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 2016

MHA MacIntyre Hudson
GLOBAL EXPERTISE · NATIONAL EXPERIENCE · LOCAL EXCELLENCE®

CHATHAM MARITIME TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Chairman's statement	3
Trustees' report	4 - 9
Independent auditors' report	10 - 11
Consolidated statement of financial activities	12
Consolidated income and expenditure account	13
Consolidated balance sheet	14
Company balance sheet	15
Consolidated cash flow statement	16
Notes to the financial statements	17 - 38

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 2016

Trustees

Mr A Mackness, Chairman	Independent
Mr A J Albert (1) (resigned 24 June 2015)	South Maritime Residents Limited
Cllr P Godwin (resigned 9 November 2015)	Medway Council
Mr M Goulding (1) (resigned 19 January 2016)	Homes and Communities Agency
Mr S Harriott (3)	Independent
Mr A B Horwood (1)(2)	Independent
Cllr V Maple (1) (appointed 9 November 2015)	Medway Council
Dr R E Muid	St Mary's Island Residents Association Limited
Mr J R Perry (1) (appointed 19 January 2016)	Homes and Communities Agency
Mr J W K Sadler (resigned 22 April 2016)	Independent
Mrs D J Sims (2)	Independent
Mr A P Sutton (2)(3)	South Maritime Residents Limited
Mr D J Taylor (1)(2)(3)	St Mary's Island Residents Association Limited
Cllr K J Tolhurst MP	Medway Council
Mr V G Towell (1) (re-appointed 17 June 2015) (resigned 15 May 2015)	Independent
Ms D J Upton (resigned 4 June 2015)	Independent

(1) Denotes member of Finance Group
(2) Denotes member of Charitable Objectives Group
(3) Denotes member of Covenants Group

Company registered number

02913375

Charity registered number

1055710

Registered Office

The Observatory, Brunel, Dock Road, Chatham Maritime, Kent, ME4 4AF

Chief Executive Officer

Mrs H Kerswell (Interim) (until 31 May 2015)
Mrs DHM Halpern-Matthews (appointed 2 June 2015) (resigned 1 June 2016)
Mr JWK Sadler (interim) (from 1 June 2016)

Company Secretary

Mr P A Hall

Independent auditors

MHA MacIntyre Hudson, Victoria Court, 17-21 Ashford Road, Maidstone, Kent, ME14 5FA

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2016

Advisers (continued)

Bankers

HSBC Bank PLC, South Commercial Centre, Lakeview West, Crossways Business Park, Dartford, Kent, DA2 6QE

Solicitors

Thomson Snell & Passmore, 3 Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1NX

Investment Manager

Rathbone Investment Management Ltd, 1 Curzon Street, London, W1J 5FB

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

The chairman presents his statement for the period.

2015-16 has been a year of development and progress at Chatham Maritime Trust, as the context of its business is noticeably improving. House building activity on St Mary's Island is increasing with work started on the new phase 13, vacant office units South of Basins have been taken up ensuring more occupiers and more people working from the Estate, redevelopment of old commercial buildings are being planned and the universities are flourishing. The Trust continues to manage its estate prudently and further land assets have been transferred from the Homes and Communities Agency ("HCA"). Our long term strategic plan is kept under review and enables us to plan successfully for the future of the Estate.

Throughout the year the Trust has maintained its focus on its key service delivery to residents and occupiers. We have driven up value and quality of provision while simultaneously bringing costs down. Our security and land management contracts continue to deliver well with significant efficiencies. To monitor our progress we have sought feedback from the community through surveys, and these have been overwhelmingly positive. Whilst satisfaction levels are very good with a marked improvement in all areas we will continue to use the surveys to help focus the Trust's activities on those areas that need further improvement The community bulb planting day was very well received, as have the improvements to service delivery within the Community Centre. 2015 was the second year we hosted a very successful Chatham Maritime Food and Drink Festival and I am delighted to see it developing into a great community and charitable fund raising event which will continue in 2016 and 2017.

During the year we have continued to develop our relationships with the HCA, and other key partners in Medway such as Medway Council, our neighbour The Historic Dockyard, the Universities, residents and commercial occupiers and we will continue to enhance these links.

Our investment property assets continue to generate good and steady rental incomes, and we generate fee income from the issue of consents and licences for alterations to properties and such like. Our investment portfolios have performed satisfactorily against a backcloth of falling world stock markets although we keep this under close review.

We saw some changes in Trustees. Cllr Vince Maple replaced Cllr Paul Godwin as one of Medway Council's Trustees; Julian Perry replaced Mike Goulding as HCA's Trustee and Alan Albert and Deborah Upton left the Board due to other commitments. The Board continue to operate a number of sub groups for the efficient and effective management of the Trust. The Charitable Objectives Group for example implemented a new process for seeking funding proposals and making grants.

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.

