18 SEP 2023

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 2023

CHATHAM MARITIME TRUST
(A company limited by guarantee)

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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 2023

Trustees

Mr AP Sutton (1)(2) ***Chair***	*South Maritime Residents Limited*
Mr MD Brown (3)(4)	*Homes England*
Mr S Harriot (3) (4) (resigned 16 September 2022)	*Independent*
Ms MJ Koshkouei (2)(3)	*St Mary's Island Residents Association Limited*
Cllr VS Maple (1)(3)	*Medway Council*
Mr CH Reynolds	*St Mary's Island Residents Association Limited*
Mr RG Russell (1)(2)	*South Maritime Residents Limited*
Ms DJ Sims (1)(2)	*Independent*
Mr DJ Taylor (3)(4)	*Independent*
Cllr HOS Tejan (1)(2)	*Medway Council*
Ms KJ Tolhurst MP (2)(4)	*Independent*
Mr VG Towell (1)(3) (resigned 24 February 2023)	*Independent*
Mr P Barnard	*Independent*
Ms T Ferry (appointed 10 March 2023)	*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 Activities Group

Company registered number
02913375

Charity registered number
1055710

Registered Office
Maritime Wharf, St Mary's Island, Chatham, Kent, ME4 3ES

Chief Executive Officer
Mr JR Perry (retired 31 August 2022)

Mr M Baluch – Interim CEO (September 2022)

Company Secretary
Mr M Baluch

Independent Auditors
MHA, Victoria Court, 17-21 Ashford Road, Maidstone, Kent, ME14 5DA

Bankers
HSBC UK Bank plc, Business Banking, Level 6, 71 Queen Victoria Street, London EC4V 4AY

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 2023

Following on from the challenges as we emerged out of the Covid-19 pandemic we then faced inflation in commodity prices due to conflict in the Ukraine leading to high levels of inflation impacting on all our lives. However, the year-ending 31st March has seen greater improvements and we continue to serve the Trust and the communities we work with as a consequence.

Our staff have worked and served the community effectively and efficiently through-out the year with a combination of working from home and office. The services at the St Mary's Island Community Centre and the Community Watersports Centre were gradually improved with provision of full-time services during the year. After a pause of a couple of years due to Covid-19 pandemic, the Food and Drink festival as planned took place during July 2022 in conjunction with the Queen's Jubilee celebrations. The Food and Drink festival was also held on the weekend of Whitsun bank holiday during May 2023.

I thank the staff and our contractors who have dealt with the challenges of the pandemic extremely well and ensured that the Trust's day to day operations across our Estate have been able to continue more or less as normal. I also thank all our residents, businesses and the Universities at Medway for their help and cooperation during this difficult time. In the absence of a Chief Executive Officer the staff have worked effectively and positively to ensure a successful year and I thank them for all of their efforts.

The Trust initiated recruitment process for the Chief Executive Officer role which became vacant at the end of August 2022. We are pleased to announce that the recruitment process has been successful, and the new Chief Executive Officer started in the role during the month of August 2023.

Development and sales by Countryside Maritime Ltd (CML) is in the final phase for St Mary's Island (SMI), we have seen significant progress being made in 2022/23. CML are now intending to complete all residential development by autumn 2023 with the final play area and bunds being completed Q1 2024 currently under negotiation for transfer to the Trust, the total number of properties will eventually rise to 1,762 by completion. The Trust is in discussion with CML about the future maintenance of the public realm areas of the final sectors of SMI but a decision by the CML Board has indicated a managing agent will be managing sector 15/16 with opportunity in the future for the Trust to revisit managing if residents feel the Trust to be the best option.

On the south side of our Estate, adjacent to the Historic Dockyard Chatham, there are undeveloped areas known as the 'Interface Land' which Homes England is planning to develop over the next five years. We are closely monitoring their proposals and anticipate it will be a mixed-use development incorporating new homes and commercial space, which may include opportunities for the Trust to be involved. In particular, the Trust is working closely with Homes England with regards to the future of the historic slipway on Site H1 and the possible uses for this infrastructure.

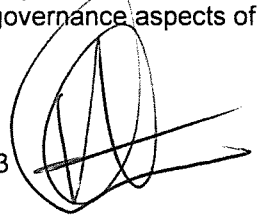
I am delighted to say that we have maintained our annual donation of £20,000 to the Community Fund, which gave grants to community projects as set out in our public benefit statement on pages 7-10.

Review of activities during the year are described in the Trustees Report on pages 5-7.

The Trust maintains close working links with the organisations represented on the Board, including, Homes England, Medway Council, St Mary's Island Residents Association Limited and South Maritime Residents Limited. The Trust also works closely with local stakeholders, including the Universities at Medway, The Historic Dockyard Chatham and several clubs and societies including the Island Castaways Youth Club, the Active Retirement Association (SaintARA) and the History Group.

During the year the only changes to the Board were due to retirement of Stephen Harriot and Victor Towell, and appointment of Tanya Ferry. Both Stephen and Victor served on the Trust board for many years and were key in developing systems and processes while making a valuable contribution to the Trust. I would like to convey my profound thanks for tireless and significant contributions made by the retiring directors in the success of the Trust. I would like to welcome Tanya and look forward to the fresh ideas she will bring, with particular emphasis on environmental, social and governance aspects of the Trust.

Anthony Sutton
Chair
Date: 15 September 2023



TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act 2006) submit their 25th annual report together with the audited financial statements of Chatham Maritime Trust (the charity) for the year ended 31 March 2023. 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", applicable to charities their accounts in accordance with the UK and Republic of Ireland (FRS102).

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 company was established by a Memorandum of Association in 1994 and 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.

b. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trust originally had four member organisations, who each have a significant interest in the future of the Chatham Maritime Estate: Medway Council, Homes England, St Mary's Island Residents Association Limited and South Maritime Residents Limited which represents investors in and businesses on the Estate. The Memorandum and Articles of Association have now been fully revised and updated and one of the major changes has been the removal of the 'member' status of these four organisations and each organisation is now represented on the Board by persons from each organisation. All Trustees now have equal status, including both independent Trustees and those Trustees nominated by one of the above four organisations.

The four organisations noted above have the right to appoint seven Trustees: two each from Medway Council, SMIRA, Southco, and one from HE. In addition, there are several independent Trustees who have strong local connections and/or professional skills valuable to the Trust. There are currently six such independent Trustees.

