

Registered number: 02913375  
Charity number: 1055710

**Chatham Maritime Trust**  
(A company limited by guarantee)

**Trustees' Report and Financial Statements**  
**for the year ended 31 March 2013**

Chatham Maritime Trust  
(A company limited by guarantee)

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**Chatham Maritime Trust**  
**(A company limited by guarantee)**

**Chairman's statement**  
**for the year ended 31 March 2013**

The chairman presents his statement for the period.

2012-13 has been a year of change and improvement in the way in which the Trust conducts its business. This has of course been with the continued backdrop of a depressed economy. However the Trust has continued to manage its estate prudently and take on additional assets such as further land transfers from the HCA together with the starfish play area from HCA / Barratt Homes. This again further helps the Trust to grow and offer further support to the community through those facilities.

The Busy Bees Nursery & Doctors surgery have continued to perform well and we are happy the diversification of the Trust's investment portfolios. The property investments also bring a steady rental income to the Trust. In general, our investment portfolios have continued to do well despite economic and political challenges being faced in the world. At the end of the year, the total recognised gain after revaluation of investment assets was £500k and the overall increase in investments is about £600k. Investment returns have held their own in a difficult market environment. We aim to continue the good stewardship of these funds in difficult times

During the year we have continued to strengthen the relationships with the HCA, and other key partners in Medway such as Medway Council, residents and commercial occupiers and we will continue to enhance these ties.

Throughout the year the Trust has continued to focus on its key service delivery to residents and occupiers, seeking to deliver improved value for money whilst ensuring that standards are maintained. A number of new staff members at the Coach House have brought renewed vigour and skills to help with improving service delivery.

In July the board took the decision to subsume the operations of Chatham Maritime Estates (CME) into the Trust in order to streamline operations and drive for efficiencies. This process is near completion and this will bring improvements for the Trust and its customers in the future.

We also saw some changes in Trustees with independent Trustee Tony Clayton standing down as Trustee after nine years of dedicated service to the Trust. We also saw changes with the SMIRA representative of Allan Sneller being replaced by Dr Bob Muid and the Southco representative of Professor Neil Garrod being replaced by Professor David Maguire.

We thank the departing Trustees for their help, dedication and support during their time with us and welcome the new Trustees for the skills and experience they bring.

It has been a year of change and my thanks go to the staff at the Coach House who have continued to work in such a dedicated way to ensure that the Trust's business continues on a day to day basis to maintain the estate for the benefit of those who live, work, study and play at Chatham Maritime Estate.



Name Mr S Harriott  
Chairman

Date 13 September 2013

Chatham Maritime Trust  
(A company limited by guarantee)

Reference and administrative details of the company, its trustees and advisers  
for the year ended 31 March 2013

<b>Trustees</b>	Mr S Harriott Mr A W Clayton (resigned 7 December 2012) Mr A B Horwood Mr D Taylor Mr J Perry Mr V Towell Prof. N Garrod (resigned 29 August 2012) Mr A Sutton Cllr G D Griffiths Cllr A Mackness Mr A Sneller (resigned 11 September 2012) Prof D J Maguire (appointed 7 December 2012) Dr R E Muid (appointed 7 December 2012)
<b>Company registered number</b>	02913375
<b>Charity registered number</b>	1055710
<b>Registered office</b>	The Coach House Pembroke Chatham Maritime Kent ME4 4EU
<b>Company secretary</b>	Mrs A Yusuf
<b>Chief executive officer</b>	Mrs H Kerswell (appointed 10 September 2013) Mr M A Hill MRICS MIAM (resigned 6 September 2013)
<b>Independent auditor</b>	Reeves & Co LLP Chartered Accountants Registered Auditors Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU
<b>Bankers</b>	HSBC Bank Plc South Commercial Centre Lakeview West Crossways Business Park Dartford Kent DA2 6QE

**Chatham Maritime Trust**  
**(A company limited by guarantee)**

**Reference and administrative details of the company, its trustees and advisers  
for the year ended 31 March 2013**

**Advisers (continued)**

<b>Solicitors</b>	Thomson Snell & Passmore The Old Rectory St Mary's Road Greenhithe Kent DA9 9AS
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<b>Investment Managers</b>	Rathbone Brothers Plc 1 Curzon Street London W1J 5FB
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**Chatham Maritime Trust**  
(A company limited by guarantee)