Overall it has been a year of good progress and my thanks go to the staff at the Observatory and the Community Centre who continue to work in such a dedicated way to manage the Trust's business on a day to day basis to maintain the estate for the benefit of those who live, work, study and play on Chatham Maritime Estate.

Mr A Mackness
Chairman

Date 8 July 2016

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

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 ended 31 March 2016. The Trustees confirm that the annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015.

Since the company and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

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, the Homes and Communities Agency, St Mary's Island Residents Association Ltd ("SMIRA") and South Maritime Residents Ltd ("Southco") which represents 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, Southco, and one from HCA. In addition there are a number of independent Trustee appointees who are not nominated by the member organisations, and have strong local connections and/or professional skills valuable to the Trust. Six such independent Trustees served during the year.

By way of induction, new Trustees are provided with a comprehensive Handbook and introductory meetings are arranged with the Chief Executive and senior management team. If they do not have experience of working with charities, they are offered additional training and support.

The Board usually meets six times during the year and also has sub- committees which meet separately to consider such matters as charitable objectives, restrictive covenants and financial regulation, and to make recommendations thereon to the Board.

The Chief Executive is appointed by the Trustees to advise on strategy and development and manage the day to day operations of the charity. The Chief Executive has delegated authority for all operational matters, within terms of delegation approved by the Trustees, and is supported by a senior management team who deal with the day to day management of the Chatham Maritime Estate, including collection of rent charges and service charges, arranging infrastructure maintenance and services, and dealing with covenant and landlord matters.

c. RISK MANAGEMENT

The charity maintains a risk register which is updated by the Chief Executive on a regular basis and reviewed by the Trustees at every Board meeting. One of the major risks is restricted access to the St Mary's Island floodwall. Covenants have been imposed on the properties concerned and regular monitoring of the access area is being carried out by the Trust to mitigate risks.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Objectives and Activities

a. POLICIES AND OBJECTIVES

The Trust's objects are set out in its Memorandum of Association and are primarily to provide or to assist in the provision of amenities for the benefit of the citizens of the Medway Towns and generally for the benefit of the public, the site being part of the former Chatham Dockyard ("the Development").

These amenities include the following:

-Planting trees and undertaking 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.

-Repair and maintain the bridges and flood protection wall 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, lighting installations, walls, gates, barriers, landscaped areas, bridges 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 to the public at large, including those that may need special 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 an Wales as the Trustees may from time to time determine.

STRATEGIC REPORT

Achievements and performance

a. REVIEW OF ACTIVITIES

The Trust continues to operate in a challenging environment, with financial constraints on future public sector funding still very apparent. HCA, the government agency responsible for the development of the Chatham Maritime Estate, are aiming to complete developments, infrastructure, and facilities by 2018. These are being transferred to the Trust in phases, for long-term guardianship, and the Trust continues to press the case for Chatham Maritime Estate to be built out as originally envisiged: that is as a premier business, residential, leisure and educational location, a "jewel in the crown" of the Medway Towns.

During the year HCA transferred various areas of the Estate to the Trust, including land known as The Lozenge, Walter Burke Way, Southern Bullnose, Blue Crane, Pier and further sections of the Riverside Walk. The Trust also received a further expendable endowment of £750,000 to provide for the maintenance of those areas in perpetuity.

On St Mary's Island notable projects completed were the resurfacing of the pathway behind the school in May, enclosing the dog run area in July, the community bulb planting day on Finsborough Down in October, replacement of large sections of the Riverside Walk and resurfacing Finsborough Slip.

In the South of Basins part of the Estate there were major improvements to the soft landscaping around Dock Square and bringing all the newly transferred areas up to current estate standards through replanting. Traffic calming measures were installed in Central Avenue in March in the form of heritage speed bumps.

The public areas within the St Mary's Island Community Centre were refurbished and upgraded during the year to further improve facilities.

Feedback from our annual estate survey indicates that satisfaction levels are very good with a marked improvement across all areas. The majority of people feel safe and secure and are satisfied with the maintenance of the open spaces on the Estate. Some positive suggestions for improvement areas were received and will be included in our future plans.

Our investment property assets continue to generate good and steady rental incomes, and we generate fee income from the issue of consents and licences for alterations to properties and such like. Our investment portfolios have performed satisfactorily against a backcloth of falling world stock markets although we keep this under close review.

There have been a number of changes in Trustees. Cllr Vince Maple replaced Cllr Paul Godwin as one of Medway Council's Trustees; Julian Perry replaced Mike Goulding as HCA's Trustee and Alan Albert and Deborah Upton left the Board due to other commitments. The Board continue to operate a number of sub groups for the efficient and effective management of the Trust. The Charitable Objectives Group for example implemented a new process for seeking funding proposals and making grants.

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, three children's play areas, and various other open spaces used by residents and the public in general. The Trust also maintains two large dock basins which form a valuable amenity and which are used for water based activities. There are generally no charges or restrictions on access by the public. The Trust provides and manages a Community Centre on St. Mary's Island with two halls and a meeting room. The Chatham Maritime Estate is also used to host community events such as the annual Food and Drink festival.

