR SCHOLARSHIPS ARE PLACED INTO A SCHOLARSHIP FUND. SCHOLARSHIPS ARE AWARDED TO ISLAND STUDENTS ON A NEED BASIS BY THE RECOMMENDATION OF A COMMUNITY-BASED ADVISORY COMMITTEE.

SCHEDULE A — OTHER INCOME — STATEMENT 18

DESCRIPTION	2003 AMOUNT	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT
MISC INCOME	8,170.	16,551.	525.	0.
TOTAL TO SCHEDULE A, LINE 22	8,170.	16,551.	525.	0.

ISLAND INSTITUTE **STATEMENT 19**
EIN # 22-2786731
990 Part II, Line 22

McLane Scholarship Awards

Name	Address	Amount
Vicki Conover	Islesboro	500
Caleb Beckman	North Haven	180
Christina Curron	Cranberry Is	1,498
Mike Felton	Vinalhaven	1,117
Carolyn Osgood	Vinalhaven	915
Katherine Hauprich	Islesboro	(1,500)
Sophe Presgraves	Peaks Islanc	1,420
Candice Joyce	Swan's Islan	669
Mike Felton	Vinalhaven	1,117
Margaret Olsen	Vinalhaven	1,050
Carolyn Osgood	Vinalhaven	1,056
Danielle Webster	Vinalhaven	1,083
Addison Weisbruch	Vinalhaven	105
Claire Carter	Vinalhaven	200
Kalya Conway	Vinalhaven	200
Cassandra Martin	Vinalhaven	200
Ethan Warren	Vinalhaven	200
Alexandra Young	Vinalhaven	200
Elizabeth Young	Vinalhaven	200
Emily Wright	Vinalhaven	1,500
Glenn Wright	Vinalhaven	1,500
Keely Felton	Vinalhaven	700
Wendy Cooper	North Haven	900
Jasmine Tinker	Matinicus	1,500
Shayne Warren	Vinalhaven	180
Alisa McKenzie	North Haven	250
Jamie Lane	North Haven	250
Ansel Orne	North Haven	250
Tom Emerson	North Haven	250
Emmet Hodder	North Haven	250
Alica Brown	North Haven	250
Kelsey Jones	North Haven	250
Ben Lovell	North Haven	250
Amilla Campbell	North Haven	250
Alex Orne	North Haven	250
Eva Hopkins	North Haven	250
Thomas Sommo	North Haven	250
Francis & Fiona Warren	Vinalhaven	800
Trenton Alley	Vinalhaven	180
Marcy Lamson	Isle Au Haut	200

ISLAND INSTITUTE **STATEMENT 19**
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Athena Hutchinson		Vinalhaven	180
Gordon Murphy		Chebeague	1,500
Cameron Leach		Islesboro	450
Nicholas Barton		Vinalhaven	1,000
			24,000

Maine Community Foundation Scholarships

Damon	Thomas	Chebeague	2,500
Purdy	Skylar	Islesboro	1,600
Carle	Emily	Long Island	1,600
Thomas	Rachel	Islesford	1,600
Nelson	Natasha	Islesboro	1,600
Grindle	Joel	Islesboro	850
Lovell	Elizabeth	North Haven	850
Stanley	Abigail	Swans	850
Johnston	Melissa	Islesboro	850
Daley	Krista	Islesboro	850
Hodges	Alexandra	Peaks	850
Bowman	Cooper	Chebeague	850
Conlan	Brianna	Vinalhaven	850
Jones	Kelsey	North Haven	850
Alexander	Adam	North Haven	850
Wiley	Nathaniel	Vinalhaven	850
Baribeau	Elizabeth	North Haven	850
Walsh	James	Peaks	850
Bolduc	Jonathan	Islesboro	850
Drury	Jamus	Vinalhaven	850
Diffin	Rory	Islesboro	850
Samuel	Jasmine	Islesford	850
Bolduc	Annie	Islesboro	850
McInerney	Katherine	Peaks	850
Van Der Steenhoven	Marieke	Peaks	850
Harkins	Alexandra	Islesboro	850
Russell	Amy	Great Cranb	850
Oliver	Isaiah	Peaks	850
Smith	Heather	Vinalhaven	850
Smith	Kimberly	Vinalhaven	850
Gray	Martha	Great Crant	850
Osgood	Brianna	Vinalhaven	500
Mesko	Farley	Vinalhaven	500
Hamilton	Loretta	Chebeague	500
Guptill	Rebecca	Vinalhaven	500
Radis	Katherine	Peaks	500