**Trustees' report**  
**for the year ended 31 March 2013**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) submit their annual report together with the audited financial statements of Chatham Maritime Trust (the company) for the year ended 31 March 2013. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**a. Constitution**

The Trust was incorporated under the name of Chatham Medway Limited on 28 March 1994. By a special resolution dated 25 March 1997 its name was changed to Chatham Maritime Trust. The charity was set up by a Memorandum of Association. Registration with the Charity Commission was obtained on 30 May 1996.

**b. Organisational structure and decision making**

The Trust has four member organisations, who each have a significant interest in the future of the Chatham Maritime Estate: Medway Council, Homes and Communities Agency (HCA, formerly SEEDA), St Mary's Island Residents Association Ltd (SMIRA) and South Maritime Residents Ltd (an association for investors in and businesses on the Estate).

The four member organisations have the right of appointment of seven Trustees: two each from Medway Council, SMIRA, South Maritime Residents Ltd, and one from HCA. At the end of the year these nominee places were filled.

In addition there are a number of "independent" Trustee appointees who usually have no affiliation with the member organisations, but who have strong local connections and / or professional skills valuable to the Trust. There were four such independents initially but currently 3 following Tony Clayton's resignation.

The Main Board normally meets six times in the year.

A Covenants Committee monitors the Trust's policy on property restrictive covenants and acts as a route of appeal in the event of dispute.

The Trust has a wholly-owned subsidiary company, Chatham Maritime Estate Ltd (CME), to which the Trust delegates responsibility for the day to day management of the Trust's property holdings at Chatham Maritime. CME's role includes collecting rent- and service charges, arranging maintenance and services, and dealing with covenant and landlord & tenant matters. CME has its own Board comprising five Trustees, which meets four times a year. It also reports at the Trust's Main Board meetings. As described above the decision has been taken to subsume the operations of CME into the Trust.

**c. Risk management**

The charity maintains a risk register which is reviewed and updated as necessary throughout the year. The most pressing risks concern income, especially with the demise of SEEDA which pays us rent charge for the undeveloped sites, and the risk of catastrophic failure of the dock basin walls. However, the HCA has stepped into the role of SEEDA so this risk is much reduced.

Trustees' report (continued)  
for the year ended 31 March 2013

## Objectives and Activities

### a. Policies and objectives

To provide or to assist in the provision of amenities primarily for the benefit of the citizens of the Medway Towns and generally for the benefit of the public and without prejudice to the generality of the foregoing to:-

Plant trees and undertake landscaping and other environmental improvements to such part or parts of the development site as is or are in public ownership, or the freehold which (unencumbered by any leasehold interest) is for the time being vested in HCA, or the freehold which is for the time being vested in the Trust and is or are accessible by the public at large, the site being part of the former Chatham Dockyard ("the Development").

Repair and maintain the bridges, lock control buildings and systems within the Development.

Repair and maintain the flood protection wall and warning systems within the Development.

Maintain water levels and repair and maintain associated plant and machinery within the Development.

Control and maintain the appliances and amenities of the Development and to construct, maintain and repair landscaping, parks and other public areas, roads, flood warning systems, water management systems, lighting installations, walls, gates, barriers, landscaped areas, marinas, bridges, locks, dams, sewers and draining installations and other appurtenances and amenities on the Development and to keep the same in good order and condition.

To provide or to assist in providing facilities for recreation or other leisure time occupation in, or in connection with, the Development and its neighbourhood.

To educate and assist young persons and other members of the community of Medway and its neighbourhood through their leisure time activities so as to develop their physical, mental and spiritual capacities and so that their conditions of life may be improved and in furtherance of that objective to provide, at the facilities to be provided by the Trust, lectures, classes and training facilities which will be made available to the public using such facilities.

To undertake such other charitable purposes which are exclusively charitable according to the law of England and Wales as the Trustees may from time to time determine.

### b. Grant making policies

The Trust operates a Community Fund from which it gives grants to support community events and activities. Whilst the Fund represents only a very small proportion of the Trust's expenditure, Trustees recognise that relatively small sums can make a significant difference within the community.