Community Grants

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

During the year, support was made available to a number of organisations including, Medway Youth Parliament, Morning Star Trust, Nucleus Arts Centre, Medway Street Pastors and Rochester and North Kent Music and Drama Festival.

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.

Financial review

a. RESERVES POLICY

The Trust is responsible for 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, 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 12. This shows net income from restricted and unrestricted funds amounting to £837,774 (2015 - net income £126,326).

Due to falling world stock markets the Trust has suffered losses on the reorganisation and revaluation of it share portfolios, resulting in realised and unrealised losses for the year of £793,936 (2015 - gains of £1,055,073).

A net movement of funds of £43,838 has been added to reserves (2015 - added to reserves £1,181,399). Total reserves at 31 March 2016 were £17,513,114 compared with £17,469,276 at 31 March 2015.

Plans for the future

a. FUTURE DEVELOPMENTS

There are a number of further 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.

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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

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 charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, MHA MacIntyre Hudson have indicated their willingness to remain 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 8 July 2016 and signed on their behalf by:

.....

Mr P A Hall
Company Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHATHAM MARITIME TRUST

We have audited the financial statements of Chatham Maritime Trust for the year ended 31 March 2016 set out on pages 12 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 151 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 Auditors' 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 AUDITORS

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.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. 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 group's and the parent 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 group's and the parent charitable company's affairs as at 31 March 2016 and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Group strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' 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 Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.

Colin G Mills ACA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Victoria Court
17-21 Ashford Road
Maidstone
Kent
ME14 5FA
Date: 31/10/2016

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CHATHAM MARITIME TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations and legacies	2	**750,000**	**25,000**	**775,000**	25,000
Investments	3	**309,607**	**153,909**	**463,516**	430,568
Charitable activities	4	**809,801**	**-**	**809,801**	726,976
Other income	5	**259,584**	**-**	**259,584**	232,447
TOTAL INCOME		**2,128,992**	**178,909**	**2,307,901**	1,414,991
EXPENDITURE ON:					
Raising funds	6	**41,386**	**20,897**	**62,283**	70,789
Other charitable activities	8	**1,269,523**	**138,321**	**1,407,844**	1,217,876
TOTAL EXPENDITURE	11	**1,310,909**	**159,218**	**1,470,127**	1,288,665
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		**818,083**	**19,691**	**837,774**	126,326
Net gains/(losses) on investments	19,20	**(528,391)**	**(265,545)**	**(793,936)**	1,055,073
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		**289,692**	**(245,854)**	**43,838**	1,181,399
Transfers between Funds	24	**(2,735)**	**2,735**	**-**	-
NET INCOME/(EXPENDITURE)		**286,957**	**(243,119)**	**43,838**	1,181,399
NET MOVEMENT IN FUNDS		**286,957**	**(243,119)**	**43,838**	1,181,399
RECONCILIATION OF FUNDS:					
Total funds at 1 April 2015		**12,105,689**	**5,363,587**	**17,469,276**	16,287,877
TOTAL FUNDS AT 31 MARCH 2016		**12,392,646**	**5,120,468**	**17,513,114**	17,469,276

All activities relate to continuing operations.

The notes on pages 17 to 38 form part of these financial statements.

CHATHAM MARITIME TRUST
(A company limited by guarantee)

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income		**2,128,992**	**178,909**	**2,307,901**	1,414,991
Net gains/(losses) on investments	19,20	**(528,391)**	**(265,545)**	**(793,936)**	1,055,073
GROSS INCOME/(EXPENDITURE) IN THE REPORTING PERIOD		**1,600,601**	**(86,636)**	**1,513,965**	2,470,064
Less: Total expenditure	11	**1,310,909**	**159,218**	**1,470,127**	1,288,665
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**289,692**	**(245,854)**	**43,838**	1,181,399
Transfers between funds	24	**(2,735)**	**2,735**	**-**	-
Net income/(expenditure) for the year after transfers		**286,957**	**(243,119)**	**43,838**	1,181,399
NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR		**286,957**	**(243,119)**	**43,838**	1,181,399

The notes on pages 17 to 38 form part of these financial statements.

CHATHAM MARITIME TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 02913375

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	17	**381,923**		410,480	
Investment property	19	**1,900,000**		1,900,000	
Total tangible assets			**2,281,923**		2,310,480
Investments	20		**14,318,898**		15,030,842
			16,600,821		17,341,322
CURRENT ASSETS					
Debtors	21	**567,390**		583,038	
Cash at bank and in hand		**1,832,876**		792,804	
		2,400,266		1,375,842	
CREDITORS: amounts falling due within one year	22	**(1,483,973)**		(1,245,888)	
NET CURRENT ASSETS			**916,293**		129,954
TOTAL ASSETS LESS CURRENT LIABILITIES			**17,517,114**		17,471,276
Provisions for Liabilities	23		**(4,000)**		(2,000)
NET ASSETS			**17,513,114**		17,469,276
CHARITY FUNDS					
Restricted funds	24		**5,120,468**		5,363,587
Unrestricted funds	24		**12,392,646**		12,105,689
TOTAL FUNDS			**17,513,114**		17,469,276

The financial statements were approved by the Trustees on 8 July 2016 and signed on their behalf, by:

Mr A Mackness (Chairman)

Mr A B Horwood

The notes on pages 17 to 38 form part of these financial statements.