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 four times during the year and has sub-committees which meet separately to consider Financial Governance, Charitable Objectives, Restrictive Covenants and Water Activities, and to make recommendations thereon to the Board.

The Chief Executive Officer is appointed by the Trustees to advise on strategy and development, and to direct the day-to-day operations of the charity. The Chief Executive Officer 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 Officer 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
- Impact of the Covid 19 pandemic to the estate

To mitigate these risks, the Trust implements a range of Health and Safety procedures and regular physical inspections across the Chatham Maritime Estate, continuously monitoring the Estate via closed circuit television cameras and only employing approved contractors that can demonstrate satisfactory quality assurance procedures. The Covid 19 pandemic risk assessments and implementation of government guidance achieved on site to include signs, additional cleansing and contract team working through to maintain the estate.

Objectives and activities

a. POLICIES AND OBJECTIVES

The Trust's objects are set out in its recently updated Memorandum and Articles 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 maintenance 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 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 upon land transfer from Home England.

Homes England, the government agency responsible for the development of the Chatham Maritime Estate, still retains a number of assets across the Estate, mainly Interface Land along with key land to include J7, Heritage Pontoon, Dock Head Road and Marina Basin 1 disposal all within the south side of our Estate. Ongoing talks with Medway Council in conjunction with HE for consultation an updated Development Brief for the Interface Land continues re 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.

Due to some remaining restrictions within target year, there has again been a significant increase in pedestrian traffic across the public areas of our Estate as more residents were at home more often and more visitors came from the wider public. This has also increased due to a number of commercial buildings obtaining change of used to residential and the colonial house residential development. This necessitated the introduction of extra health and safety control measures, and additional litter-picking bins and mobile security patrols at weekends due to increased anti-social behaviour across the estate.

The St Mary's Island Community Centre welcoming groups back post pandemic and most if not all have returned to normal activities with some smaller groups not surviving unfortunately. The Community Centre has welcomed new groups to include fitness wellbeing and other leisure groups with an increase to meeting room bookings. The Centre undertook a benchmark pricing review with an increase to hiring achieved to mitigate utility cost increases within target year due to cost of living crisis expenditure

The team were also pleased to reintroduce the Christmas Fair inside the building due to no restriction, the team celebrated with the community to include Father Christmas, Music from the Salvation Army band and singing Christmas carols with all age groups.

It was a similar story for the Community Watersports Centre, restrictions for outdoor leisure facilities removed. The new building substantially improves the amenity value of our watersports facilities and includes a large training room (The Crew Room) which has been used for health and safety training, Yoga and 11+ along with commercial meetings and RYA training over the winter. The Watersports Centre achieved its second year of winter sailing to promote the centre as an all-year-round centre.

Achievements and performance (continued)

a. REVIEW OF ACTIVITIES (continued)

The Trust has negotiated with the local authority under a 278 agreement for 10 years (break in 5 years) to maintain Maritime way, Leviathan way and Western Avenue with an annual sum index to local authority percentage.

The Trust has negotiated short term funds to maintain sector 7, 8, 9 & 14 on behalf of Countryside until legal transfer negotiations are completed Q4 2023. The Trust is currently in negotiation to accept Phalarope Way Highway and Flood defence wall within Q4 2023.

In addition, a review of Sector 11, 15 and 16 has been undertaken to determine the long-term maintenance cost. The service charge for these areas is currently obtained via Remus and residents are not happy with the management of the areas. The Local Councillor and MP have highlighted concerns to Countryside and Homes England. The review also identified a shortfall in funding to the Trust.

In addition to the normal soft and hard landscaping maintenance works during the year, gapping and tree management works were completed around Island Way East bund and River walk. Remediation Replacement works were completed along a further section of the flood defence revetment around St Mary's Island and new capping to flood wall at the rear of MHS Homes section of flood wall to meet height requirement and health and safety management to general public.

Additional biodiversity wildlife projects have been achieved across the estate by adding additional wildlife planting and habitat boxes. An improvement project to dog runs on east bund was achieved to include additional benches, dog waste and general waste bins, plus hard standing for dog owners, and was well received in the target year.

Improvements to the commune area include replacement Benches to basin 2 SOB water side, pathway improvements to 15t hogging, French drain PPM flood defence works next to HMS Chatham Bridge crib wall, and traffic management post across the estate were put in place to prevent damage to owned and maintained Trust land.

In the South of Basins area the Trust has implemented additional controls on anti-social Behaviour to include replacement CCTV cameras 1, 2, 17 and 18 covering not only water safety but key hot spots areas to monitor ASB along with an electric barrier to prevent travellers or unwanted vehicles.

Works to maintain and enhance our heritage assets included redecoration of heritage items at basin 2 adjacent to water now pathway re-opened next to colonial house residential development. An increase in graffiti has been noticeable across the estate with additional removal and painting to address.

No Electric Scooter Signs have been added to the estate from a health and safety point of view along with signs stating awareness for cycling and pedestrians due to an increase in estate usage by general public etc.

Social Media contract has been implemented in target year with ZC Social Media to promote the estate and the trust to include Watersports Centre and Community Centre as awareness and promotion to the wider audience and stakeholders across Medway.

Achievements and performance (continued)

a. REVIEW OF ACTIVITIES (continued)

We generate fee income from the issue of consents and licences for alterations to commercial properties and such like. Our investment property assets are fully occupied and continue to generate good and steady rental incomes, and alike. The value of our professionally managed investment portfolios decreased in value by about 7%, in line with the decline in global stock market indices. This compares to the 4% gained at the end of March 2022.

During the year the only changes to the Board were due to retirement of Stephen Harriot and Victor Towell, and appointment of Tanya Ferry. Both Stephen and Victor served on the Trust board for many years and were key in developing systems and processes while making valuable contribution to the Trust. The Board continues to operate sub-groups for Financial Regulation, Charitable Objectives, Restrictive Covenants and Water Activities for the efficient and effective management of the Trust.

b. PUBLIC BENEFIT STATEMENT

The Trustees have fulfilled their duty to have regard to the Charity Commission's public benefit guidance when exercising their powers or duties to which the guidance is relevant.

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.

In particular, the Trust maintains four 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, one of which is 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, which from 2022 also has a meeting room for public hire.

The Trust operates a Community Fund which is 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.

2022 was a busy year in terms of community fund activity. The Trust continues to support community projects and groups and committed £20,000. In the year 1 April 2022 to 31 March 2023 spent £33,000 - £20,000 committed in the year 2022 and the balance from 2021 unspent funds. During 2022/23 funds supported the following projects.