Recognising that its income would be diminishing because of low interest rates, the Trust prepared the ground for a reduction in its grant-making by forewarning organisations it had regularly supported. During the year support was made available to a number of charities including, St Mary's Island School Parent Teacher Association, Arethusa and Maritime W1.

Chatham Maritime Trust  
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Trustees' report (continued)  
for the year ended 31 March 2013

**Achievements and performance**

**a. Review of activities**

During the year the Trust has operated against the background of a changing environment. Homes and Communities Agency (HCA) is the government agency responsible for the development of the Chatham Maritime Estate. As HCA completes development, infrastructure, and facilities, these are transferred to the ownership of the Trust for long-term guardianship.

Financial constraints on future public sector funding have become very apparent, and the Trust has pressed the case for the Chatham Maritime Estate to be built out as originally envisaged: that is as a premier business, residential, leisure and educational location, a "jewel in the crown" of the Medway Towns.

The Trust has also felt the effect of the recession on its own finances but investment income improved in the year. We have continued to emphasise the need to contain and reduce maintenance costs. Trustees took the long view that this should be done in a manner consistent with maintaining the Estate's high quality, and so decided against radical cuts that could adversely affect the physical environment, or give rise to higher consequential costs in the future. The Trust has sought to reduce expenditure where this can be done without prejudicing overall standards or health and safety, and without creating a significant future maintenance backlog.

Within this framework, maintenance of the Estate continued through the year and a number of improvements have been made to how we operate by introducing a 15 year planned preventative maintenance programme (PPM). This has been extremely valuable for budgeting and planning purposes and enables the Trust to forward plan the maintenance of its assets to greater effect. In addition a number of both core and non-core activities have been tendered resulting in some significant cost and/or management savings.

We also saw some changes in Trustees with independent Trustee Tony Clayton standing down as Trustee after nine years of dedicated service to the Trust. We also saw changes with the SMIRA representative of Allan Sneller being replaced by Dr Bob Muid and the Southco representative of Professor Neil Garrod being replaced by Professor David Maguire.

We thank the departing Trustees for their help, dedication and support during their time with us and welcome the new Trustees for the skills and experience they bring.

**b. Public benefit statement**

Chatham Maritime Trust undertakes the maintenance and guardianship of the 350-acre Chatham Maritime Estate. This activity is directly to the benefit of the residents, students, businesses and workers who reside at or use the Estate. The Estate is also open to the general public – there are public highways, and footpaths with public rights of access, and visitors are free to use estate roads, public areas and parks.

In particular the Trust maintains three large parkland areas on St Mary's Island, a riverside walk around the Island perimeter, a children's play area, and various other open spaces used by residents and the public at large. The Trust also maintains two large dock basins which form a valuable amenity and which are used for boating, sailing, and training purposes. There are generally no restrictions on access by the public, and no charges are made.

**c. Investment policy and performance**

The Trust's investment objective is to maximise growth for future expenditure subject to meeting immediate revenue needs. The Trust's funds are managed by professional investment advisors in accordance with these objectives.



Chatham Maritime Trust  
(A company limited by guarantee)

Trustees' report (continued)  
for the year ended 31 March 2013

Financial review

**a. Reserves policy**

The Trust's responsibilities include the maintenance and management of extensive areas of park and public access land, and significant items of infrastructure including two Victorian dock basins and two bridges.

The Trust will be responsible for the maintenance of these items well into the twenty second century, with little expectation of additional funds beyond current assets. The funds available to the Trust upon its inauguration in 1997 were determined to be adequate to meet these future responsibilities. Income from these investments is expected to be adequate to meet expenditure in most years, although occasional capital withdrawals are anticipated for periodic major replacement works.

In the light of the uncertainties in quantum and timing of anticipated future maintenance expenditure, the Trustees continue to seek to follow a prudent policy to seek to ensure that the funding available to future Trustees will remain adequate. In current market conditions, this is a challenge. It is part of this policy that, subject to minor exceptions, all surplus funds will continue to be reinvested for growth to provide for future maintenance.