CHATHAM MARITIME TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 02913375

COMPANY BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	17	**381,923**		410,480	
Investment property	19	**1,900,000**		1,900,000	
Total tangible assets			**2,281,923**		2,310,480
Investments	20		**14,318,899**		15,030,843
			16,600,822		17,341,323
CURRENT ASSETS					
Debtors	21	**567,390**		583,038	
Cash at bank and in hand		**1,832,875**		792,804	
		2,400,265		1,375,842	
CREDITORS: amounts falling due within one year	22	**(1,483,973)**		(1,245,890)	
NET CURRENT ASSETS			**916,292**		129,952
TOTAL ASSETS LESS CURRENT LIABILITIES			**17,517,114**		17,471,275
Provisions for Liabilities	23		**(4,000)**		(2,000)
NET ASSETS			**17,513,114**		17,469,275
CHARITY FUNDS					
Restricted funds	24		**5,120,468**		5,363,587
Unrestricted funds	24		**12,392,646**		12,105,688
TOTAL FUNDS			**17,513,114**		17,469,275

The financial statements were approved by the Trustees on 8 July 2016 and signed on their behalf, by:

Mr A Mackness (Chairman)

Mr A B Horwood

The notes on pages 17 to 38 form part of these financial statements.

CHATHAM MARITIME TRUST
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	26	**1,121,555**	367,667
Cash flows from investing activities:			
Proceeds from the sale of property, plant and equipment		**2,403**	5,942
Purchase of property, plant and equipment		**(1,893)**	(66,375)
Proceeds from sale of investments		**1,737,941**	4,988,370
Purchase of investments		**(1,819,934)**	(5,083,741)
Net cash used in investing activities		**(81,483)**	(155,804)
Change in cash and cash equivalents in the year		**1,040,072**	211,863
Cash and cash equivalents brought forward		**792,804**	580,941
Cash and cash equivalents carried forward	27	**1,832,876**	792,804

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Companies Act 2006

Chatham Maritime Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee incorporated in the United Kingdom. The members of the company are the four member organisations set out in the Trustees Report on page 4. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1. ACCOUNTING POLICIES (continued)

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees 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 Trustees 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 or 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.

Endowment funds represent those assets which must be held permanatly by the charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

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

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102).

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

1. ACCOUNTING POLICIES (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Costs of raising funds includes investment manager fees.

Expenditure on charitable activities includes activities undertaken directly, support costs and grant funding activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the company including project management.

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 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.8 Tangible fixed assets and depreciation

(i) Heritage assets

Heritage assets are the tangible assets of the charity that are of historical, artistic, scientific, technological, geophysical or environmental importance and are held and maintained principally for their contribution to the knowledge and culture of the Medway Towns and generally for the benefit of the public in accordance with the Trust's objectives.

Acquisitions of heritage assets only arise when included in land transferred to the Trust from the Homes and Communities Agency. Once acquired, they will be held for the foreseeable future and maintained to the same condition to ensure their contribution to knowledge and culture. All the assets are located in public areas of the Chatham Maritime Estate and are freely accessible to the public at all times for viewing and/or research.

Heritage assets are not recognised on the balance sheet because the cost of providing information on their cost or valuation significantly outweighs any benefit to the users of the accounts.

1. ACCOUNTING POLICIES (continued)

(ii) Other tangible fixed assets

Other tangible fixed assets are those tangible fixed assets which are used for charitable purposes but are not considered to be heritage assets. All tangible fixed assets over £1,000 are capitalised.

Other 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
Freehold improvements	-	10% straight line
Plant and machinery	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	16.67% straight line
Office equipment	-	16.67% straight line

1.9 Investment properties

Investment properties are included in the balance sheet at their open market value 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 and the group.

1.10 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of six months or less from the date of acquisition or opening of the deposit or similar account.

1. ACCOUNTING POLICIES (continued)

1.14 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.16 Judgement and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

The carrying value of investment properties remains unchanged from the prior year financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

The depreciation rates used are appropriate.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Dowry endowment	750,000	-	750,000	-
Shark Park endowment	-	25,000	25,000	25,000
Total donations and legacies	750,000	25,000	775,000	25,000

In 2015, of the total income from donations and legacies, £ NIL was to unrestricted funds and £ 25,000 was to restricted funds

3. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Deposit interest on advance payments	5,780	-	5,780	7,258
Investment income - Dowry fund	303,827	-	303,827	270,397
Investment income - Starfish endowment	-	-	-	6,324
Investment income - Pembroke fund	-	153,909	153,909	142,978
Investment income - Community Centre endowment	-	-	-	3,611
	309,607	153,909	463,516	430,568

In 2015, of the total investment income, £ 277,655 was to unrestricted funds and £ 152,913 was to restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Service and rent charges	809,801	-	809,801	726,976
	809,801	-	809,801	726,976

In 2015, of the total income from charitable activities, £ 726,976 was to unrestricted funds and £ NIL was to restricted funds.