Square Pegs Theatre run theatre and art groups and projects for children, young people and adults with learning disabilities. They deliver a process that is accessible, empowering and disabled-led, many of whom are excluded from creative opportunities. Access and inclusion are at the heart of their practice. A grant was awarded to fund a film project which formed part of Medway's digital arts festival which culminated in a screening at the Brook Theatre. This will further support these positive impacts by reaching broader audiences and creating wider networks.

The Sunlight Centre run by **Sunlight Development Trust** is a well-known independent voluntary organisation in Medway improving the wellbeing of the community with free support groups, activities and advice whose aim is

Achievements and performance (continued)

b. PUBLIC BENEFIT STATEMENT (continued)
to create positive, sustainable change. Through community engagement the centre tackles long standing health and social inequalities and it is used by numerous and a diverse range of groups. It also provides work experience for volunteers and works with Mid Kent College providing their catering students with hands-on practical experience. The café is open Monday to Friday. As the venue plays such a vital role in the community a petition has recently been presented to Medway Council for the Sunlight Centre to be listed on Medway Council's register of Assets of Community Value.

Funding for the provision of new kitchen equipment enabled the café to run a project serving communal meals for the vulnerable, underprivileged and those experiencing hardship thus extending their outreach. It allowed for the introduction of a more comprehensive menu and promotion of events and additional drop-in services at the café which in turn generated further income contributing towards its financial sustainability and future.

Music Man (Medway) Project is part of a nationwide music education service (Southend Mencap) specifically for people with learning disabilities offering opportunities for musical activities and performing. The aim of the project is to instil confidence and self-esteem and encourage achievement and a sense of self-worth. It also aims to provide community for those that are often socially excluded and to educate the wider community about what people with disabilities can do rather than can't. It is a great platform for showcasing their passion, talents and abilities.

Funding was given to provide a new keyboard, music stand, stool and cover for which they were most grateful.

Tiller & Wheel received support for various aspects of the Chatham Reach Festival which took place in September 2022. The first event of this kind was held in 2021 and T&W would like to expand activities this year for greater impact and success. The event focuses on the heritage of the river and historic vessels so is both educational and an event to be enjoyed by the community.

The owners of the family run sailing barge Edith May are passionate to develop arts and educational programmes to support the history and opportunities that these vessels bring to the festival with short-term and long-term impacts. In the short-term the event provides opportunities for visitors to get involved in activities that would not normally be available to them. In the long-term it will encourage the local community to engage further with associated activities and clubs. Both impacts improving physical and mental wellbeing.

3rd Walderslade Guide Unit received a grant towards a residential activity trip to a Girlguiding Activity Centre in Norfolk for 35 young people to be taken in the first quarter of 2023. Guides empower girls through fun and challenging programmes, unique experiences, adventures and activities at a critical time in girls' social and personal development. The unit has proved a success in the short time that it has been operating.

Black Lion Swimming Club in Gillingham is a high-quality Swim England SwimMark Accredited Club (SwimMark recognises high standards of governance, sustainability and effectiveness). The Club nurtures and inspires swimmers to fulfil their potential and participates in the National Age Group Development Programme Selection which provides a pathway to support young swimmers in their quest to achieve senior international podium success. The Club also works in partnership with the University of Greenwich and University of Kent

Achievements and performance (continued)

b. PUBLIC BENEFIT STATEMENT (continued)

helping university students to combine swimming and academic success. The Club is all inclusive and open to the local community, whatever level of ability and age and works hard to keep fees as low as possible to encourage and support wider participation from local communities. It also supports the annual mini youth games swimming gala run by Medway Sport by providing volunteers from within the Club to host the gala so very much involved in community sports.

Funding was provided to support swimmers in training. Currently the swimmers have no opportunity to train using the requested equipment but are expected to use it at county, regional and national competitions. Provision of the equipment will enable the swimmers to progress towards their goals at a quicker pace than they would otherwise.

Sun Pier House is a not-for-profit organisation working to support artists and creative industries in Medway. Sun Pier House CIC was established in 2013 to support Medway's unique creative culture offering a base for established and start-up artists to develop their practice and deliver varied exhibitions and arts programmes. They also have a Community Café which is a great community meeting space.

A grant was given to heat a community space during the winter months to maximum the use by a variety of groups including young children and the elderly, providing a safe and warm environment for those suffering isolation and mental health issues. Potentially some 2,800 people could benefit from use of the space during the colder months.

The grant made such a difference to the community hire space, they received a steady stream of bookings, repeat customers and some wonderful new uses for the room. They partnered with Child Friendly Medway and had 70 attendees for a book reading and craft activity that in winter would not have been possible without the heated space. They have also held belly dancing classes, training sessions and film screenings.

Sun Pier House is an example of a successful creative hub offering a full programme of activities and is a real asset for the diverse community in Medway.

Youth Resilience CIC is an organisation that works with young people 11-16 years of age who are at risk of or have been excluded from mainstream education. With 1-2-1 and group sessions they work to identify the issues and teach coping strategies to improve their mental health and wellbeing.

The funding will be directed to supporting students at Robert Napier School where students have exhibited mental health concerns and anti-social behavioural issues. The support and mentoring programme offered by the organisation will enable the students to better engage in education overall thus improving their academic potential as well as improving their general mental health and wellbeing. The project will benefit 50-60 vulnerable young people.

Saintara (St. Mary's Island Active Retirement Association) enables the older generation to connect with others in their community in a safe space. The older generation sometimes have limited opportunities to socialise outside their home. Age UK states that there are 1.4m lonely older people in England and more than 1m go

Achievements and performance (continued)

b. PUBLIC BENEFIT STATEMENT (continued)

for a month or more without speaking to anyone. Loneliness and social isolation are risk factors in life expectancy and this group allows the older generation to maintain contact with others in their community. The grant provided paid for twelve guest speakers covering a range of topics which are always well received, often both educational and inspirational.

As well as providing the aforementioned grants, Chatham Maritime Trust has delivered the following public benefit projects across the estate:

- Replaced surface of the caisson connecting South of Basin to St. Mary's Island
- Capping of the floodwall near MHS Homes
- Foreshore clean-up in estuary by MHS Homes
- Installed netting on blue crane to deter climbers and prevent birds nesting
- Erected goalpost at the rear of the school on Central West Bund

Chatham Maritime Trust also hosted the following community events:

- Community Planting Day planting bulbs for MIND
- Food & Drink Festival / Dragonboat Racing
- St. Mary's Island Community Centre Christmas Fair

As part of its charitable objectives:

- Chatham Maritime Trust also promotes health and wellbeing through activities provided at the Watersports Centre which is located at the heart of the Chatham Maritime Estate. The centre continues to develop its client base with local schools and community groups.
- The Trust also provides a work experience placement for a student from a Medway school.