**b. Results for the year**

The results for the year are set out in the Statement of Financial Activities on page 11. This shows a surplus of net incoming resources from unrestricted funds amounting to £241,149 (2012: deficit £9,328).

The Trust has benefited from the improvement in global stock markets, resulting in unrealised gains for the year of £500,841.

A net movement of funds of £974,003 has been added to reserves. Total reserves at 31 March 2013 were £14,968,651 compared with £13,994,648 at 31 March 2012.

**Plans for the future**

**a. Future developments**

There are a number of transfers from the HCA already being planned and the Trust is also looking at opportunities both within and outside of the estate that may contribute to both the charitable objectives and also the financial health of the Trust in the future.

**Chatham Maritime Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 March 2013**

**Trustees' responsibilities statement**

The Trustees (who are also directors of Chatham Maritime Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Provision of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

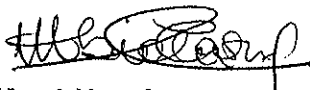
- so far as that Trustee is aware, there is no relevant audit information of which the company's auditor is unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

**Auditor**

The auditors, Reeves & Co LLP, have indicated their willingness to continue in office.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 13 September 2013 and signed on their behalf by:



**Mrs A Yusuf**  
**Company secretary**

**Chatham Maritime Trust**  
**(A company limited by guarantee)**

**Independent auditor's report to the members of Chatham Maritime Trust**

We have audited the financial statements of Chatham Maritime Trust for the year ended 31 March 2013 set out on pages 11 to 23. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of Trustees and auditor**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

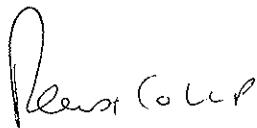
Chatham Maritime Trust  
(A company limited by guarantee)

## Independent auditor's report to the members of Chatham Maritime Trust

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Reeves & Co LLP**

Chartered Accountants  
Registered Auditors

Montague Place  
Quayside  
Chatham Maritime  
Chatham  
Kent  
ME4 4QU  
13 September 2013

Reeves & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Chatham Maritime Trust  
(A company limited by guarantee)

Statement of financial activities  
for the year ended 31 March 2013

	Note	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income	2	25,000	262,700	287,700	200,000
Investment income	3	149,926	337,079	487,005	432,470
Other incoming resources	4	-	178,656	178,656	61,146
<b>Total incoming resources</b>		<b>174,926</b>	<b>778,435</b>	<b>953,361</b>	<b>693,616</b>
<b>Resources expended</b>					
Costs of generating funds:					
Investment management expenses	5	26,989	51,481	78,470	73,089
Charitable activities	7	121,393	467,637	589,030	414,877
Governance costs	8	-	18,168	18,168	5,025
<b>Total resources expended</b>		<b>148,382</b>	<b>537,286</b>	<b>685,668</b>	<b>492,991</b>
<b>Net incoming resources before investment asset disposals</b>		<b>26,544</b>	<b>241,149</b>	<b>267,693</b>	<b>200,625</b>
Gains and losses on disposals of investment assets		68,758	136,711	205,469	210,121
<b>Net incoming resources before revaluations</b>		<b>95,302</b>	<b>377,860</b>	<b>473,162</b>	<b>410,746</b>
Gains and losses on revaluations of investment assets		173,193	327,648	500,841	(371,255)
<b>Net movement in funds for the year</b>		<b>268,495</b>	<b>705,508</b>	<b>974,003</b>	<b>39,491</b>
Total funds at 1 April 2012		4,639,046	9,355,602	13,994,648	13,955,157
<b>Total funds at 31 March 2013</b>		<b>4,907,541</b>	<b>10,061,110</b>	<b>14,968,651</b>	<b>13,994,648</b>

The notes on pages 14 to 23 form part of these financial statements.

Chatham Maritime Trust  
(A company limited by guarantee)

Summary income and expenditure account  
for the year ended 31 March 2013

	Note	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Total income	17	174,926	778,435	953,361	693,616
Less: Total expenditure	17	148,382	537,286	685,668	492,991
Net income for the year before investment asset disposals		26,544	241,149	267,693	200,625
Gain/(loss) on disposal of investment assets		68,758	136,711	205,469	210,121
<b>Net income for the year</b>		<b>95,302</b>	<b>377,860</b>	<b>473,162</b>	<b>410,746</b>

The notes on pages 14 to 23 form part of these financial statements.