5. OTHER INCOMING RESOURCES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Water surcharge	18,388	-	18,388	19,597
Community centre income	54,758	-	54,758	54,585
Sundry income	18,449	-	18,449	19,963
Rent receivable	86,664	-	86,664	51,414
Surgery income	81,325	-	81,325	86,888
	259,584	-	259,584	232,447

In 2015, of the total other incoming resources, £ 232,447 was to unrestricted funds and £ NIL was to restricted funds.

6. INVESTMENT MANAGEMENT FEES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment manager fees- Dowry fund	**41,386**	**-**	**41,386**	47,061
Investment manager fees- Pembroke fund	**-**	**20,897**	**20,897**	23,728
	41,386	**20,897**	**62,283**	70,789

In 2015, of the investment management fees, £ 47,061 was to unrestricted funds and £ 23,728 was to restricted funds.

7. GRANTS TO INSTITUTIONS

	Unrestricted funds 2016 £	Total 2016 £	Total 2015 £
Community Fund expenditure	**13,132**	**13,132**	1,700

In 2015, of the costs of grants to institutions, £1,700 was to unrestricted funds and £NIL was to restricted funds.

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Activities undertaken directly (Note 9)	**771,541**	**67,723**	**839,264**	683,190
Support costs (Note 10)	**484,850**	**70,598**	**555,448**	532,986
Grant funding of activities (Note 7)	**13,132**	**-**	**13,132**	1,700
	1,269,523	**138,321**	**1,407,844**	1,217,876

In 2015, of the total expenditure on charitable activities, £ 1,112,494 was expenditure from unrestricted funds and £ 105,382 was expenditure from restricted funds.

9. DIRECT COSTS

	Activities undertaken directly £	Total 2016 £	Total 2015 £
Rent charge expenses	**281,202**	**281,202**	192,118
Service charge expenses	**256,976**	**256,976**	258,312
Public areas expenditure	**234,865**	**234,865**	177,415
Community expenditure	**66,221**	**66,221**	55,345
	839,264	**839,264**	683,190

10. SUPPORT COSTS

	Support costs £	Total 2016 £	Total 2015 £
Administration expenses	**103,156**	**103,156**	113,249
Legal and professional	**34,845**	**34,845**	102,930
(Profit)/ Loss on disposal of fixed assets	**(2,403)**	**(2,403)**	2,268
Irrecoverable VAT	**683**	**683**	396
Community centre	**1,608**	**1,608**	6,864
Temporary staff	**43,039**	**43,039**	16,468
Death in service scheme	**1,731**	**1,731**	931
Redundancy pay/ termination payments	**35,126**	**35,126**	-
Trustee Costs	**8,852**	**8,852**	6,393
Auditor's remuneration	**5,800**	**5,800**	6,010
Wages and salaries	**256,580**	**256,580**	210,906
National insurance	**24,006**	**24,006**	17,213
Pension costs	**11,975**	**11,975**	10,151
Depreciation	**30,450**	**30,450**	39,207
	555,448	**555,448**	532,986

11. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Investment management fees	-	-	62,283	62,283	70,789
Costs of generating funds	-	-	62,283	62,283	70,789
Charitable activities:					
Activities undertaken directly	-	-	839,264	839,264	683,190
Support costs	292,561	30,450	232,437	555,448	532,986
Grant funding of activities	-	-	13,132	13,132	1,700
Subtotal charitable activities	292,561	30,450	1,084,833	1,407,844	1,217,876
	292,561	30,450	1,147,116	1,470,127	1,288,665

12. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Grant funding of activities 2016 £	Total 2016 £	Total 2015 £
Rent charge expenses	281,202	184,801	-	466,003	362,993
Service charge expenses	256,976	181,760	-	438,736	419,637
Public areas expenditure	234,864	137,385	-	372,249	340,863
Community expenditure	66,222	51,502	13,132	130,856	94,383
Total	839,264	555,448	13,132	1,407,844	1,217,876

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

13. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	**30,450**	39,208
Auditors' remuneration	**5,800**	6,010
Auditors' remuneration - non-audit services	**5,285**	2,419
Pension costs	**11,975**	10,151

During the year, no Trustees received any remuneration (2015 - £NIL).
During the year, no Trustees received any benefits in kind (2015 - £NIL).
During the year, 6 Trustees received any reimbursement of expenses amounting to £1,163 (2015 - £45).