The Trust also helps other organisations to stage events on the estate, e.g. 5K and 10K runs organised by UK Sporting Events and the Dragonboat Race organised by Medway Sunlight Rotary Club which raises money for a variety of charities.

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 May 2023 the Trustees commissioned a review of the fund manager's performance and confirmed that Rathbones were performing satisfactorily.

Achievements and performance (continued)

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.

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.

The Trust holds £21 million in unrestricted reserves. Of the total unrestricted reserves held £5.74 million are designated funds, £14.79 million in the Dowry, £0.02 million in the revaluation reserve and £0.45 million in the General Reserve. The Dowry funds were given to the Trust by Homes England for the maintenance of infrastructure and historic items across the Estate for the long-term, for 150 years with 127 year left. The Trust will be developing a master plan and reviewing options and opportunities that all funds are used in an optimal way for long term benefit of the wider Estate.

b. RESULTS FOR THE YEAR

The results for the year are set out in the Statement of Financial Activities on page 18. This shows net income from restricted and unrestricted funds before investment gains and losses amounting to £498,867 (2022: net income £355,915).

The Trust has lost from the revaluation of its investment portfolios, including its investment properties, in line with the downturn in global stock market indices since the implementation of vaccination programmes and other Covid-19 control measures across the world, resulting in realised and unrealised revaluation loss of £2,170,107 (2022: gains £1,004,751).

A net movement of funds of £1,671,240 has been drawn from reserves (2022: £1,360,666 added reserves). Total reserves at 31 March 2023 were £24,429,071, compared with £26,100,311 at 31 March 2022.

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 45. 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, and political and economic uncertainty around across the world. 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 2024, with a further 92 dwellings expected to be built, across sectors 15 and 16.

South of the basins, there are further plots of land which are expected to be developed for mixed residential and commercial use and will be transferred from Homes England (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. HE currently in talks with Countryside Properties Ltd as the preferred developer with a brief to prepare a planning application by the Q4 2023.

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; and
- 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:

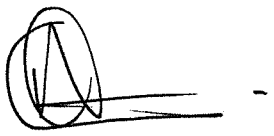
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable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

AUDITORS

At the Board meeting in December 2023 the Trustees re-appointed MHA 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 15 September 2023 and signed on their behalf by:



Mr A Sutton
Chair
Date: 15 September 2023

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 2023 which comprise the statement of financial activities, summary income and expenditure account, the balance sheet, the statement of cash flows and the related notes, 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 of 31 March 2023 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.

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 Auditor's 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 UK, including the FRC'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.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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 Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the trustees' report has been prepared in accordance with applicable legal requirements.

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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 12, 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.

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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- reviewing minutes of meetings of those charged with governance;
- Enquiry of management around actuals and potential litigation claims;
- enquiry with staff to identify any instances of non-compliance with laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias; and
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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 auditor's report.

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

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Duncan Cochrane-Dyet BSc BFP FCA
Senior Statutory Auditor

For and on behalf of
MHA Statutory Auditors
Maidstone
United Kingdom

Date: 26 September 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

CHATHAM MARITIME TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME FROM:					
Investments	2	**842,898**	**115,588**	**958,486**	**824,350**
Charitable activities	3	**860,128**	-	**860,128**	**859,487**
Other income	4	**466,454**	-	**466,454**	**864,461**
TOTAL INCOME		**2,169,480**	**115,588**	**2,285,068**	**2,548,298**
EXPENDITURE ON:					
Raising funds	5	**16,199**	**2,167**	**18,366**	**22,080**
Other charitable activities	7	**1,621,100**	**146,735**	**1,767,835**	**2,170,303**
TOTAL EXPENDITURE	10	**1,637,299**	**148,902**	**1,786,201**	**2,192,383**
NET INCOME BEFORE INVESTMENT GAINS / (LOSSES)		**532,181**	**(33,314)**	**498,867**	**355,915**
Net gains/(losses) on investments	24	(2,014,711)	(155,396)	**(2,170,107)**	**1,004,751**
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		**(1,482,530)**	**(188,709)**	**(1,671,240)**	**1,360,666**
Transfers between Funds	24	(3,886)	3,886	-	-
NET INCOME / (EXPENDITURE)		**(1,486,416)**	**(184,823)**	**(1,671,240)**	**1,360,666**
Total funds at 1 April		22,498,272	3,602,039	**26,100,311**	**24,739,645**
TOTAL FUNDS AT 31 MARCH		**21,011,856**	**3,417,215**	**24,429,071**	**26,100,311**

All activities relate to continuing operations.

Full comparative figures for the year ended 31 March 2023 are shown in Note 36 on page 48.

The notes on pages 22 to 50 form part of these financial statements.

CHATHAM MARITIME TRUST
(A company limited by guarantee)

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income		2,169,480	115,588	**2,285,068**	2,548,298
Gains/Losses) on investments	19	(2,014,711)	(155,396)	**(2,170,107)**	1,004,751
GROSS INCOME IN THE REPORTING PERIOD		**154,769**	**(39,808)**	**114,961**	3,553,049
Less: Total expenditure	10	1,637,299	148,902	**1,786,201**	2,192,383
NET INCOME / (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		**(1,482,530)**	**(188,710)**	**(1,671,240)**	1,360,666
Transfers between Funds	24	(3,886)	3,886	-	-
Net income / (expenditure) for the year after transfers		**(1,486,416)**	**(184,824)**	**(1,671,240)**	1,360,666
NET INCOME / (EXPENDITURE) FOR THE FINANCIAL YEAR		**(1,486,416)**	**(184,824)**	**(1,671,240)**	1,360,666

