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 2020

mha
MACINTYRE HUDSON

CHATHAM MARITIME TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Chair's statement	2
Trustees' report	3-11
Independent auditors' report	12-14
Statement of financial activities	15
Income and expenditure account	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19-42

CHATHAM MARITIME TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2020

Trustees

Mr AP Sutton (2)(3) ***Chair***	*South Maritime Residents Limited*
Mr A Mackness ***Chair*** (resigned 15 September 2019)	*Independent*
Mr MD Brown	*Homes England*
Mr S Harriott (3)(4)	*Independent*
Mr A B Horwood (1)(2)	*Independent*
Cllr V Maple (1)	*Medway Council*
Mrs Y Bishop (1)	*St Mary's Island Residents Association Limited*
Mr RG Russell (1)	*South Maritime Residents Limited*
Ms MK Samrai	*St Mary's Island Residents Association Limited*
Mrs DJ Sims (2)	*Independent*
Mr DJ Taylor (1)(2)(3)(4)	*Independent*
Cllr HOS Tejan	*Medway Council*
Ms KJ Tolhurst MP	*Independent*
Mr VG Towell (1)	*Independent*

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

Company registered number
02913375

Charity registered number
1055710

Registered Office
Unit 69, Dockside, Maritime Way, Chatham Maritime, Kent, ME4 3ED

Chief Executive Officer
Mr JR Perry

Company Secretary
Mr PA Hall

Independent Auditors
MHA MacIntyre Hudson, 71 New Dover Road, Canterbury, Kent, CT1 3DZ

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

Solicitors
Thomson Snell & Passmore, Heathervale House, 2-4 Vale Avenue, Tunbridge Wells, Kent, TN1 1DJ

Investment Fund Manager
Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

I am pleased to report another excellent year for Chatham Maritime Trust, although at the end of the year we were impacted by the Covid-19 pandemic. Most of our staff have been relocated to work from home, although three have been furloughed, and we have had to close the St Mary's Island Community Centre and the Community Watersports Centre, and postpone planned events.

We recognise that many households and businesses on the Chatham Maritime Estate have been severely affected by Covid-19 and have endeavoured to deal sympathetically with any problems this has caused.

Most importantly we should like to thank all NHS staff and other key workers based on our Estate for everything they have done to respond to this unprecedented crisis, and those individuals and businesses who have been supporting the most vulnerable members of our community.

I was elected Chair in November 2019 and would like to thank my board colleagues for their support. I would like to pay tribute to Andrew Mackness, who stepped down as Chair and resigned as a trustee in September 2019. He joined the Board in July 2011 and was elected Chair in December 2013. We shall miss his knowledge and leadership skills that have contributed enormously to the successful development of our organisation and the Estate over recent years.

Our more notable activities in the year are reviewed in the Trustees Report on pages 5 and 6.

We were delighted to have played an important role in facilitating the port visit of HMS Medway to Basin 2 for its Commissioning Ceremony last September. I am also pleased to report that progress is being made with the construction of our new buildings for the Estate Office and Watersports Centre, and look forward to both of these being completed by autumn of this year.

St Mary's Island now has 1,595 dwellings, expected to rise to 1,762 by 2023 when it is due to be fully developed, plus a thriving Community Centre, Doctor's Surgery, Pharmacy, Atlas Place (the older persons and assisted living development) and a Primary School rated as "Good" by Ofsted.

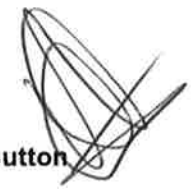
The South of Basins commercial estate is close to full development, with some 40 commercial properties, including the Dockside Outlet Centre, Odeon Cinema, Copper Rivet Distillery, Travelodge Hotel, Busy Bees Nursery, three gyms and numerous cafes, bars and restaurants catering for a wide range of tastes and budgets. There is the 412 berth Chatham Maritime Marina, and the Chatham Quays residential estate which incorporates 332 apartments.

I am delighted to say that we have maintained our donation of £20,000 per year to the Community Fund, which gave grants to several community projects as set out in our public benefit statement on pages 6-9.

The Trust maintains close working links with its member organisations, Homes England, Medway Council, St Mary's Island Residents Association Limited and South Maritime Residents Limited, the Universities at Medway, and a number of clubs and societies including the Island Castaways youth club, the Active Retirement Association (SaintARA) and the History Group.

There have been no other changes to our Board during the year. Matthew Brown has stepped down from the Finance Group and we thank him for his contribution, while Yvonne Bishop and Bob Russell have joined the Finance Group to bring additional experience and expertise.

My thanks also go to our dedicated staff who continue to manage the Trust's day to day business so efficiently, as well as managing the relocation to our temporary office in May 2019.



Mr A Sutton
Chair
Date 7 August 2020

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) submit their 22nd annual report together with the audited financial statements of Chatham Maritime Trust (the charity) for the year ended 31 March 2020. The Trustees confirm that the annual report and financial statements of the charity 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 January 2015.

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

Given forthcoming changes to the Trust's operating environment and the development of the Estate, the Board of Trustees has agreed to review the Constitution during 2020/21 to ensure it is still appropriate going forward.

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 England ("HE"), St Mary's Island Residents Association Limited ("SMIRA") and South Maritime Residents Limited ("Southco") which represents investors in and businesses on the Estate.

The four member organisations have the right to appoint seven Trustees: two each from Medway Council, SMIRA, Southco, and one from HE. In addition, there are a number of independent Trustees who have strong local connections and/or professional skills valuable to the Trust. There are currently six such independent Trustees and one third of them retire by rotation each year at the AGM.

Trustees are provided with a set of key corporate documents and are regularly informed about publications and training courses to enable them to keep abreast of changes in charity legislation and best practise, including the role and responsibilities of trustees, governance and charity finance.

The Board usually meets six times during the year and also has sub-committees which meet separately to consider Financial Governance, Charitable Objectives, Restrictive Covenants and Water Sports, 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 management team who deal with the day to day management of the Chatham Maritime Estate, including collection of rent, rentcharges 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 regularly updated by the Chief Executive and reviewed by the Trustees on an annual basis. The major risks faced by the Trust are :-

- Accidental death or serious injury of a member of the public on Trust land
- Accidental death or serious injury of an employee or contractor
- Physical damage to or collapse of flood defences
- Failure of basin walls

To mitigate these risks, the Trust implements a range of Health and Safety procedures and regular physical inspections across the Chatham Maritime Estate, continuously monitors the Estate via closed circuit television cameras and only employs approved contractors that can demonstrate satisfactory quality assurance procedures.

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:

- 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 HE, 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 drain 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 and Wales as the Trustees may from time to time determine;
- Repair and maintain a number of structures that are of historical, artistic, scientific, technological, geophysical or environmental importance, which are held principally for their contribution to the knowledge and culture of the Medway Towns and generally for the benefit of the public.

Achievements and performance

a. REVIEW OF ACTIVITIES

The Trust continues to maintain its focus on key service delivery to residents and occupiers across the Chatham Maritime Estate. We operate within detailed budgets and endeavour to drive up value and quality of service provision where possible while simultaneously bringing costs down.

The Estate is maintained according to our Estate Management Charter, which is based on recommended best practice issued by the Royal Institution of Chartered Surveyors, and sets out the tasks and frequencies for the public areas, footpaths, soft and hard landscaping, water safety, security and health and safety, and the key performance indicators against which our contractors are monitored.

For the major items of infrastructure across the Estate a 150 year Planned Preventative Maintenance programme was specified by geotechnical consulting engineers Ove Arup & Partners in 1997, setting out the recommended cyclical maintenance requirements for all the assets, notably the flood wall and revetment, the basin walls, HMS Chatham Bridge and the encapsulated bunds which are fundamental to the physical security of the Estate. This Planned Preventative Maintenance programme is regularly reviewed and updated.