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 £4,887 (2015 - £4,887).

14. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £5,800 (2015 - £6,010), and non-audit services of £5,285 (2015 - £2,419).

15. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	256,580	210,906
Social security costs	24,006	17,213
Other pension costs	11,975	10,151
	292,561	238,270

The average monthly number of employees was: 9 (2015 - 9) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2016	2015
	No.	No.
Office and management	7	7

The number of higher paid employees was:

	2016	2015
	No.	No.
In the band £90,001 - £100,000	1	0

Total redundancy/ termination payments amount to £35,126 (2015 - NIL) and related to compensation for loss of office. £34,459 in relation to this is included in year end accruals.

16. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees neither recieved nor waived any remuneration during the year (2015 - £NIL).

The total amount of employee benefits received by key management personnel is £200,306 (2015 - £81,181). The Trust considers its key management personnel comprise the Chief Executive, Asset Manager, Finance Manager, and Contracts Procurement and Facilities Manager.

17. TANGIBLE FIXED ASSETS

Group and Company	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2015	**324,998**	**8,377**	**67,040**	**46,184**	**446,599**
Additions	**2**	**-**	**-**	**1,891**	**1,893**
At 31 March 2016	**325,000**	**8,377**	**67,040**	**48,075**	**448,492**
Depreciation					
At 1 April 2015	**-**	**2,246**	**12,064**	**21,809**	**36,119**
Charge for the year	**6,500**	**1,171**	**13,382**	**9,397**	**30,450**
At 31 March 2016	**6,500**	**3,417**	**25,446**	**31,206**	**66,569**
Net book value					
At 31 March 2016	**318,500**	**4,960**	**41,594**	**16,869**	**381,923**
At 31 March 2015	324,998	6,131	54,976	24,375	410,480

18. HERITAGE ASSETS

In accordance with the Trust's accounting policy, heritage assets are not recognised on the balance sheet because the cost of providing information on their cost or valuation significantly outweighs any benefit to the user of the accounts.

The Trust is responsible for a number of structures of historical importance, including Finsborough Ness Slipway, the Blue Crane and Pembroke Coach House. There are also three Grade II listed buildings of special interest which are the Bell Mast, Pembroke Gate and Pembroke Gate House.

Of special artistic interest is "The Mariners", a contemporary steel, bronze and concrete structure by notable UK sculptor Sam Holland, commissioned to mark the millennium in 2000 and to reflect local maritime heritage.

Silt and mud flats on the north east side of St Mary's Island have been designated a Site of Special Scientific Interest by Natural England.

The Trust also has freehold reversionary interest in a number of other buildings of historical importance which are currently occupied by long leasehold tenants and used for operational purposes, such as Victorian Dock basins one and two, the former Royal Naval Barracks of HMS Pembroke, which forms the core of the Universities at Medway campus and No.1 Boiler Shop which forms part of the Dockside Outlet shopping centre.

19. INVESTMENT PROPERTY

	Freehold investment property £
Group and Company	
Valuation	
At 1 April 2015 and 31 March 2016	**1,900,000**

The investment properties were revalued in 2015 by Salisbury & Co, Chartered Surveyors, on an open market valuefor existing use basis. The Trustees consider this valuation to still be appropriate as at 31 March 2016.

20. FIXED ASSET INVESTMENTS

	Dowry Fund £	Pembroke Fund £	Total £
Group			
Market value			
At 1 April 2015	**9,951,889**	**5,078,953**	**15,030,842**
Additions	**1,221,576**	**598,358**	**1,819,934**
Disposals	**(1,122,999)**	**(614,942)**	**(1,737,941)**
Revaluations	**(528,392)**	**(265,545)**	**(793,937)**
At 31 March 2016	**9,522,074**	**4,796,824**	**14,318,898**
Historical cost	**9,558,887**	**4,815,327**	**14,374,214**

Group investments at market value comprise:

	2016 £	2015 £
Dowry Fund	**9,522,074**	9,951,889
Pembroke Fund	**4,796,824**	5,078,953
Total market value	**14,318,898**	15,030,842

All the fixed asset investments are held in the UK

Group material investments

There are no material investments at the year end.

20. FIXED ASSET INVESTMENTS (continued)

Company	Listed securities £	Unlisted securities £	Sub total carried forward £
Market value			
At 1 April 2015	**9,951,889**	**5,078,953**	**15,030,842**
Additions	**1,221,576**	**598,358**	**1,819,934**
Disposals	**(1,122,999)**	**(614,942)**	**(1,737,941)**
Revaluations	**(528,392)**	**(265,545)**	**(793,937)**
At 31 March 2016	**9,522,074**	**4,796,824**	**14,318,898**
Historical cost	**9,558,887**	**4,815,327**	**14,374,214**

Company	Sub total brought forward £	Shares in group undertakings £	Total £
Market value			
At 1 April 2015	**15,030,842**	**1**	**15,030,843**
Additions	**1,819,934**	**-**	**1,819,934**
Disposals	**(1,737,941)**	**-**	**(1,737,941)**
Revaluations	**(793,937)**	**-**	**(793,937)**
At 31 March 2016	**14,318,898**	**1**	**14,318,899**
Historical cost	**14,374,214**	**1**	**14,374,215**

Company investments at market value comprise:

	2016 £	2015 £
Dowry Fund	**9,522,074**	9,951,889
Pembroke Fund	**4,796,824**	5,078,953
Group undertakings	**1**	1
Total	**14,318,899**	15,030,843

All the fixed asset investments are held in the UK

Company material investments

There are no material investments held 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 a dormant company with net assets of £1.