The notes on pages 22 to 50 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	16	**1,677,865**		1,586,817	
Heritage assets	17	-		-	
Investment property	18	**1,883,736**		2,216,160	
Total tangible assets			**3,561,601**		3,802,977
Investments	19		**22,953,010**		24,675,338
			26,514,611		28,478,315
CURRENT ASSETS					
Debtors	20	676,439		741,352	
Cash at bank and in hand		1,311,033		1,028,406	
		1,987,472		1,769,757	
CREDITORS: amounts falling due within one year	21	(852,356)		(883,573)	
		1,135,116			
PROVISIONS FOR LIABILITIES					
Other provisions	23	**(652,197)**			(652,197)
NET CURRENT ASSETS			**482,919**		886,184
TOTAL ASSETS LESS CURRENT LIABILITIES			**26,997,530**		29,364,499
CREDITORS: amounts falling due after more than one year	22		(2,568,459)		(2,611,992)
NET ASSETS			**24,429,071**		26,100,310
CHARITY FUNDS					
Restricted funds	24		**3,417,215**		3,602,039
Unrestricted funds	24		**21,011,856**		22,498,272
TOTAL FUNDS AT 31 MARCH			**24,429,071**		26,100,310

The financial statements were approved by the Trustees on 15th September 2023 and signed on their behalf, by:

.....
Mr A P Sutton (Chair)

.....
Ms D J Sims (Vice Chair)

The notes on pages 22 to 50 form part of these financial statements.

CHATHAM MARITIME TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	26	566,935	**938,499**
Cash flows from investing activities:			
Purchase of property, plant and equipment		**(168,953)**	**(49,732)**
Proceeds from sale of investments / transfers out		**632,941**	**877,904**
Purchase of investments / transfers in		**(748,296)**	**(1,700,297)**
Net cash used in investing activities		**(284,308)**	**(872,126)**
Change in cash and cash equivalents in the year		**282,628**	**66,373**
Cash and cash equivalents brought forward		1,028,406	**962,033**
Cash and cash equivalents carried forward	27	**1,311,033**	**1,028,406**

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 (FRS102) – (Charities SORP (FRS102)), the Financial Reporting standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, 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.

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
Land and structures	-	2.5% straight line
Plant and machinery	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	16.67% straight line
Computer equipment	-	20.00% 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 is an accurate assessment of their market value.

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 methodology and rates used are appropriately reflective of the use by the Trust of those assets.

2. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
Bank deposit interest	**7,880**	**1,322**	**9,202**	6,066
Investment income:				
Dowry fund	**427,187**	-	**427,187**	340,745
Pembroke fund	**210,120**	-	**210,120**	175,593
Starfish Play Area fund	-	**10,676**	**10,676**	8,832
Community Centre endowment fund	-	**6,345**	**6,345**	5,250
Shark Park Play area fund	-	**2,508**	**2,508**	2,074
Marine Infrastructure reserve fund	**10,313**	-	**10,313**	9,348
SMI Medium Term reserve fund	**18,669**	-	**18,669**	16,587
Tadpole Play Area fund	-	**2,730**	**2,730**	2,225
Island Way Loop Road endowment fund	-	**59,644**	**59,644**	48,299
Sector 3 landscaping endowment fund	-	**6,795**	**6,795**	5,925
Sector 5 landscaping endowment fund	-	**840**	**840**	663
Sector 13 landscaping endowment fund	-	**24,728**	**24,728**	24,101
Rents from investment properties	**168,729**	-	**168,729**	178,643
	842,898	**115,588**	**958,486**	824,350

In 2022, of the total investment income, £723,238 was to unrestricted funds and £101,112 was to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
Service charge income	**301,689**	-	**301,689**	304,999
Transfer from service charge advance payment	**43,533**	-	**43,533**	43,533
Rent charge income	**404,990**	-	**404,990**	426,345
Community centre hire income	**61,341**	-	**61,341**	41,317
Watersports centre income	**48,575**	-	**48,575**	43,292
	860,128	-	**860,128**	859,487

In 2022, of the total income from charitable activities, £859,487 was to unrestricted funds and £Nil was to restricted funds.

4. OTHER INCOME

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
Sundry income	**11,704**	-	**11,704**	11,010
Licence fee income	**454,750**	-	**454,750**	831,600
Coronavirus Business Support Grants	-	-	-	16,000
Coronavirus Job Support Scheme	-	-	-	5,851
	466,454	-	**466,454**	864,461

In 2022, of the total of other incoming resources, £864,461 was to unrestricted funds and £Nil was to restricted funds.

5. INVESTMENT MANAGEMENT FEES

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
Dowry fund	**11,254**	**-**	**11,254**	13,362
Pembroke fund	**4,945**	**-**	**4,945**	6,044
Restricted fund	**-**	**2,167**	**2,167**	2,674
	16,199	**2,167**	**18,366**	22,080

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 2023 estimated fees deducted from capital were £59,759 (2022: £63,625) in respect of unrestricted funds and £7,994 (2022: £7,603) in respect of restricted funds.

6. GRANTS TO INSTITUTIONS

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
Community Fund expenditure	**33,111**	**-**	**33,111**	4,540
St Mary's Island Youth Club sponsorship	**2,577**	**-**	**2,577**	2,425
	35,688	**-**	**35,688**	6,965

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		2023	2023	2023	2022
		£	£	£	£
Activities undertaken directly	8	**875,909**	**137,685**	**1,013,594**	915,512
Support costs	9	**709,503**	**9,050**	**718,553**	1,247,826
Grants to institutions	6	**35,688**	**-**	**35,688**	6,965
		1,621,100	**146,735**	**1,767,835**	2,170,303

8. DIRECT COSTS

	Activities undertaken directly	Total	Total
	2023	2023	2022
	£	£	£
Rent charge expenditure	**232,360**	**232,360**	302,033
Service charge expenditure	**216,353**	**216,353**	235,024
Public areas expenditure	**456,888**	**456,888**	283,328
Community centre expenditure	**86,543**	**86,543**	70,569
Watersports centre expenditure	**21,450**	**21,450**	24,558
	1,013,594	**1,013,594**	915,512

9. SUPPORT COSTS

	Support costs	Total	Total
	2023	2023	2022
	£	£	£
Administration expenses	**135,389**	**135,389**	92,635
Legal and professional	**46,083**	**46,083**	17,376
Community centre	**6,901**	**6,901**	4,416
Trustee costs	**2,943**	**2,943**	1,565
Auditors remuneration	**16,461**	**16,461**	15,598
Wages and salaries	**378,866**	**378,866**	351,559
National insurance contributions	**34,083**	**34,083**	32,865
Pension costs	**15,459**	**15,459**	17,115
Death in service scheme	**4,461**	**4,461**	3,251
Leviathan Way/Maritime Way dues	-	-	652,197
Depreciation	**77,907**	**77,907**	59,250
	718,553	**718,553**	1,247,826