Homes England ("HE"), the government agency responsible for the development of the Chatham Maritime Estate, still retains a number of assets across the Estate, mainly interface land. In November 2017 Medway Council in conjunction with HE issued for consultation an updated Development Brief for the Chatham Interface Land to enable the development of this key regeneration site to be brought forward. The development brief identifies the potential for a residential-led development with opportunities for supporting commercial uses. It will ensure that the site is developed in a manner that complements the existing Estate and the Historic Dockyard and is of a design appropriate to its sensitive historic setting. The Trust continues to press 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 highlight of the year was facilitating the port visit by HMS Medway to Basin 2 for its Commissioning Ceremony and Freedom of the Borough, hosted by Medway Council in September 2019. HMS Medway is the second of five Offshore Patrol Vessels, a new class of warship which will undertake a variety of roles, including counter-terrorism, anti-smuggling, maritime defence and counter-narcotics as well as securing the UK's borders and protecting UK interests around the globe. We should like to thank the Royal Navy, Medway Council, Homes England, Chatham Historic Dockyard Trust and Peel Ports for collaborating in the success of this event.

During the year work continued towards the construction of the Trust's new estate office, adjacent to Basin 1, and the new watersports centre building, adjacent to Basin 2. Progress was slowed by a value engineering review to reduce costs and consequential planning application amendments. Work on the estate office was suspended late in March 2020 due to the Covid-19 pandemic and is now expected to be completed in autumn 2020. Works on foundations for the watersports centre have now been completed and the prefabricated building is due to be installed on site later this year.

On St Mary's Island, housing development activity continued for the final phase. The developer Countryside Maritime Ltd continued development Sector 11, completing sixty four new dwellings in Ripplewaters and Augustus Way, and bringing the total number of dwellings to 1595 at 31 March.

In August 2019 we accepted from Countryside Maritime Ltd the transfer of their obligations in respect of the annual maintenance of ancillary soft landscaping in Blackcap Mews, Cade Close, The Causeway (part), Firecrest Close, Gadwall Mews, Whinchat Way and Westerly Way, together with associated parkland, ponds and water features and floodwall access, in Sector13 of St. Mary's Island. These areas have already been extensively re-planted and will be progressively brought up to our normal high standard.

Achievements and performance (continued)

a. REVIEW OF ACTIVITIES (continued)

In addition to normal soft and hard landscaping maintenance works during the year, gaps in the shrubberies were replanted in The Avenue, Apollo Way, Restharrow Way, Goldcrest Drive and on the East Bund. Paving around the northern Bullnose was levelled, repointing works were completed along Riverside Walk and mesh was applied to the fencing around Basins 1 and 2 to reduce litter blowing into the water. We also held our annual community planting day in October 2019, which this year was planting wild flower plug plants to further enhance the biodiversity of the wild flower meadow on the East Bund.

In the South of Basins area there were various footpath improvements including re-marking the cycling and pedestrian lanes and a pavement extension in Dock Road. Tree management works were completed in Central Avenue and North Road and gaps in the shrubberies were replanted around Quayside and the Ship & Trades car park, including the roundabout. The southern Bullnose was resurfaced and the historical marine furniture around Basin 2 was redecorated.

At St Mary's Island Community Centre, we made further improvements to the facilities by installing Altro safety flooring in the main corridor, which was also fully redecorated. The stone flooring in the entrance foyer was also replaced and electrically operated hand driers were installed in the toilets to improve hygiene and reduce paper waste. Booking volumes and the number of regular hirers have increased during the year which enables us to continue to reinvest in the facilities.

In June 2019 the Trust took over direct responsibility for operating the community watersports centre on Basin 2, following the withdrawal of Shaftesbury Homes & Arethusa. The Trust will invest in developing the facilities for the benefit of the community which will extend and enhance the offering already provided by the St Mary's Island Community Centre.

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 commercial properties and such like. The value of our professionally managed investment portfolios decreased in value by about 10%, due to the sharp fall in world stock market prices at the end of March due to the Covid-19 pandemic.

Anthony Sutton was elected as Chair of the Board in November 2019, replacing Andrew Mackness who resigned from the Board after eight years as a trustee and six as Chair. At the AGM in November 2019, independent trustees Adrian Horwood and Victor Towell retired by rotation, and after offering themselves for re-election, were re-elected to the Board, and David Taylor was elected to the Board as an independent trustee. The Board continues to operate sub groups for Financial Regulation, Charitable Objectives, Restrictive Covenants and Water Sports for the efficient and effective management of the Trust.

b. PUBLIC BENEFIT STATEMENT

Chatham Maritime Trust undertakes the maintenance and guardianship of the 350-acre Chatham Maritime Estate. This is directly for the benefit of the residents, students, businesses and workers who reside at or use the Estate. The Estate is also freely accessible to the general public – there are public highways, footpaths and parks, plus a wide range of retail and leisure activities. For public safety, the Estate is continuously monitored via closed circuit television cameras and the security provision also includes a fully funded Police Community Support Officer and out-of-hours mobile patrols by a private security contractor.

Achievements and performance (continued)

b. PUBLIC BENEFIT STATEMENT (continued)

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. The Trust provides a Community Centre on St. Mary's Island, with two halls and a meeting room available for hire by residents and non-residents and a community watersports centre on Basin 2.

The Trust operates a Community Fund which is mainly focused on environmental improvements and support of young people and other members of the community in relation to their physical, mental and spiritual capacities. All applications must adhere to the Trust's charitable objectives and demonstrate clear outcomes. The Trust operates the fund in line with the "public benefit" requirements of the Charities Act 2011.

The Trust continues to support community projects and groups and in the year 1 April 2019 to 31 March 2020 provided a total of £20.943 in support of the following:

Medway Sunlight Rotary Club for the National Kids Day Out which gives disadvantaged children (living with a critical illness, in refuge or with a disability) the chance of a fun day out, in this case a trip to Chessington World of Adventures. Children from Rivermead Inclusive Trust, Brompton Academy, Anchor Foster Care and Ausome participated and a total of 35 children benefitted from this initiative.

Living River Foundation in support of Litter Free Maritime Campaign. The focus of the project is to improve the environment through the collection of litter in the estuary basins and surrounding areas involving the local community and businesses. It complements national campaigns to encourage people to reduce, reuse and recycle. It has proved a great success and is ongoing.

Morning Star Trust for a short residential voyage for young disadvantaged people which took place in October 2019. Morning Star's primary objective is the personal and spiritual development of young people through the experience of sailing at sea and provides access to groups of under-supported individuals in Medway. Positive feedback and outcomes reported by all participants.

The Family Trust Wellbeing Project. The project educates participants from Medway schools from a multi-faceted perspective, all customised to be age appropriate and on different levels of understanding. The Project involves interaction and focuses on mental well-being and will also have an impact on their families and friends so a wider benefit. With an increased understanding of what wellbeing is and how it can be enhanced, developed and sustained, the project will enhance the lives of the young people involved and those associated with them. This initiative involves 53 Medway schools – some 16,685+ pupils.

1st St. Mary's Island Rainbow & Brownie Unit. Funding provided to purchase equipment for their August 2020 Camp which can be used year-on-year. The Unit is at the heart of St. Mary's Island community and prepares the girls for future life experiences.

Swingate Primary School, Chatham for their Home from Home Club. The Home from Home Club supports families that struggle with child care and feeding their families. The Club provides a stimulating environment encouraging creativity, play, crafts and outdoor activities so that children are ready and enthusiastic for the school day ahead. Funds enabled them to purchase much needed sports equipment and arts and crafts materials enabling the children to develop different skills and enhance imagination and creativity.