ISLAND INSTITUTE **STATEMENT 19**
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Bickford	Danielle	Vinalhaven	500
Schnell	Jessica	Monhegan	500
Clark	Lynn	Long Island	500
Putnam	Tyler	Chebeague	250
MacVane	Lauren	Long Island	250
Beckman Jr.	Eric	Vinalhaven	250
Cannon	Lana	Peaks	250
Kinner	Neil	Peaks	250
Gasperini	Eric	Vinalhaven	250
Johnson	Moira	Long Island	250
Walsh	Robert	Peaks	250
Rolerson	Nyiah	Islesboro	100
Czenkusch	Mary	Islesboro	100
Flynn	Kathryn	Peaks	100
Mulkern	Shannon	Peaks	100
Johnson	Katherine	Long Island	250
Thomas	Emily	Islesford	250
Gray	Seth	Great Cranb	250
Johnson	Kelcie	Long Island	250
			38,400

Island Community Foundation Grants

Cliff Island Corp for Athl	500
Peaks Island School	750
Chebeague Recreation Center	450
Swan's Island Educational Society	1,000
Islesford Neigborhood House Assn	2,000
North Haven Arts & Enrichment	700
Frenchboro Preschool Commit	1,400
North Haven Conservation Partners	800
Monhegan Island Sustainable	1,000
North Haven Ambulance	1,500
North Haven Arts & Enrichme	1,000
Frenchboro School	500
Girl Scouts of America-Abnaki	500
Congregational Church of Matinicus	1,000
Great Cranberry Historical Soc	1,000
Long Island School	425
Total	**14,525**
	76,925

EIN: 22-2786731

ISLAND INSTITUTE
DEPRECIATION SCHEDULE
6/30/2005

	Basis	Depreciation Expense	Accum. Deprec	Book Value	Method	Life
Islands	1,823,748.62	-	-	1,823,748.62		
Land and buildings	1,781,462.45	47,204.98	233,384.97	1,548,077.48	S/L	30
Boats	182,852.54	6,654.33	172,867.02	9,985.52	S/L	5-7
Office equipment	316,587.29	28,661.28	260,724.20	55,863.09	S/L	5-7
Electronic equipment	603,033.57	73,789 15	428,677.16	174,356.41	S/L	5
	4,707,684.47	156,309.74	1,095,653.35	3,612,031.12		

Form **8868** (Rev. December 2004)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile.*

Type or print	Name of Exempt Organization	Employer identification number
	ISLAND INSTITUTE	22-2786731
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. 386 MAIN STREET, PO BOX 648	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ROCKLAND, ME 04841	

Check type of return to be filed (file a separate application for each return):

[X] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec. 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ▶ NORENE BISHOP
  Telephone No. ▶ 207-594-9209 FAX No. ▶
- If the organization does **not** have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a **Group Return,** enter the organization's four digit Group Exemption Number (GEN) ____ . If this is for the **whole** group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until FEBRUARY 15, 2006 .
to file the exempt organization return for the organization named above The extension is for the organization's return for:
▶ [ ] calendar year ____ or
▶ [X] tax year beginning JUL 1, 2004 , and ending JUN 30, 2005 .

2 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions $

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit $

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions $ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.

Type or print. File by the extended due date for filing the return See instructions		
	Name of Exempt Organization ISLAND INSTITUTE	Employer identification number 22-2786731
	Number, street, and room or suite no. If a P O. box, see instructions 386 MAIN STREET, PO BOX 648	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions. ROCKLAND, ME 04841	

Check type of return to be filed (File a separate application for each return):

[X] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec. 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [ ] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ NORENE BISHOP
  Telephone No ▶ 207-594-9209 FAX No. ▶
- If the organization does **not** have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN)______. If this is for the **whole** group, check this box ▶ [ ] If it is for **part** of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 2006.

5 For calendar year ______, or other tax year beginning JUL 1, 2004 and ending JUN 30, 2005

6 If this tax year is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions $

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 $

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions $ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

BERRY, DUNN, McNEIL & PARKER - 36 PLEASANT STREET
BANGOR, MAINE 04401 - E I N 01-0523282

Signature ▶ Barbara J McCrean Title ▶ Date ▶ 2/15/06

Notice to Applicant - To Be Completed by the IRS

[ ] We **have** approved this application. Please attach this form to the organization's return.

[ ] We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.

[ ] We **have not** approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period

[ ] We **cannot consider** this application because it was filed after the extended due date of the return for which an extension was requested.

[ ] Other

By:
Director Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	
	Name BERRY, DUNN, MCNEIL & PARKER LLC
	Number and street (include suite, room, or apt. no.) or a P.O. box number 36 PLEASANT STREET
423832 01-10-05	**City or town, province or state, and country (including postal or ZIP code)** BANGOR ME 04401

Island Institute