Statement of total recognised gains and losses  
for the year ended 31 March 2013

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Net income for the year	95,302	377,860	473,162	410,746
Gains and losses on revaluations of investment assets	173,193	327,648	500,841	(371,255)
<b>Total gains and losses recognised since 1 April 2012</b>	<b>268,495</b>	<b>705,508</b>	<b>974,003</b>	<b>39,491</b>

There is no difference between the income on ordinary activities for the year stated above and its historical cost equivalent.

The notes on pages 14 to 23 form part of these financial statements.

Chatham Maritime Trust  
(A company limited by guarantee)  
Registered number: 02913375

Balance sheet  
as at 31 March 2013

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	11		308,332		300,823
Investment property	12		579,304		579,304
Investments	13		13,297,071		12,702,542
			<u>14,184,707</u>		<u>13,582,669</u>
<b>Current assets</b>					
Debtors	14	51,524		235,264	
Cash at bank and in hand		994,569		346,571	
		<u>1,046,093</u>		<u>581,835</u>	
<b>Creditors:</b> amounts falling due within one year	15	(262,149)		(169,856)	
<b>Net current assets</b>			<u>783,944</u>		<u>411,979</u>
<b>Net assets</b>			<u>14,968,651</u>		<u>13,994,648</u>
<b>Charity Funds</b>					
Restricted funds	16		4,907,541		4,639,046
Unrestricted funds	16		10,061,110		9,355,602
<b>Total funds</b>			<u>14,968,651</u>		<u>13,994,648</u>

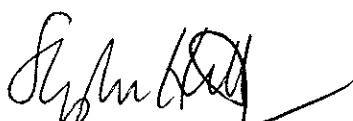
The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2013 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

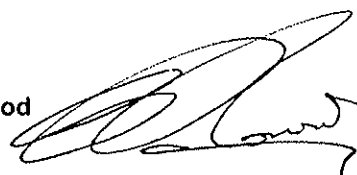
The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 13 September 2013 and signed on their behalf, by:

Mr S Harriott



Mr A B Horwood



The notes on pages 14 to 24 form part of these financial statements.

Notes to the financial statements  
for the year ended 31 March 2013

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the organisations named on page 4. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the organisations in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the organisations for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Incoming resources**

All incoming resources are included in the Statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.



Notes to the financial statements  
for the year ended 31 March 2013

**1. Accounting policies (continued)**

**1.5 Tangible fixed assets and depreciation**

All assets are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Plant & machinery	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance
Freehold improvements	-	10% straight line

**1.6 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.7 Investments**

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**1.8 Investment properties**

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the Trustees, necessary in order to give a true and fair view of the financial position of the company.

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2. Voluntary income

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Community Centre Endowment	-	-	-	200,000
Starfish Play Area	-	262,700	262,700	-
Shark Park	25,000	-	25,000	-
	<u>25,000</u>	<u>262,700</u>	<u>287,700</u>	<u>200,000</u>

3. Investment income

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Investment income - Dowry Fund	-	281,622	281,622	251,919
Investment income - Gift Aid payment	-	45,508	45,508	48,689
Investment income - Barratt Dowry	-	2,912	2,912	-
Investment income - Pembroke Fund	149,926	-	149,926	129,687
Deposit interest on advance payments	-	7,037	7,037	2,175
	<u>149,926</u>	<u>337,079</u>	<u>487,005</u>	<u>432,470</u>

4. Other incoming resources

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Legal fees recoverable	-	-	-	6,166
Rent receivable	-	63,460	63,460	54,980
Surgery income	-	72,241	72,241	-
Sundry income	-	4,218	4,218	-
Community Centre income	-	38,737	38,737	-
	<u>-</u>	<u>178,656</u>	<u>178,656</u>	<u>61,146</u>

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5. Investment management costs

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Investment manager fees - Pembroke Fund	26,989	-	26,989	25,137
Investment manager fees - Dowry Fund	-	49,577	49,577	47,952
Leapfrog Nursery - management fees	-	1,904	1,904	-
	<u>26,989</u>	<u>51,481</u>	<u>78,470</u>	<u>73,089</u>