Café Plus at St. Justus Church. The Trust's funding enabled the launch of a music therapy community initiative which targeted those that are isolated and with dementia. It is a great success and has turned some people's lives around.

Brompton Academy for the provision of an outdoor table tennis table, which will be used by community groups and students at the Academy as well as students from The Eliot Centre which supports students with learning and behavioural difficulties.

Achievements and performance (continued)

b. PUBLIC BENEFIT STATEMENT (continued)

Wetwheels South East providing trips on the River Medway for disadvantaged and disabled individuals and groups that ordinarily would not have access to such an activity. Their fully adapted boat can accommodate 12 vulnerable adults and children including 3 wheelchair users. The funding provided 20 trips which proved a great success and was well received by all participants.

Young Lives Foundation delivers quality services tailored to ensure effective and positive outcomes to those that are vulnerable and disadvantaged; children and young people in Medway and Kent. Funding enables these individuals to come together to enjoy a social event and the establishment of a choir of 25 young people from Medway to participate in a Voice in a Million at the SSE Arena, Wembley in March 2020, which unfortunately had to be postponed due to Covid-19.

The Octopus Foundation works with vulnerable and marginalised people from deprived areas of Medway and Kent. The organisation provides opportunities for people to come together to share experiences and works collaboratively with others to bring this about and to tackle serious social challenges. The charity works with a group of older men, some who are ex-servicemen, who suffer from isolation and mental health issues and a carpentry workshop allows these individuals to make tangible items which they then sell to the Medway community which helps build self-esteem, builds confidence and tackles social isolation. The charity provides IT skills, craft sessions and basic cooking skills.

The Trust's funding enabled the purchase of further equipment for use by its attendees. The charity is young, only formed in 2019, but has built strong community links and is highly respected with a good record of project management, monitoring, evaluation and reporting.

The Princess Project is a small charity supporting vulnerable mothers at their Gillingham Hub. Attendees are those that experience hardship, i.e. low income, young parents with mental or physical health challenges, social isolation etc. The Trust's funds enabled the purchase of much needed storage equipment and signage enabling them to promote the Gillingham Hub.

Medway Volunteer Workshop works with Tools with a Mission bringing together adults and volunteers to refurbish old tools and sewing machines in Medway and Kent. This is a young project that only opened about a year ago. The refurbished tools are then packaged and sent to help African communities to start sustainable enterprises and become self-sufficient. Any tools not used for this purpose are sold independently to raise funds towards the running of the workshop.

A generation of Dockyard employees and their families contribute to the workshop brining their skills and a supply of tools. The workshop provides socialisation and companionship to men and women from all different backgrounds and helps them to develop their skills.

This is a great initiative and a great asset to the Medway community not only helping those with emotional and physical challenges in the area but assists African communities encouraging them to create sustainable communities. It also creates new life for items that would otherwise end up in landfill so of great environmental benefit too.

The Trust's funding enabled the provision of further equipment to enable it to continue its good work that impacts on so many lives. The workshop has recently developed a partnership with the Salvation Army and they aim to forge other partnerships to extend the benefit of the workshop to other organisations in the Medway Towns.

Castaways Youth Club. The Trust continues to support St. Mary's Island Youth Club in terms of providing the community space cost free and the provision of a Youth Club Leader. The Club is thriving and provides a range of games and activities and is a great networking hub for young people, which encourages socially responsible behavior. The continued commitment of the Club's Secretary and Youth Leader together with all the volunteers should be recognised.

Achievements and performance (continued)

b. PUBLIC BENEFIT STATEMENT (continued)

Food & Drink Festival. This is Chatham Maritime Trust's biggest annual event, held across the late May bank holiday weekend. The Trust's team works with event curator The Event Umbrella preparing the site and through staff provision provides a great fundraising opportunity for other charities, in particular Medway Sunlight Rotary Club, which provides funds for Rotary Children's Hospice Holidays and local charities. The 2019 event was again another great success.

Particular projects across the Estate completed by Chatham Maritime Trust during the year under review for the benefit of its residents/occupiers and the general public are as follows:

- Replacement decking at Central Lookout and coping stones added to floodwall in Fishing Village
- Commenced operation of the Community Watersports Centre at Basin 2
- Resurfacing works ands repointing along Riverside Walk and Finsborough Slip
- Installation of tactile paving in Dock Road and of drop kerbs in North Road
- Planting at Doctor's Surgery and Central Walk and improvements to SMI dog run
- New grass area by MHS Homes for use by general public
- Replanted Quayside roundabout
- Provision and maintenance of Pétanque court

Community and public events held during the year:

- 3rd running of the Chatham Maritime 10K Run in conjunction with Sporting Events UK in April 2019
- Facilitated visit of HMS Medway into Basin 2 for its Commissioning Ceremony in September 2019
- SMI Community Centre Christmas Fair in November 2019
- Bulb planting day in October 2019 to encourage resident participation
- Living River Foundation community litter picking events
- Bike marking events in conjunction with Kent Police
- Speed Watch on SMI

c. INVESTMENT POLICY AND PERFORMANCE

In March 2019 the Board of Trustees reviewed and ratified its investment policy and strategy, which is supervised by the Finance Group.

The Trust's financial objective is to ensure long term sustainability through maximising investment returns while balancing income and expenditure from charitable activities. The Trustees have adopted a medium risk profile, meaning that its investment portfolio will aim over the long term to seek returns 3% above the rate of inflation, as measured by movements in UK CPI, and should reflect 60-80% of the volatility of global equity markets.

In 2013 Rathbone Investment Management Limited ('Rathbones') was appointed Fund Manager, and was authorised to invest the charity's expendable and restricted endowment funds on a discretionary basis, within the agreed parameters, with their performance being benchmarked against a range of stock market indices. Rathbones is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In December 2019 the Trustees undertook a review of the fund manager's performance and confirmed that Rathbones were performing satisfactorily.

The Fund Manager invests the Trust's investment funds into the Rathbone Active Income and Growth Fund, which is a Non-UCITS Retail Scheme and Tax Elected Fund, regulated by the Financial Conduct Authority and managed in accordance with the Collective Investment Schemes Sourcebook. It has an ethical investment policy which means that it will not invest directly in companies that generate more than 20% of their turnover from tobacco, gambling, pornography or high interest lending.

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.

Due to the uncertainty in predicting the quantum and timing of anticipated future maintenance expenditure, the Trustees continue to follow a prudent policy to seek to ensure that the funding available to future Trustees will remain adequate. It is part of this policy that, subject to minor exceptions, 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 15. This shows net income from restricted and unrestricted funds amounting to £483,892 (2019: net income £563,476).

The Trust has suffered from the devaluation of it investment portfolios, in line with the sharp decline in global stock market indices due to the Covid-19 pandemic, resulting in realised and unrealised losses for the year of £1,968,095 (2019: gains of £375,724).

A net movement of funds of £1,484,203 has been deducted from reserves (2019: £939,200 added to reserves. Total reserves at 31 March 2020 were £19,936,842 compared with £21,421,045 at 31 March 2019.

c. GOING CONCERN

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The Covid-19 pandemic and the ensuing economic shutdown has had some impact on the charity's operations as reported in Note 35 on page 39. In response to the Covid-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of Covid-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Plans for the future

The residential development of St Mary's Island is due to continue until 2023, with a further 167 dwellings expected to be built, across sectors 11, 15 and 16.