10. ANALYSIS OF EXPENDITURE BY TYPE

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	Total 2022 £
Investment management fees	-	-	**18,366**	**18,366**	22,080
Costs of generating funds	-	-	**18,366**	**18,366**	22,080
Charitable activities:					
Activities undertaken directly	-	-	**1,013,594**	**1,013,594**	915,512
Support costs	**428,408**	**77,907**	**212,238**	**718,553**	1,247,826
Grants to institutions	-	-	**35,688**	**35,688**	6,965
Subtotal charitable activities	**428,408**	**77,907**	**1,261,520**	**1,767,835**	2,170,304
	428,408	**77,907**	**1,279,886**	**1,786,201**	2,192,383

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023	Support Costs 2023	Grants to institutions 2023	Total 2023	Total 2022 £
Rent charge expenditure	**232,360**	**164,724**	-	**397,084**	514,954
Service charge expenditure	**216,353**	**153,376**	-	**369,729**	370,181
Public areas expenditure	**456,888**	**323,895**	**33,111**	**813,894**	417,359
Community centre expenditure	**86,543**	**61,352**	**2,577**	**150,472**	133,641
Watersports centre expenditure	**21,450**	**15,206**	-	**36,656**	81,971
	1,013,594	**718,553**	**35,688**	**1,767,835**	1,518,106

12. NET INCOMEING/OUTGOING RESOURCES

	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	**77,906**	73,196
Auditors' remuneration	**16,461**	15,598
Auditors' remuneration - non-audit services	**4,799**	6,080
Pension costs	**15,459**	17,115

13. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an audit fee of £16,461 (2022: £15,598) and non-audit services of £4,799 (2022: 5,630).

14. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	**378,866**	**351,559**
Social security costs	**34,083**	**32,865**
Other pension costs	**15,459**	**17,115**
	428,408	**401,538**

The average monthly number of employees was: 8.5 (2022: 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):

	2023	2022
	No.	No.
Office and management	**8.5**	**9**

The number of higher paid employees was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	**1**	**1**

15. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees neither received nor waived any remuneration during the year (2022: £Nil)

The total amount of remuneration and benefits (excluding employer pension costs) received by key management personnel was £179,401 (2022: £171,403). The Trust considers its key management personnel to comprise the Chief Executive Officer, Finance Manager & Company Secretary and Contract & Procurement Facility Manager.

	Reimbursed to Trustees	Paid Directly to 3rd parties	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Travel expenses (1 Trustee; 2022: 1 Trustee)	-	-	-	92
Accommodation costs (1 Trustee; 2022: 1 Trustee)	-	562	562	8
Meeting expenses	-	2,381	2,381	-
	-	2,943	2,943	100

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 £1,301 (2022: £1,466).

16. TANGIBLE FIXED ASSETS

	Freehold property	Land & Structures	Plant and machinery	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	**1,528,712**	**-**	**237,514**	**17,302**	**71,420**	**1,854,948**
Additions	**-**	**156,010**	**12,943**	**-**	**-**	**168,953**
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
At 31 March 2023	**1,528,712**	**156,010**	**250,457**	**17,302**	**71,420**	**2,023,901**
Depreciation						
At 1 April 2022	**90,175**	**-**	**119,494**	**9,149**	**49,312**	**268,130**
Charge for the year	**35,343**	**2,600**	**31,699**	**1,759**	**6,505**	**77,906**
At 31 March 2023	**125,518**	**2,600**	**151,193**	**10,908**	**55,817**	**346,036**
Net book value						
At 31 March 2023	**1,403,194**	**153,410**	**99,264**	**6,394**	**15,603**	**1,677,865**
At 31 March 2022	1,438,536	-	118,020	8,153	22,108	1,586,817

17. 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 several 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 £5.9 million (2022: £5.0 million).

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.

18. INVESTMENT PROPERTY

	2023	2022
	£	£
Valuation		
At 1 April	**2,216,160**	2,052,000
(Deficit)/surplus on revaluation	**(332,424)**	164,160
At 31 March	**1,883,736**	2,216,160

19. FIXED ASSET INVESTMENTS

Fixed asset investments at market value comprise:

	Global Equities	2023	2022
	£	£	£
Market value			
Dowry Fund	**14,063,034**	**14,063,034**	15,115,266
Pembroke Fund	**6,179,299**	**6,179,299**	6,643,564
Restricted Fund	**2,710,677**	**2,710,677**	2,916,508
Total market value	**22,953,010**	**22,953,010**	24,675,338
Historical cost			
Dowry Fund	**12,043,904**	**12,043,904**	11,967,212
Pembroke Fund	**5,124,334**	**5,124,334**	5,092,969
Restricted Fund	**2,409,950**	**2,409,950**	2,399,131
Total historical cost	**19,597,570**	**19,597,570**	19,459,312

19. FIXED ASSET INVESTMENTS (continued)

DOWRY FUND

	Capital Account	Income Account	Total 2023	Total 2022
	£	£	£	£
Market value				
At 1 April	**15,102,104**	**13,162**	**15,115,266**	13,799,347
Additions/Transfers in	**38**	**458,616**	**458,654**	1,373,174
Disposals/Transfers out	**(14,609)**	**(370,000)**	**(384,609)**	(556,618)
Revaluations	**(1,126,277)**	**-**	**(1,126,277)**	499,363
At 31 March	**13,961,256**	**101,778**	**14,063,034**	15,115,266
Historical cost	**11,942,126**	**101,778**	**12,043,904**	11,967,212

PEMBROKE FUND

	Capital Account	Income Account	Total 2023	Total 2022
	£	£	£	£
Market value				
At 1 April	**6,635,479**	**8,085**	**6,643,564**	6,406,300
Additions/Transfers in	**-**	**201,438**	**201,438**	254,956
Disposals/Transfers out	**(6,162)**	**(165,000)**	**(171,162)**	(254,111)
Revaluations	**(494,541)**	**-**	**(494,541)**	236,419
At 31 March	**6,134,776**	**44,523**	**6,179,299**	6,643,564
Historical cost	**5,079,811**	**44,523**	**5,124,334**	5,092,969