6. Expenditure by charitable activity

Summary by fund type

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Estate management	<u>121,393</u>	<u>467,637</u>	<u>589,030</u>	<u>414,877</u>

7. Analysis of resources expended by activities

	Activities undertaken directly 2013 £	Grant funding of activities 2013 £	Support costs 2013 £	Total funds 2013 £	Total funds 2012 £
Estate management	<u>295,608</u>	<u>4,500</u>	<u>288,922</u>	<u>589,030</u>	<u>414,877</u>

Direct costs

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Public areas expenditure	-	158,083	158,083	148,816
Legal and professional	-	2,238	2,238	6,166
Pembroke Fund expenditure	77,203	-	77,203	88,787
Community Centre expenditure	2,504	55,580	58,084	-
	<u>79,707</u>	<u>215,901</u>	<u>295,608</u>	<u>243,769</u>

Legal and professional fees above represent costs incurred by the Trust for legal and engineering advice in respect of licences to permit the installation of services or to carry out development near to infrastructure, and preparatory work in respect of the proposed future transfer of freehold property within Chatham Maritime Estate from the Homes and Communities Agency (HCA) to the Trust. These costs have been incurred on the understanding that they will be reimbursed by HCA, Countryside Maritime Ltd, or by another Estate occupier.

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Grants payable - institutional

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Community Fund expenditure	-	4,500	4,500	3,788

Support costs

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Administration expenses	-	32,617	32,617	31,317
Legal and professional	-	59,006	59,006	6,800
Depreciation - freehold property	-	9,978	9,978	8,774
Rent collection and management	-	-	-	1,768
Irrecoverable VAT	-	989	989	900
Community centre	41,686	-	41,686	11,619
Wages and salaries	-	128,808	128,808	98,164
National insurance	-	10,859	10,859	5,172
Pension cost	-	4,979	4,979	2,806
Total	41,686	247,236	288,922	167,320

8. Governance costs

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Auditors' remuneration	-	5,000	5,000	5,025
Legal and professional fees	-	13,168	13,168	-
	-	18,168	18,168	5,025

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Notes to the financial statements  
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9. Net incoming resources

This is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the charity	11,795	8,774
Auditor's remuneration	5,000	5,025
Pension costs	4,979	2,806
Auditors' remuneration - non audit fees	2,758	6,800
	<u>144,646</u>	<u>106,142</u>

During the year, no Trustees received any remuneration (2012 - £NIL).

During the year, no Trustees received any benefits in kind (2012 - £NIL).

During the year, Trustees received reimbursement of travel and subsistence expenses amounting to £58 (2012 - £22).

Under a standard 'Charity Protection Policy' both the Trust and the subsidiary company are covered for the wrongful acts of the companies, directors, Trustees, employees or agents. The total premium paid in the year under this policy to cover both companies was £15,255 (2012: £15,330).

10. Staff costs

Staff costs were as follows:

	2013 £	2012 £
Wages and salaries	128,808	98,164
Social security costs	10,859	5,172
Other pension costs	4,979	2,806
	<u>144,646</u>	<u>106,142</u>

The average monthly number of employees during the year was as follows:

	2013 No.	2012 No.
Office and management	<u>2</u>	<u>2</u>

The number of higher paid employees was:

	2013 No.	2012 No.
In the band £70,001 - £80,000	<u>1</u>	<u>0</u>

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Notes to the financial statements  
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11. Tangible fixed assets

	Freehold property £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost</b>				
At 1 April 2012	348,333	-	-	348,333
Additions	12,036	5,457	1,811	19,304
At 31 March 2013	<u>360,369</u>	<u>5,457</u>	<u>1,811</u>	<u>367,637</u>
<b>Depreciation</b>				
At 1 April 2012	47,510	-	-	47,510
Charge for the year	9,978	1,364	453	11,795
At 31 March 2013	<u>57,488</u>	<u>1,364</u>	<u>453</u>	<u>59,305</u>
<b>Net book value</b>				
At 31 March 2013	<u>302,881</u>	<u>4,093</u>	<u>1,358</u>	<u>308,332</u>
At 31 March 2012	<u>300,823</u>	-	-	<u>300,823</u>

12. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 April 2012 and 31 March 2013	<u>579,304</u>

The 2013 valuations were made by the Trustees, on an open market value for existing use basis.