South of the basins, there are a number of further plots of land which are expected to be developed for residential use and will be transferred from HE in due course. Medway Council and HE have consulted on an updated Development Brief for the Chatham Interface Land to enable the development of this key regeneration site to be brought forward. Homes England have appointed Countryside Properties Ltd as the preferred developer with a brief to prepare a planning application by the end of 2020

The Trustees also regularly keep under review 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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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

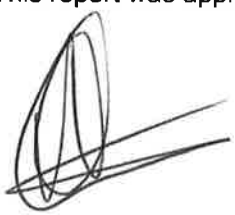
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

At the Annual General Meeting in December 2019 the Trustees re-appointed MHA MacIntyre Hudson as auditors.

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 24 July 2020 and signed on their behalf by:



Mr A Sutton
Chair
Date 7 August 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHATHAM MARITIME TRUST

OPINION

We have audited the financial statements of Chatham Maritime Trust (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2020 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSION RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHATHAM MARITIME TRUST (continued)

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report.

RESPONSIBILITIES OF TRUSTEES

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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHATHAM MARITIME TRUST (continued)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

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 and the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 the charitable company's members, as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Duncan Cochrane-Dyet FCA (Senior Statutory Auditor)

For and on behalf of

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors

71 New Dover Road
Canterbury
Kent
CT1 3DZ

Date: 10 October 2020

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)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM:					
Donations and legacies	2	-	**112,000**	**112,000**	233,770
Investments	3	**784,570**	**89,883**	**874,453**	858,452
Charitable activities	4	**966,584**	**55,720**	**1,022,304**	1,089,207
Other income	5	**15,737**	-	**15,737**	31,165
TOTAL INCOME		**1,766,891**	**257,603**	**2,024,494**	2,212,594
EXPENDITURE ON:					
Raising funds	6	-	-	-	-
Other charitable activities	8	**1,412,718**	**127,884**	**1,540,602**	1,649,118
TOTAL EXPENDITURE	11	**1,412,718**	**127,884**	**1,540,602**	1,649,118
NET INCOME BEFORE INVESTMENT (LOSSES)/GAINS		**354,173**	**129,719**	**483,892**	563,476
Net (losses)/gains on investments	20	**(1,613,149)**	**(354,946)**	**(1,968,095)**	375,724
NET (EXPENDITURE)/INCOME BEFORE TRANSFERS		**(1,258,976)**	**(225,227)**	**(1,484,203)**	939,200
Transfers between Funds	25	**(14,280)**	**14,280**	-	-
NET (EXPENDITURE)/ INCOME		**(1,273,256)**	**(210,947)**	**(1,484,203)**	939,200
Total funds at 1 April 2019		**18,643,165**	**2,777,880**	**21,421,045**	20,481,845
TOTAL FUNDS AT 31 MARCH 2020		**17,369,909**	**2,566,933**	**19,936,842**	21,421,045

All activities relate to continuing operations

Full comparative figures for the year ended 31 March 2019 are shown in Note 36 on page 40

The notes on pages 19 to 42 form part of these financial statements

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income		**1,766,891**	**257,603**	**2,024,494**	2,212,594
Losses)/Gains on investments	20	**(1,613,149)**	**(354,946)**	**(1,968,095)**	375,724
GROSS INCOME IN THE REPORTING PERIOD		**153,742**	**(97,343)**	**56,399**	2,588,318
Less: Total expenditure	11	**1,412,718**	**127,884**	**1,540,602**	1,649,118
NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE TRANSFERS		**(1,258,976)**	**(225,227)**	**(1,484,203)**	939,200
Transfers between Funds	25	**(14,280)**	**14,280**	**-**	-
Net (expenditure)/income for the year after transfers		**(1,273,256)**	**(210,947)**	**(1,484,203)**	939,200
NET (EXPENDITURE)/INCOME FOR THE FINANCIAL YEAR		**(1,273,256)**	**(210,947)**	**(1,484,203)**	939,200

The notes on pages 19 to 42 form part of these financial statements

COMPANY BALANCE SHEET
AS AT 31 MARCH 2020

	Note	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	17	**1,061,909**		630,467	
Heritage assets	18	**-**		-	
Investment property	19	**1,900,000**		1,900,000	
Total tangible assets			**2,961,909**		2,530,467
Investments	20		**18,079,691**		19,865,574
			21,041,600		22,396,041
CURRENT ASSETS					
Debtors	21	**916,938**		734,738	
Cash at bank and in hand		**2,007,286**		2,122,518	
		2,924,224		2,857,256	
CREDITORS: amounts falling due within one year	22	**(1,315,748)**		(1,081,411)	
NET CURRENT ASSETS			**1,608,476**		1,775,845
TOTAL ASSETS LESS CURRENT LIABILITIES			**22,650,076**		24,171,886
CREDITORS: amounts falling due after more than one year	23		**(2,699,058)**		(2,742,591)
PROVISIONS FOR LIABILITIES					
Other provisions	24		**(14,176)**		(8,250)
NET ASSETS			**19,936,842**		21,421,045
CHARITY FUNDS					
Restricted funds	25		**2,566,933**		2,777,880
Unrestricted funds	25		**17,369,909**		18,643,165
TOTAL FUNDS AT 31 MARCH 2020			**19,936,842**		21,421,045

The financial statements were approved by the Trustees on 7 August 2020 and signed on their behalf, by:

Mr A Sutton (Chair) **Mr A B Horwood**

The notes on pages 19 to 42 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	27	**563,604**	334,866
Cash flows from investing activities:			
Purchase of property, plant and equipment		**(470,693)**	(324,955)
Proceeds from sale of investments		**-**	73
Purchase of investments		**(208,143)**	(204,087)
Net cash used in investing activities		**(678,836)**	(528,969)
Change in cash and cash equivalents in the year		**(115,232)**	(194,103)
Cash and cash equivalents brought forward		**2,122,518**	2,316,621
Cash and cash equivalents carried forward	28	**2,007,286**	2,122,518

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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 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 charity alone as permitted by section 408 of the Companies Act 2006.

1.2 Company status

The charity is a private company limited by guarantee without share capital. The members of the company are the four member organisations set out in the Trustees Report on page 3. 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.

1.3 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 charity 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 charity 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 may be permanent endowment funds or expendable endowment funds. Permanent endowments are where trustees have no power to convert the capital into income, and the funds must normally be held indefinitely. Where trustees do have the power to convert capital into income such funds are known as expendable endowments. Income arising from 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 and expenses, and revaluation gains and losses are allocated to the appropriate fund in proportion to their respective average capital balances during the relevant period.

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income 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 (FRS 102).

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

1.5 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.

Cost of raising funds includes investment manager fees.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity 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.

1.6 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The Covid-19 pandemic and the ensuing economic shutdown has had some impact on the charity's operations as reported in Note 35 on page 39. In response to the Covid-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of Covid-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts

1.7 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.

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation (continued)

(i) Heritage assets (continued)

Acquisitions of heritage assets only arise when included in land transferred to the Trust from Homes England. 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.

(ii) Estate infrastructure

The Estate is maintained according to an Estate Management Charter, which is based on recommended best practice issued by the Royal Institution of Chartered Surveyors. This Charter sets out the tasks and frequencies for the upkeep of public areas, footpaths, soft and hard landscaping, water safety, security and health and safety.

Ongoing maintenance and repairs to landscaping and estate infrastructure which are required under this Charter are not capitalised. However, improvements to heritage assets and all additional assets acquired are capitalised and depreciated over their useful economic lives

(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

(iii) Buildings under construction

Buildings under construction are tangible fixed assets which are not depreciated until they are brought into use.

1.8 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 necessary, in the opinion of the Trustees, in order to give a true and fair view of the financial position of the charity.

1.9 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 revaluations and disposals throughout the year.

1. ACCOUNTING POLICIES (continued)

1.10 Interest receivable

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

1.11 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.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash, bank current accounts and bank deposit accounts with maturities of twelve months or less from the date of opening of the deposit account.

1.13 Creditors and provisions

Creditors and provisions are recognised where the charity 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.