21. DEBTORS

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Trade debtors	**428,806**	559,506	**428,806**	559,506
Other debtors	**-**	34	**-**	34
Prepayments and accrued income	**138,584**	23,498	**138,584**	23,498
	567,390	583,038	**567,390**	583,038

22. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Trade creditors	**113,734**	211,993	**113,734**	211,993
Other taxation and social security	**121,202**	89,329	**121,202**	89,329
Other creditors	**165,755**	-	**165,755**	-
Accruals and deferred income	**1,083,282**	944,566	**1,083,282**	944,568
	1,483,973	1,245,888	**1,483,973**	1,245,890

	Group	Company
	£	**£**
Deferred income		
Deferred income at 1 April 2015	**791,477**	**791,477**
Resources deferred during the year	**817,086**	**837,388**
Amounts released from previous years	**(791,477)**	**(791,477)**
Deferred income at 31 March 2016	**817,086**	**837,388**

Income has been deferred for rent, rent charges and service charges received in advance in respect of the next financial year.

23. PROVISIONS

Group and Company	Provisions £
At 1 April 2015	2,000
Additions	2,000
At 31 March 2016	4,000

Provisions

The Trust has a lease for the Observatory office which expires on 8 June 2024, including the option for a tenant's break at 8 June 2019. At determination of the lease the Trust has a liability to re-instate all the non-structural alterations that it has made to the property. The Trustees consider it prudent to provide for the costs of such re-instatement on an annual basis.

24. STATEMENT OF FUNDS

	Brought Forward at 1 April 2015 £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward at 31 March 2016 £
Designated funds						
Community fund	9,165	-	(13,132)	5,000	-	1,033
Marine Infrastructure Reserve	79,365	18,388	-	-	-	97,753
SMI Medium Term Infrastructure Reserve	369,185	28,173	-	-	-	397,358
	457,715	46,561	(13,132)	5,000	-	496,144
General funds						
Dowry Fund reserve	6,354,237	1,164,428	(305,520)	-	(528,391)	6,684,754
Revaluation reserve	42,771	-	-	-	-	42,771
Profit & Loss A/c	5,250,966	918,003	(992,257)	(7,735)	-	5,168,977
	11,647,974	2,082,431	(1,297,777)	(7,735)	(528,391)	11,896,502
Total Unrestricted funds	12,105,689	2,128,992	(1,310,909)	(2,735)	(528,391)	12,392,646
Restricted funds						
Pembroke fund reserve	3,867,613	153,909	(143,713)	-	(265,545)	3,612,264
Starfish Play Area	264,456	-	(1,613)	-	-	262,843
Profit & Loss A/c	1,007,898	-	-	-	-	1,007,898
Tadpole Play Area	-	-	(2,735)	2,735	-	-
Community centre endowment	153,611	-	-	-	-	153,611
Shark Park Endowment	70,009	25,000	(11,157)	-	-	83,852
	5,363,587	178,909	(159,218)	2,735	(265,545)	5,120,468
Total of funds	17,469,276	2,307,901	(1,470,127)	-	(793,936)	17,513,114

24. STATEMENT OF FUNDS (continued)

Description of funds

Designated funds

The Community Fund reserve is, subject to annual approval by the Board, interest generated from short term deposits which is transferred to the Community Fund, from which grants are given to support community events and activities.

The Marine Infrastructure reserve represents accumulated net income from certain leases on the South Maritime Estate which contain provision for payment of a water charge in addition to the standard service charge as a contribution toward the cost of maintaining the dock basins and the sea lock and monitoring the levels and quality of water in the dock basins. The Trustees ring fence this income as a long term reserve fund for major marine infrastructure repairs.

The St Mary's Island Medium Term Infrastructure reserve is in relation to rent charge income received from the Homes and Communities Agency, which since inception of Chatham Maritime trust has indemnified the Trust for any shortfall in the rent charges recovered from the St Mary's Island estate and this will continue until such time as the estate is fully developed. A proportion of such payments is allocated by the Trustees to create a reasonable reserve fund in relation to the anticipated cost of the replacement and/or renewal of items comprised in the rentcharge elements.

General funds

These represent the free funds of the charity which are available to meet its policies and objectives as set out in the Trustees Report and are not designated for particular purposes.