13. Fixed asset investments

	Dowry Fund £	Pembroke Fund £	Share in group under- takings £	Total £
<b>Market value</b>				
At 1 April 2012	8,289,766	4,412,775	1	12,702,542
Additions	5,464,309	2,909,726	-	8,374,035
Disposals	(5,451,870)	(2,828,476)	-	(8,280,346)
Revaluations	327,647	173,193	-	500,840
At 31 March 2013	<u>8,629,852</u>	<u>4,667,218</u>	<u>1</u>	<u>13,297,071</u>
<b>Historical cost</b>	<u>7,980,643</u>	<u>4,307,844</u>	<u>-</u>	<u>12,288,487</u>

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13. Fixed asset investments (continued)

Investments at market value comprise:

	UK £	Overseas £	2013 £	2012 £
Dowry Fund	5,357,981	3,271,871	8,629,852	8,289,766
Pembroke Fund	2,930,718	1,736,500	4,667,218	4,412,775
Group	1	-	1	1
Total market value	<u>8,288,700</u>	<u>5,008,371</u>	<u>13,297,071</u>	<u>12,702,542</u>

Material investments

There are no material investments at the year end.

The share in group undertakings represents 100% of the ordinary share capital of Chatham Maritime Estate Limited. Chatham Maritime Estate Limited is an estate operating company with net assets of £1. The surplus arising in Chatham Maritime Estate Limited is passed to the Trust by way of Gift Aid.

14. Debtors

	2013 £	2012 £
Trade debtors	34,235	-
Other debtors	17,289	235,264
	<u>51,524</u>	<u>235,264</u>

15. Creditors:  
Amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	-	100,705
Social security and other taxes	-	2,406
Other creditors	1,196	-
Accruals and deferred income	260,953	66,745
	<u>262,149</u>	<u>169,856</u>

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Notes to the financial statements  
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16. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Designated funds</b>						
Community fund	4,362	-	(4,500)	138	-	-
<b>General funds</b>						
General Funds - all funds	9,351,240	778,435	(532,786)	(138)	464,359	10,061,110
Total Unrestricted funds	9,355,602	778,435	(537,286)	-	464,359	10,061,110
<b>Restricted funds</b>						
Pembroke Fund	4,444,856	149,926	(104,192)	-	241,951	4,732,541
Community Centre Endowment Fund	150,000	-	-	-	-	150,000
Community Centre Maintenance Fund	44,190	-	(44,190)	-	-	-
Barratts Play Area and Shark Park	-	25,000	-	-	-	25,000
	4,639,046	174,926	(148,382)	-	241,951	4,907,541
Total of funds	13,994,648	953,361	(685,668)	-	706,310	14,968,651

The Pembroke Fund is a restricted fund, originally created as a separate capital sum received from HCA in place of ongoing service charge payments for certain South of Basin leases. These were originally granted without service charge recovery provisions.

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	4,362	-	(4,500)	138	-	-
General funds	9,351,240	778,435	(532,786)	(138)	464,359	10,061,110
	9,355,602	778,435	(537,286)	-	464,359	10,061,110
Restricted funds	4,639,046	174,926	(148,382)	-	241,951	4,907,541
	13,994,648	953,361	(685,668)	-	706,310	14,968,651



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Notes to the financial statements  
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17. Analysis of net assets between funds

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	308,332	308,332	300,823
Fixed asset investments	4,667,219	8,629,852	13,297,071	12,702,542
Investment property	-	579,304	579,304	579,304
Current assets	240,322	805,769	1,046,091	581,835
Creditors due within one year	-	(262,147)	(262,147)	(169,856)
	<u>4,907,541</u>	<u>10,061,110</u>	<u>14,968,651</u>	<u>13,994,648</u>

18. Pension commitments

A defined contribution pension scheme is operated by Chatham Maritime Estate Limited and the charge represents the amounts payable by the company to the fund in respect of the year.