1.14 Pensions

The charity operates a defined contribution Workplace pension scheme available to all employees and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.15 Operating leases

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

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 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Sector 13 landscaping commuted capital sum	-	**112,000**	**112,000**	-
Sector 3 landscaping commuted capital sum	-	-	-	207,000
Sector 5 landscaping commuted capital sum	-	-	-	26,770
Total donations and legacies	-	**112,000**	**112,000**	233,770

In 2019, of the total income from donations and legacies, £Nil was to unrestricted funds and £233,770 was to restricted funds.

3. INVESTMENT INCOME

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Bank deposit interest	**17,973**	**4,067**	**22,040**	22,953
Investment income:				
Dowry fund	**381,641**	-	**381,641**	380,254
Pembroke fund	**199,085**	-	**199,085**	195,551
Starfish Play Area fund	-	**9,789**	**9,789**	9,329
Community Centre endowment fund	-	**6,137**	**6,137**	6,134
Shark Park Play area fund	-	**2,691**	**2,691**	3,095
Marine Infrastructure reserve fund	**5,038**	-	**5,038**	3,837
SMI Medium Term reserve fund	**10,839**	-	**10,839**	8,105
Tadpole Play Area fund	-	**2,582**	**2,582**	2,660
Island Way Loop Road endowment fund	-	**59,477**	**59,477**	59,930
Sector 3 landscaping endowment fund	-	**3,333**	**3,333**	1,659
Sector 5 landscaping endowment fund	-	**899**	**899**	196
Sector 13 landscaping endowment fund	-	**908**	**908**	-
Rents from investment properties	**169,994**	-	**169,994**	164,749
	784,570	**89,883**	**874,453**	858,452

In 2019, of the total investment income, £772,757 was to unrestricted funds and £85,695 was to restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Service charge income	**345,096**	**55,720**	**400,816**	366,345
Transfer from service charge advance payment	**43,533**	**-**	**43,533**	43,533
Rent charge income	**486,450**	**-**	**486,450**	449,895
Community centre hire income	**66,163**	**-**	**66,163**	72,059
Watersports centre income	**11,101**	**-**	**11,101**	2,000
Transfer from S.106 watersports advance payment	**14,241**	**-**	**14,241**	155,375
	966,584	**55,720**	**1,022,304**	1,089,207

In 2019, of the total income from charitable activities, £1,033,431 was to unrestricted funds and £55,776 was to restricted funds.

5. OTHER INCOME

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Sundry income	**15,737**	**-**	**15,737**	31,165
	15,737	**-**	**15,737**	31,165

In 2019, of the total of other incoming resources, £31,165 was to unrestricted funds and £Nil was to restricted funds.

6. INVESTMENT MANAGEMENT FEES

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Dowry fund	-	-	-	-
Pembroke fund	-	-	-	-
	-	-	-	-

The Trust's investment funds are invested into a Non-UCITS Retail Scheme from which investment management fees are deducted at source out of capital.

In 2020 estimated fees deducted from capital were £66,919 (2019: £65,000) in respect of unrestricted funds and £14,724 (2019: £14,000) in respect of restricted funds.

7. GRANTS TO INSTITUTIONS

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Community Fund expenditure	**20,000**	**-**	**20,000**	18,722
St Mary's Island Youth Club sponsorship	**2,338**	**-**	**2,338**	2,259
	22,338	**-**	**22,338**	20,981

In 2019, of the total of grants to institutions, £20,981 was to unrestricted funds and £Nil was to restricted funds.

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
		£	£	£	£
Activities undertaken directly	9	**772,430**	**119,143**	**891,573**	1,082,182
Support costs	10	**617,950**	**8,741**	**626,691**	545,955
Grants to institutions	7	**22,338**	**-**	**22,338**	20,981
		1,412,718	**127,884**	**1,540,602**	1,649,118

In 2019, of the total expenditure on charitable activities, £1,538,495 was to unrestricted funds and £110,623 was to restricted funds.

9. DIRECT COSTS

	Activities undertaken directly	Total 2020	Total 2019
	£	£	£
Rent charge expenditure	**215,319**	**215,319**	228,655
Service charge expenditure	**295,169**	**295,169**	235,500
Public areas expenditure	**294,660**	**294,660**	228,873
Public areas expenditure: Basin 2 Boardwalk replacement	**-**	**-**	290,900
Community centre expenditure	**77,762**	**77,762**	86,547
Watersports centre expenditure	**8,663**	**8,663**	11,707
	891,573	**891,573**	1,082,182

10. SUPPORT COSTS

	Support costs	Total 2020	Total 2019
	£	£	£
Administration expenses	**126,234**	**126,234**	103,731
Legal and professional	**50,232**	**50,232**	17,051
Irrecoverable VAT	**3,713**	**3,713**	758
Community centre	**2,115**	**2,115**	2,294
Trustee costs	**4,962**	**4,962**	7,573
Auditors remuneration	**13,030**	**13,030**	7,325
Wages and salaries	**335,656**	**335,656**	306,945
National insurance contributions	**31,235**	**31,235**	28,910
Pension costs	**16,482**	**16,482**	15,352
Death in service scheme	**3,781**	**3,781**	3,246
Depreciation	**39,251**	**39,251**	52,770
	626,691	**626,691**	545,955

11. ANALYSIS OF EXPENDITURE BY TYPE

	Staff costs	Depreciation	Other costs	Total 2020	Total 2019
	£	£	£	£	£
Investment management fees	-	-	-	-	-
Costs of generating funds	-	-	-	-	-
Charitable activities:					
Activities undertaken directly	-	-	**891,573**	**891,573**	1,082,182
Support costs	**383,373**	**39,251**	**204,067**	**626,691**	545,955
Grants to institutions	-	-	**22,338**	**22,338**	20,981
Subtotal charitable activities	**383,373**	**39,251**	**1,117,978**	**1,540,602**	1,649,118
	383,373	**39,251**	**1,117,978**	**1,540,602**	1,649,118

12. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly	Support costs	Grants to institutions	Total 2020	Total 2019
	£	£	£	£	£
Rent charge expenditure	**215,319**	**217,667**	**-**	**432,986**	432,760
Service charge expenditure	**295,169**	**173,307**	**-**	**468,476**	397,139
Public areas expenditure	**294,660**	**131,143**	**20,000**	**445,803**	342,495
Public areas expenditure: Basin 2 Boardwalk replacement	**-**	**-**	**-**	**-**	290,900
Community centre expenditure	**77,762**	**64,259**	**2,338**	**144,359**	152,112
Watersports centre expenditure	**8,663**	**40,315**	**-**	**48,978**	33,712
	891,573	**626,691**	**22,338**	**1,540,602**	1,649,118

13. NET INCOMING/(OUTGOING) RESOURCES

This is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets	**39,251**	52,770
Auditors' remuneration	**13,030**	7,325
Auditors' remuneration - non-audit services	**13,430**	9,421
Pension costs	**16,482**	15,352

During the year none of the Trustees have been paid any remuneration or received any other benefits from an employment with the Trust or a related entity (2019: £Nil).

During the year, 1 Trustee has claimed expenses or had their expenses met by the Trust (2019: 4 Trustees):

	Reimbursed to Trustees	Paid Directly to 3rd parties	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Travel expenses (1 Trustee; 2019: 4 Trustees)	**700**	**-**	**700**	1,302
Accommodation costs (1 Trustee; 2019: 1 Trustee)	**-**	**605**	**605**	615
	700	**605**	**1,305**	1,917

Under a standard 'Charity Protection Policy' the charity is covered for the wrongful acts of the charity's, directors, trustees, employees or agents. The total premium paid in the year under this policy was £1,497 (2019: £6,025).

14. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an audit fee of £13,030 (2019: £7,325) and non-audit services of £13,430 (2019: £9,421).

15. STAFF COSTS

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	**335,656**	306,945
Social security costs	**31,235**	28,910
Other pension costs	**16,482**	15,352
	383,373	351,207

The average monthly number of employees was: 9 (2019: 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):

	2020	2019
	No.	No.
Office and management	**8**	9

The number of higher paid employees was:

	2020	2019
	£	£
In the band £60,001 - £70,000	**2**	1

16. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees neither received nor waived any remuneration during the year (2019: £Nil)

The total amount of employee benefits (excluding employer pension costs) received by key management personnel is £171,806 (2019: £168,811). The Trust considers its key management personnel to comprise the Chief Executive, Finance Manager and Contract & Procurement Facility Manager.

17. TANGIBLE FIXED ASSETS

	Freehold property	Buildings under construction	Plant and machinery	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2019	**325,000**	**176,368**	**178,881**	**81,725**	**56,706**	**818,680**
Additions	**-**	**466,506**	**4,187**	**-**	**-**	**470,693**
Disposals	**-**	**-**	**-**	**(71,788)**	**-**	**(71,788)**
At 31 March 2020	**325,000**	**642,874**	**183.068**	**9,937**	**56,706**	**1,217,585**
Depreciation						
At 1 April 2019	**26,000**	**-**	**35,661**	**76,766**	**49,786**	**188,213**
Disposals	**-**	**-**	**-**	**(71,788)**	**-**	**(71,788)**
Charge for the year	**6,500**	**-**	**27,091**	**3,277**	**2,383**	**39,251**
At 31 March 2020	**32,500**	**-**	**62,752**	**8,255**	**52,169**	**155,676**
Net book value						
At 31 March 2020	**292,500**	**642,874**	**120,316**	**1,682**	**4,537**	**1,061,909**
At 31 March 2019	299,000	176,368	143,220	4,959	6,920	630,467

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 users 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

All of the above assets are insured at a combined reinstatement value of £4.1 million (2019: £4.1 million).

18. HERITAGE ASSETS (continued)

The Trust also has freehold reversionary interests in a number of other buildings of historical importance which are currently occupied by long leasehold tenants and used for operational purposes, such as two Victorian Dock basins which are used for water based activities, 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
	£
Valuation	
At 1 April 2019 and 31 March 2020	**1,900,000**

The investment properties were revalued in 2015 by Salisbury & Co, Chartered Surveyors, on an open market value for existing use basis. The Trustees having taken note of fluctuations in market value since 2015, consider this valuation to still be appropriate as at 31 March 2020.

20. FIXED ASSET INVESTMENTS

Fixed asset investments at market value comprise:

	Global Equities	2020	2019
	£	£	£
Market value			
Dowry Fund	**12,803,917**	**12,803,917**	14,081,159
Pembroke Fund	**5,275,774**	**5,275,774**	5,784,415
Total market value	**18,079,691**	**18,079,691**	19,865,574
Historical cost			
Dowry Fund	**12,378,559**	**12,378,559**	14,081,159
Pembroke Fund	**5,031,523**	**5,031,523**	5,784,415
Total historical cost	**17,410,082**	**17,410,082**	19,865,574

20. FIXED ASSET INVESTMENTS (continued)

DOWRY FUND	Capital Account	Income Account	Total 2020	Total 2019
	£	£	£	£
Market value				
At 1 April 2019	**13,940,056**	**141,104**	**14,081,160**	13,703,858
Additions/Transfers in	**275,592**	**471,334**	**746,926**	572,536
Disposals/Transfers out	**-**	**(609,764)**	**(609,764)**	(455,846)
Revaluations	**(1,414,405)**	**-**	**(1,414,405)**	260,611
At 31 March 2020	**12,801,243**	**2,674**	**12,803,917**	14,081,159
Historical cost	**12,375,885**	**2,674**	**12,378,559**	12,241,396

PEMBROKE FUND	Capital Account	Income Account	Total 2020	Total 2019
	£	£	£	£
Market value				
At 1 April 2019	**5,682,463**	**101,952**	**5,784,415**	5,590,566
Additions/Transfers in	**171,542**	**193,085**	**364,627**	228,546
Disposals/Transfers out	**-**	**(293,646)**	**(293,646)**	(141,221)
Revaluations	**(579,622)**	**-**	**(579,622)**	106,524
At 31 March 2020	**5,274,383**	**1,391**	**5,275,774**	5,784,415
Historical cost	**5,030,132**	**1,391**	**5,031,523**	4,960,542

21. DEBTORS

	2020	2019
	£	£
Trade debtors	**559,028**	404,956
Other debtors	**1,992**	3,018
Other taxation and social security	**77,220**	-
Prepayments and accrued income	**278,698**	326,764
	916,938	734,738

22. CREDITORS
Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	**281,137**	104,233
Other taxation and social security	**8,910**	85,658
Other creditors	**25,302**	190,207
Accruals	**145,106**	82,997
Deferred income	**855,293**	618,316
	1,315,748	1,081,411

Deferred income:	**£**
Deferred income at 1 April 2019	**618,316**
Resources deferred during the year	**855,293**
Amounts released from previous years	**(618,316)**
Deferred income at 31 March 2020	**855,293**

Income has been deferred for rent, rent charges, service charges and section 106 income received in advance in respect of the next financial year.

23. CREDITORS
Amounts falling due after more than one year

	2020	2019
	£	£
Deferred income:		
Advance payment of service charges	**2,699,058**	2,742,591

Deferred income:	**£**
Deferred income at 1 April 2019	**2,742,591**
Resources deferred during the year	**-**
Amounts released from previous years	**(43,533)**
Deferred income at 31 March 2020	**2,699,058**

Between March 2001 and May 2004 the charity received commuted capital sums from the South East England Development Agency (a predecessor of Homes England) representing advance payment until 2082 of service charges in respect of certain leases on the South Maritime estate which were originally granted without service charge recovery provisions.

The deferred income has been invested and the income and revaluation gains or losses arising transferred to a designated general reserve known as the Pembroke fund reserve.

24. PROVISIONS

	Provisions
	£
At 1 April 2019	**8,250**
Additions	**5,926**
Charged in year	**-**
At 31 March 2020	**14,176**

The charity exercised its option for a tenant's break on 8 June 2019 under the lease for its office at The Observatory which expired on 8 June 2024. The charity has a liability to re-instate all the non-structural alterations that it has made to the property and full provision has been made for the estimated re-instatement costs, based on professional advice.

25. STATEMENT OF FUNDS

UNRESTRICTED FUNDS (A)

	Brought Forward 1 April 2019	Incoming Resources	Resources Expended	Transfers	Gains/ (Losses)	Carried Forward 31 March 2020
	£	£	£	£	£	£
Designated funds						
Community fund	3,647	-	(20,000)	19,058	-	**2,705**
Marine Infrastructure reserve	326,889	27,197	-	-	(21,842)	**332,244**
SMI Medium Term Infrastructure reserve	697,097	10,839	-	53,464	(47,020)	**714,380**
Pembroke fund reserve	3,527,782	242,618	(112,407)	(14,224)	(572,079)	**3,071,690**
Watersports Reserve	123,663	25,342	(48,978)	-	-	**100,027**
	4,679,078	**305,996**	**(181,385)**	**58,298**	**(640,941)**	**4,221,046**
General funds						
Dowry Fund reserve	13,112,472	502,577	(252,791)	(56)	(972,208)	**12,389,994**
Revaluation reserve	42,771	-	-	-	-	**42,771**
General reserve	808,844	958,318	(978,542)	(72,522)	-	**716,098**
	13,964,087	**1,460,895**	**(1,231,333)**	**(72,578)**	**(972,208)**	**13,148,863**
Total Unrestricted funds	**18,643,165**	**1,766,891**	**(1,412,718)**	**(14,280)**	**(1,613,149)**	**17,369,909**

25. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS (B)

	Brought Forward 1 April 2019	Incoming Resources	Resources Expended	Transfers	Gains/ (Losses)	Carried Forward 31 March 2020
	£	£	£	£	£	£
Restricted funds						
Starfish Play Area	301,653	9,789	(5,350)	-	(41,403)	**264,689**
Tadpole Play Area	61,922	2,582	(3,699)	-	(10,430)	**50,375**
Community centre endowment	181,097	6,138	(8,741)	-	(24,600)	**153,894**
Shark Park Play Area	48,501	2,691	(9,350)	-	(9,714)	**32,128**
SOB Reserve Fund	213,830	59,786	-	14,280	-	**287,896**
Leviathan Way/ Western Ave Landscaping Reserve	59,600	-	(4,800)	-	-	**54,800**
Island Way Loop Road fund	1,689,082	59,477	(67,750)	-	(238,883)	**1,441,926**
Sector 3 Landscaping Reserve	195,737	3,333	(7,757)	-	(17,840)	**173,473**
Sector 5 Landscaping Reserve	26,458	899	(2,077)	-	(3,735)	**21,545**
Sector 13 Landscaping Reserve	-	112,908	(18,360)	-	(8,341)	**86,207**
Total Restricted funds	**2,777,880**	**257,603**	**(127,884)**	**14,280**	**(354,946)**	**2,566,933**

SUMMARY

	Brought Forward 1 April 2019	Incoming Resources	Resources Expended	Transfers in/out	Gains/ (Losses)	Carried Forward 31 March 2020
	£	£	£	£	£	£
Designated funds	**4,679,078**	**305,996**	**(181,385)**	**58,298**	**(640,941)**	**4,221,046**
General funds	**13,964,087**	**1,460,895**	**(1,231,333)**	**(72,578)**	**(972,208)**	**13,148,863**
Unrestricted funds (A)	**18,643,165**	**1,766,891**	**(1,412,718)**	**(14,280)**	**(1,613,149)**	**17,369,909**
Restricted funds (B)	**2,777,880**	**257,603**	**(127,884)**	**14,280**	**(354,946)**	**2,566,933**
	21,421,045	**2,024,494**	**(1,540,602)**	**-**	**(1,968,095)**	**19,936,842**

Full comparative figures for the year ended 31 March 2019 are shown in Note 37 on pages 41 and 42

25. STATEMENT OF FUNDS (continued)

DESCRIPTION OF FUNDS

Designated funds

The Community Fund reserve comprises funds designated annually at the discretion of the Board from which grants are given to support community events and activities, less expenditure arising in the year.

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 Homes England, which since inception of Chatham Maritime Trust has indemnified the Trust for any shortfall in the rent charge income 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.

The Pembroke fund is a reserve fund which accumulates income and revaluation gains or losses arising from the advance payment of service charges by the South East England Development Agency (a predecessor of Homes England) in respect of ongoing service charge payments for certain leases on the South Maritime estate which were originally granted without service charge recovery provisions.

The Watersports reserve provides for the cost of sailing equipment being employed at the Basin 2 Community Watersports Centre.

General funds

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

These include the Dowry Fund reserve which is an expendable endowment fund created at the inception of Chatham Maritime Trust in March 1997 by a separate capital sum received from The Urban Regeneration Agency, a predecessor organisation of Homes England.

Restricted funds

The Starfish Play Area fund is an expendable endowment fund, created in July 2012 by receipt of a commuted capital sum from Barratt Homes (Southern Counties) Limited in substitution for their obligations in respect of the 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 fund is an expendable endowment fund created in July 2002 by receipt of a commuted capital sum from Redrow Homes (South East) Limited in substitution for their obligations in respect of the 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 Community Centre fund is an expendable endowment fund created in March 2012 by receipt of a commuted capital sum from Countryside Maritime Limited in substitution for their obligations in respect of structural repairs to the Community Centre building for 20 years until 2032.

The Shark Park Play Area fund is an expendable endowment fund created in March 2013 by receipt of a commuted capital sum from Countryside Maritime Limited in substitution for their obligations in respect of the periodic replacement of equipment for the provision of a children's play area in sector 4 of the St. Mary's Island estate.

25. STATEMENT OF FUNDS (continued)

DESCRIPTION OF FUNDS (continued)

Restricted funds (continued)

The South of Basins ("SOB") Reserve fund was formed in April 2016 to meet the anticipated future costs of periodic preventative maintenance to avoid large fluctuations in the amount of service charge payable each year.

The Leviathan Way/Western Avenue Landscaping Reserve fund is an expendable endowment fund created in August 2016 by receipt of a capital sum from Medway Council to provide for annual maintenance of ancillary soft landscaping around those specific roads under licence for a period of 15 years.

The Island Way Loop Road fund is an expendable endowment fund created in September 2016 by receipt of a commuted capital sum from Countryside Maritime Limited in substitution for their obligations in respect of the annual maintenance of ancillary soft landscaping around Island Way East and Island Way West on St. Mary's Island.

The Sector 3 landscaping fund is an expendable endowment fund created in May 2018 by receipt of a commuted capital sum from Redrow Homes Limited in substitution for their obligations in respect of the annual maintenance of ancillary soft landscaping in Restharrow Way, Willowherb Close and Sallow Close in Sector 3 of St. Mary's Island.

The Sector 5 landscaping fund is an expendable endowment fund created in November 2018 by receipt of a commuted capital sum from BDW Trading Limited in substitution for their obligations in respect of the annual maintenance of ancillary soft landscaping in Goldcrest Drive, Bradfords Close and Cheldoc Rise in Sector 5 of St. Mary's Island.

The Sector 13 landscaping fund is an expendable endowment fund created in August 2019 by receipt of a commuted capital sum from Countryside Maritime Limited in substitution for their obligations in respect of the annual maintenance of ancillary soft landscaping in Blackcap Mews, Cade Close, The Causeway (part), Firecrest Close, Gadwall Mews, Whinchat Way and Westerly Way, together with associated parkland, ponds and water features and floodwall access, in Sector13 of St. Mary's Island.

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	**1,061,909**	**-**	**1,061,909**	630,467
Heritage assets	**-**	**-**	**-**	-
Investment properties	**1,900,000**	**-**	**1,900,000**	1,900,000
Fixed asset investments	**15,811,741**	**2,267,950**	**18,079,691**	19,865,574
Current assets	**2,625,241**	**298,983**	**2,924,224**	2,857,256
Creditors due within one year	**(1,315,748)**	**-**	**(1,315,748)**	(1,081,411)
Creditors due after more than one year	**(2,699,058)**	**-**	**(2,699,058)**	(2,742,591)
Provisions for liabilities and charges	**(14,176)**	**-**	**(14,176)**	(8,250)
	17,369,909	**2,566,933**	**19,936,842**	21,421,045

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

	2020	2019
	£	£
Net income for the year (as per Statement of Financial Activities)	**(1,484,203)**	939,200
Adjustment for:		
Depreciation charges	**39,251**	52,770
(Gains)/losses on investments	**1,994,027**	(367,136)
Decrease/(increase) in debtors	**(182,200)**	94,395
(Decrease)/increase in creditors	**196,729**	(384,363)
Net cash provided by operating activities	**563,604**	334,866

28. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash at bank and in hand	**2,007,286**	2,122,518
Total	**2,122,518**	2,122,518

29. PENSION COMMITMENTS

Chatham Maritime Trust operates a defined contribution Workplace pension scheme which is available to all employees. The charge for the year represents the amounts payable by the charity to the scheme, which were £16,482 (2019 - £15,352). As at 31 March 2020 no contributions were outstanding (2019 - £Nil).