Restricted funds

The Pembroke Endowment restricted fund is an expendable endowment fund, created in March 2002 by a separate capital sum received from the Homes and Communities Agency in place of ongoing service charge payments for certain leases on the South Maritime estate which were originally granted without service charge recovery provisions.

The Starfish Play Area Endowment restricted fund is an expendable endowment fund, created in July 2012 by a separate capital sum received from Barratt Homes (Southern Counties) Limited to provide for annual maintenance and periodic replacement of equipment for the provision of a children's play area in sector 5 of the St. Mary's Island estate.

The Tadpole Play Area Endowment restricted fund is an expendable endowment fund created in July 2002 by a separate capital sum received from Redrow Homes (South East) Limited to provide for annual maintenance and periodic replacement of equipment for the provision of a children's play area in sector 3 of the St. Mary's Island estate.

The Shark Park Play Area Endowment restricted fund is an expendable endowment fund created in March 2012 by a separate capital sum received from Countryside Maritime Limited to provide for periodic replacement of equipment for the provision of a children's play area in sector 4 of the St. Mary's Island estate.

The Community Centre Endowment restricted fund is an expendable endowment fund created in March 2012 by a separate capital sum received from Countryside Maritime Limited to provide a long term reserve fund for structural repairs to the Community Centre building for 20 years.

24. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS

	Brought Forward at 1 April 2015 £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward at 31 March 2016 £
Designated funds	457,715	46,561	(13,132)	5,000	-	496,144
General funds	11,647,974	2,082,431	(1,297,777)	(7,735)	(528,391)	11,896,502
	12,105,689	2,128,992	(1,310,909)	(2,735)	(528,391)	12,392,646
Restricted funds	5,363,587	178,909	(159,218)	2,735	(265,545)	5,120,468
	17,469,276	2,307,901	(1,470,127)	-	(793,936)	17,513,114

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	381,923	-	381,923	410,480
Fixed asset investments	9,522,074	4,796,824	14,318,898	15,030,842
Investment property	1,900,000	-	1,900,000	1,900,000
Current assets	2,076,623	323,644	2,400,267	1,375,843
Creditors due within one year	(1,483,974)	-	(1,483,974)	(1,245,889)
Provisions for liabilities and charges	(4,000)	-	(4,000)	(2,000)
	12,392,646	5,120,468	17,513,114	17,469,276

26. GROUP RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	**43,838**	1,181,399
Adjustment for:		
Depreciation charges	**30,450**	39,207
(Gains)/losses on investments	**793,937**	(1,055,073)
(Profit)/loss on the sale of fixed assets	**(2,403)**	2,268
Decrease/(increase) in debtors	**15,650**	(512,000)
Increase in creditors	**240,083**	711,866
Net cash provided by operating activities	**1,121,555**	367,667

27. GROUP ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	**1,832,876**	792,804
Total	**1,832,876**	792,804

28. PENSION COMMITMENTS

A defined contribution scheme is operated by Chatham Maritime Trust and the charge represents the amounts payable by the charity to the fund in respect of the year which were £11,975 (2015 - £10,151). As at 31 March 2016 no contributions were outstanding.

29. RELATED PARTY TRANSACTIONS

During the year, £8,025 (2015 - £76,237) was paid to Solace Enterprises for the Interim Chief Executive Officer services of Mrs H Kerswell.

During the year the community fund paid a grant of £3,000 to Nucleus Art Centre, a branch of The Halpern Charitable Foundation, of which Mrs DHM Halpern-Matthews is a trustee (2015 - £NIL).

30. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Chatham Maritime Estate Limited	England	100%	Dormant

31. FINANCIAL INSTRUMENTS

The carrying amounts of the company's financial instruments are as follows:

FINANCIAL ASSETS

Measured at fair value through net income/expenditure

	2016	2015
	£	£
Fixed asset listed investments	**14,318,898**	15,030,843

Debt instruments measured at amortised cost

	2016	2015
	£	£
Trade debtors	**428,806**	559,506
Other debtors	**-**	34
Total	**428,806**	559,540

FINANCIAL LIABILITIES

Measured at amortised cost

	2016	2015
	£	£
Trade creditors	**113,734**	211,993
Other creditors	**165,755**	-
Total	**279,489**	211,993

The income, expenses, net gains and net losses attributable to the company's financial instruments are summarised as follows:

Income and expense

	2016	2015
	£	£
Financial assets measured at fair value through net income/ expenditure	**463,517**	430,568

31. FINANCIAL INSTRUMENTS (continued)

Net gains and losses (including changes in fair value)

	2016	2015
	£	£
Financial assets measured at fair value through net income/expenditure	**(793,936)**	1,055,073

32. FIRST-TIME ADOPTION OF SORP (FRS102)

The company has adopted the SORP (FRS102) for the first time in the year ended 31 March 2016. There has been no material effect of the transition from SORP (2005) to SORP (FRS102).

33. TAXATION

The company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.