RESTRICTED FUND

	Capital Account	Income Account	Total 2023	Total 2022
	£	£	£	£
Market value				
At 1 April	**2,908,737**	**7,771**	**2,916,508**	2,806,706
Additions/Transfers in	**-**	**88,204**	**88,204**	72,168
Disposals/Transfers out	**(2,170)**	**(75,000)**	**(77,170)**	(67,175)
Revaluations	**(216,865)**	**-**	**(216,865)**	104,809
At 31 March	**2,689,702**	**20,975**	**2,710,677**	2,916,508
Historical cost	**2,388,975**	**20,975**	**2,409,950**	2,399,131

20. DEBTORS

	2023	2022
	£	£
Trade debtors	**446,202**	542,866
Other debtors	**10,464**	-
Prepayments and accrued income	**219,773**	198,486
	676,439	741,352

21. CREDITORS

Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	**135,010**	67,303
Other taxation and social security	**105,615**	96,063
Other creditors	**21,438**	33,571
Accruals	**95,989**	80,520
Deferred income - per note 21(a)	**494,304**	606,116
	852,356	883,573

21(a) Deferred income:

	2023	2022
	£	£
Deferred income at 1 April	**606,116**	623,377
Resources deferred during the year	**494,304**	606,116
Amounts released from previous years	**(606,116)**	(623,377)
Deferred income at 31 March	**494,304**	606,116

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

22. CREDITORS

Amounts falling due after more than one year

	2023 £	2022 £
Deferred income:		
Advance payment of service charges	**2,568,459**	2,611,992
	2,568,459	2,611,992

22(a). Deferred income:

	2023 £	2022 £
Deferred income at 1 April	**2,611,992**	2,655,525
Resources deferred during the year	-	-
Amounts released from previous years	**(43,533)**	(43,533)
Deferred income at 31 March	**2,568,459**	2,611,992

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.

23. PROVISIONS

	2023 £	2022 £
At 1 April 2022	**652,197**	-
Additions	-	652,197
Expended in year	-	-
At 31 March 2023	**652,197**	**652,197**

The provision relates to historical service charges to South of Basin tenants.

24. STATEMENT OF FUNDS

SUMMARY

	Brought Forward	Incoming Resources	Resources Expended	Transfers in/out	Gains / Losses	Carried Forward
	01-Apr-22					31-Mar-23
	£	£	£	£	£	£
Designated funds	6,125,912	347,500	(221,185)	45,836	(556,011)	5,742,052
General funds	16,372,360	1,821,980	(1,416,114)	(49,722)	(1,458,700)	15,269,804
Unrestricted funds (A)	22,498,272	2,169,480	(1,637,299)	(3,886)	(2,014,711)	21,011,856
Restricted funds (B)	3,602,039	115,588	(148,902)	3,886	(155,396)	3,417,215
	26,100,311	2,285,068	(1,786,201)	-	(2,170,107)	24,429,071

UNRESTRICTED FUNDS (A)

	Brought Forward	Incoming Resources	Resources Expended	Transfers	Gains / Losses	Carried Forward
	01-Apr-22					31-Mar-23
	£	£	£	£	£	£
Designated funds						
Community fund	2,705	-	(33,111)	33,111	-	2,705
Marine Infrastructure reserve	433,473	26,604	-	-	(20,644)	439,433
SMI Medium Term Infrastructure reserve	857,239	18,670	-	12,725	(40,826)	847,808
Pembroke fund reserve	4,630,196	253,651	(106,427)	-	(494,541)	4,282,879
Watersports Reserve	202,299	48,575	(81,647)	-	-	169,227
	6,125,912	347,500	(221,185)	45,836	(556,011)	5,742,052
General funds						
Dowry Fund reserve	15,501,052	891,509	(472,994)	-	(1,126,276)	14,793,291
Revaluation reserve	358,931	-	-	-	(332,424)	26,507
General reserve	512,377	930,471	(943,120)	(49,722)	-	450,006
	16,372,360	1,821,980	(1,416,114)	(49,722)	(1,458,700)	15,269,804
Total Unrestricted funds	22,498,272	2,169,480	(1,637,299)	(3,886)	(2,014,711)	21,011,856

24. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS (B)

	Brought Forward	Incoming Resources	Resources Expended	Transfers	Gains / (Losses)	Carried Forward
	01-Apr-22					31-Mar-23
	£	£	£	£	£	£
Restricted funds						
Starfish Play Area	332,030	10,676	(836)	-	(15,813)	326,057
Tadpole Play Area	60,683	2,730	(5,355)	-	(2,890)	55,168
Community centre endowment	210,142	6,345	(2,689)	3,886	(10,008)	207,676
Shark Park Play Area	29,232	2,508	(8,144)	-	(1,392)	22,204
SOB Reserve Fund	293,925	1,322	-	-	-	295,247
Leviathan Way/ Western Ave Landscaping Reserve	45,200	-	(4,800)	-	-	40,400
Island Way Loop Road fund	1,709,519	59,644	(92,973)	-	(81,416)	1,594,774
Sector 3 Landscaping Reserve	190,898	6,795	(127)	-	(9,092)	188,474
Sector 5 Landscaping Reserve	22,600	840	(33,978)	-	(1,076)	(11,614)
Sector 13 Landscaping Reserve	707,810	24,728	-	-	(33,709)	698,829
Total Restricted funds	3,602,039	115,588	(148,902)	3,886	(155,396)	3,417,215

Full comparative figures for the year ended 31 March 202 are shown in Note 37 on pages 49 and 50.

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.

24. STATEMENT OF FUNDS (continued)

DESCRIPTION OF FUNDS (continued)

Designated funds (continued)

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 fixed asset reserve provides for the cost of the buildings and 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.

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.

24. STATEMENT OF FUNDS (continued)

DESCRIPTION OF FUNDS (continued)

Restricted funds (continued)

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 2020 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.

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	**Restricted funds**	**Total funds**	Total funds
	2023	**2023**	**2023**	2022
	£	**£**	**£**	£
Tangible fixed assets	**1,677,865**	**-**	**1,677,865**	1,586,817
Heritage assets	**-**	**-**	**-**	-
Investment properties	**1,883,736**	**-**	**1,883,736**	2,216,160
Fixed asset investments	**19,535,795**	**3,417,215**	**22,953,010**	24,675,339
Current assets	**1,987,472**	**-**	**1,987,472**	1,769,757
Creditors due within one year	**(852,356)**	**-**	**(852,356)**	(883,573)
Creditors due after more than one year	**(2,568,459)**	**-**	**(2,568,459)**	(2,611,992)
Provisions for liabilities and charges	**(652,197)**	**-**	**(652,197)**	(652,197)
	21,011,857	**3,417,215**	**24,429,071**	26,100,311

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

	2023	2022
	£	£
Net income for the year (as per Statement of Financial Activities)	**(1,671,240)**	1,196,506
Adjustment for:		
Depreciation charges	**77,906**	73,196
Losses/gains) on investments	**2,170,107**	(840,591)
Decrease/(increase) in debtors	**64,913**	68,258
(Decrease)/increase in creditors	**(74,750)**	441,130
Net cash provided by operating activities	**566,935**	938,499

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash at bank and in hand	**1,311,033**	1,028,406
Total	**1,311,033**	1,028,406

28. 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 £15,459 (2022 - £17,115). As at 31 March 2023 no contributions were outstanding (2022 - £Nil).