30. OBLIGATIONS UNDER LEASE CONTRACTS

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Within one year	**7,625**	35,901
In two to five years	**12,454**	2,505
In over five years	**-**	-
	20,079	38,406

31. RELATED PARTY TRANSACTIONS

Mr J Perry is also employed by Homes England as a Senior Project Executive on a part-time basis, on projects unconnected to Chatham Maritime Trust. Homes England is a member organisation of Chatham Maritime Trust.

During the year Homes England paid Chatham Maritime Trust £239,142 for rentcharge indemnity and service charges (2019 - £250,438).

Grants paid to member organisations to meet their administrative expenses were as follows:

	2020	2019
	£	£
St Mary's Island Residents Association Ltd	**2,877**	2,650
South Maritime Residents Ltd	**752**	964

32. CAPITAL COMMITMENTS

The charity had contractual commitments of £600,000 at 31 March 2020 (2019: £Nil) in respect of the construction of an estate office and a watersports club house on separate sites adjacent to HMS Chatham Bridge, for the charity's own use.

33. FINANCIAL INSTRUMENTS

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

FINANCIAL ASSETS

Measured at fair value through net income/expenditure	**2020**	2019
	£	£
Fixed asset listed investments	**18,079,691**	19,865,574

Debt instruments measured at amortised cost	**2020**	2019
	£	£
Trade debtors	**559,028**	404,956

FINANCIAL LIABILITIES

Measured at amortised cost	**2020**	2019
	£	£
Trade creditors	**281,137**	104,233
Other creditors	**25,302**	190,207
Total	**306,439**	294,440

33. FINANCIAL INSTRUMENTS (continued)

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

Income and expense

	2020	2019
	£	£
Financial assets measured at fair value through net income/expenditure	**874,453**	858,452

Net gains and losses (including changes in fair value)

	2020	2019
	£	£
Financial assets measured at fair value through net income/expenditure	**(1,968,095)**	375,724

34. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 52 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives

35. EVENTS AFTER THE END OF THE REPORTING PERIOD

The Covid-19 pandemic is having a continuing effect on the activities of Chatham Maritime Trust in the period after 31 March 2020.

Charitable activities

The St Mary's Island Community Centre and the Community Watersports Centre have both been closed to customers from 1 April 2020. In the 3 month period to 30 June this has resulted in a loss of income of approximately £42,000, and three staff members have been placed on furlough under the Coronavirus Job Retention Scheme.

Over the same period operating costs from these activities have reduced by approximately £9,000 and the Trust has benefited from approximately £16,000 in government and local authority grants.

Fixed asset investments

At 30 June 2020 the market valuation of the Trust's investment funds on a like-for-like basis was £19,959,225 which represents an unrealised gain of £1,879,534 compared to the valuation at 31 March 2020 of £18,079,691

As reported in the Statement of Financial Activities on page 15, the unrealised loss in the year to 31 March 2020 was £1,968,095. Therefore over 95% of this loss had been recovered by 30 June 2020.

36. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 MARCH 2019

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
INCOME FROM:				
Donations and legacies	2	-	233,770	233,770
Investments	3	772,757	85,695	858,452
Charitable activities	4	1,033,431	55,776	1,089,207
Other income	5	31,165	-	31,165
TOTAL INCOME		1,837,353	375,241	2,212,594
EXPENDITURE ON:				
Raising funds	6	-	-	-
Other charitable activities	8	1,538,495	110,623	1,649,118
TOTAL EXPENDITURE	11	1,538,495	110,623	1,649,118
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		298,858	264,618	563,476
Net gains/(losses) on investments	20	329,704	46,020	375,724
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		628,562	310,638	939,200
Transfers between Funds	24	(14,224)	14,224	-
NET INCOME/(EXPENDITURE)		614,338	324,862	939,200
Total funds at 1 April 2017		18,028,827	2,453,018	20,481,845
TOTAL FUNDS AT 31 MARCH 2019		18,643,165	2,777,880	21,421,045

37. COMPARATIVE STATEMENT OF FUNDS YEAR ENDED 31 MARCH 2019

SUMMARY

	Brought Forward 1 April 2018	Incoming Resources	Resources Expended	Transfers in/out	Gains/ (Losses)	Carried Forward 31 March 2019
	£	£	£	£	£	£
Designated funds	**4,254,486**	**459,131**	**(154,484)**	**3,423**	**116,522**	**4,679,078**
General funds	**13,774,341**	**1,378,222**	**(1,384,011)**	**(17,647)**	**213,182**	**13,964,087**
Unrestricted funds (A)	**18,028,827**	**1,837,353**	**(1,538,495)**	**(14,224)**	**329,704**	**18,643,165**
Restricted funds (B)	**2,453,018**	**375,241**	**(110,623)**	**14,224**	**46,020**	**2,777,880**
	20,481,845	**2,212,594**	**(1,649,118)**	**-**	**375,724**	**21,421,045**

(A) UNRESTRICTED FUNDS

	Brought Forward 1 April 2018	Incoming Resources	Resources Expended	Transfers	Gains/ (Losses)	Carried Forward 31 March 2019
	£	£	£	£	£	£
Designated funds						
Community fund	4,722	-	(18,722)	17,647	-	**3,647**
Marine Infrastructure reserve	300,056	24,123	-	-	2,710	**326,889**
SMI Medium Term Infrastructure reserve	652,724	38,550	-	-	5,823	**697,097**
Pembroke fund reserve	3,296,984	239,083	(102,050)	(14,224)	107,989	**3,527,782**
Watersports Reserve	-	157,375	(33,712)	-	-	**123,663**
	4,254,486	**459,131**	**(154,484)**	**3,423**	**116,522**	**4,679,078**
General funds						
Dowry Fund reserve	12,835,364	513,747	(449,821)	-	213,182	**13,112,472**
Revaluation reserve	42,771	-	-	-	-	**42,771**
Profit & Loss A/c	896,206	864,475	(934,190)	(17,647)	-	**808,844**
	13,774,341	**1,378,222**	**(1,384,011)**	**(17,647)**	**213,182**	**13,964,087**
Total Unrestricted funds	**18,028,827**	**1,837,353**	**(1,538,495)**	**(14,224)**	**329,704**	**18,643,165**

37. COMPARATIVE STATEMENT OF FUNDS YEAR ENDED 31 MARCH 2019 (continued)

(B) RESTRICTED FUNDS

	Brought Forward 1 April 2019	Incoming Resources	Resources Expended	Transfers	Gains/ (Losses)	Carried Forward 31 March 2020
	£	£	£	£	£	£
Restricted funds						
Starfish Play Area	290,946	9,329	(4,002)	-	5,380	**301,653**
Tadpole Play Area	60,047	2,660	(2,256)	-	1,471	**61,922**
Community centre endowment	180,180	6,134	(8,741)	-	3,524	**181,097**
Shark Park Play Area	53,506	3,094	(9,764)	-	1,665	**48,501**
SOB Reserve Fund	141,137	58,469	-	14,224	-	**213,830**
Leviathan Way/ Western Ave Landscaping Reserve	64,400	-	(4,800)	-	-	**59,600**
Island Way Loop Road fund	1,662,802	59,930	(67,750)	-	34,100	**1,689,082**
Sector 3 Landscaping Reserve	-	208,659	(13,310)	-	388	**195,737**
Sector 5 Landscaping Reserve	-	26,966	-	-	(508)	**26,458**
Total Restricted funds	**2,453,018**	**375,241**	**(110,623)**	**14,224**	**46,020**	**2,777,880**