29. OBLIGATIONS UNDER LEASE CONTRACTS

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

	2023	2022
	£	£
Within one year	**7,855**	8,118
In two to five years	**14,671**	1,205
	22,526	9,323

30. RELATED PARTY TRANSACTIONS

Member Organisations

Homes England is one of four member organisations of Chatham Maritime Trust and is represented on the Board by its nominated 'A' Trustee Mr MD Brown. During the period prior to his retirement from the Trust in August 2022, Mr JR Perry (Chief Executive) was also employed by Homes England as a Senior Project Executive on a part-time basis, on projects unconnected to Chatham Maritime Trust.

Amounts paid to and balances owing to Chatham Maritime Trust were as follows:

	2023	2022
	£	£
St Mary's Island rent charges	30,000	65,000
South Maritime service charges	57,581	62,979
Reimbursement of professional fees	-	3,200
	87,581	165,232
Balance due at 31 March	**64,382**	116,392

Medway Council is one of four member organisations of Chatham Maritime Trust and is represented on the Board by its nominated 'U' Trustees Cllr HO Tejan and Cllr VS Maple.

Amounts paid by and balances owing by Chatham Maritime Trust were as follows:

	2023	2022
	£	£
Business rates	-	6482
Balance due at 31 March	-	-

Amounts paid to and balances owing to Chatham Maritime Trust were as follows:

	2023	2022
	£	£
Covid-19 Business support grants	-	16,000
Balance due at 31 March	-	-

St Mary's Island Residents Association Ltd is one of four member organisations of Chatham Maritime Trust and is represented on the Board by its nominated 'N' Trustees Mr CH Reynolds and Ms MJ Koshkouei.

Amounts paid by and balances owed by Chatham Maritime Trust were as follows:

	2023	2022
	£	£
Administration expenses	**120**	1,091
Balance due at 31 March	-	-

30. RELATED PARTY TRANSACTIONS (continued)

Member Organisations (continued)
South Maritime Residents Ltd is one of four member organisations of Chatham Maritime Trust and is represented on the Board by its nominated 'S' Trustees Mr AP Sutton and Mr RG Russell.

Amounts paid by and balances owed by Chatham Maritime Trust were as follows:

	2023	2022
	£	£
Administration expenses	**163**	-
Balance due at 31 March	**-**	-

Leasehold Tenant – WD Chatham Ltd
Mr AP Sutton (Chair of Trustees) is Centre Manager for Dockside Outlet Centre on the Chatham Maritime Estate, the leasehold owner of which is WD Chatham Ltd. WD Chatham Ltd also has a 50% interest in Chatham Maritime Car Park Ltd, which is the leasehold owner of the car park on the Chatham Maritime Estate.

Amounts paid to and balances owed to Chatham Maritime Trust under those leases are as follows:

	2023	2022
	£	£
Annual service charges	**40,042**	32,726
Balance due at 31 March	**(6,808)**	30,452

Leasehold Tenant – University of Greenwich
Ms DJ Sims (Independent Trustee) is a Senior Lecturer in the Faculty of Engineering at the University of Greenwich, Medway Campus. University of Greenwich is the sole or joint leasehold owner for several properties on the Chatham Maritime Estate.

Amounts paid to and balances owed to Chatham Maritime Trust under those leases are as follows:

	2023	2022
	£	£
Annual service charges	**24,250**	26,268
Banner Licence	**-**	50
Balance due at 31 March	**(3,458)**	13,503

30. RELATED PARTY TRANSACTIONS (continued)

Trustees in common – Rotary Club of Medway Sunlight Trust Fund
Cllr HO Tejan (Member Trustee) and Mr DJ Taylor (Independent Trustee) are also Trustees of the Rotary Club of Medway Sunlight Trust Fund. During the year Chatham Maritime Trust made charitable donations to fund raising appeals organised by Rotary Club of Medway Sunlight Trust Fund.

Amounts paid by and balances owed by Chatham Maritime Trust for those appeals are as follows:

	2023	2022
	£	£
Charitable donations	**2,660**	-
Balance due at 31 March	**-**	-

St Mary's Island Youth Club (The Island Castaways)
Mr DJ Taylor (Independent Trustee) is Club Secretary, Administrator and Founder of the St Mary's Island Youth Club, which is based at the St Mary's Island Community Centre on the Chatham Maritime Estate. Chatham Maritime Trust allows the Youth Club to use the Community Centre facilities free of charge for two hours each Friday night during school terms, and additionally donates funding to engage the services of a qualified youth leader from Medway Youth Trust.

Amounts paid by and balances owed by Chatham Maritime Trust for youth services are as follows:

	2023	2022
	£	£
Charitable donations	**2,577**	2,290
Balance due at 31 March	**-**	-

31. CAPITAL COMMITMENTS

The charity did not have any contractual capital commitments at 31 March 2023. At 31st March 2022 there was a capital commitment of £156,000 for flood wall capping.

32. FINANCIAL INSTRUMENTS

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

FINANCIAL ASSETS

Measured at fair value through net income/expenditure	**2023**	2022
	£	£
Fixed asset listed investments	**22,953,010**	24,675,338

Debt instruments measured at amortised cost	**2023**	2022
	£	£
Trade debtors	**446,202**	542,866

FINANCIAL LIABILITIES

Measured at amortised cost	**2023**	2022
	£	£
Trade creditors	135,010	67,303
Other creditors	21,438	33,571
Total	**156,448**	100,874

Income and expense

	2023	2022
	£	£
Financial assets measured at fair value through net income/expenditure	958,486	824,350

Net gains and losses (including changes in fair value)

	2023	2022
	£	£
Financial assets measured at fair value through net income/expenditure	**(1,837,683)**	840,591

33. 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.

34. FINANCIAL IMPACT OF THE COVID-19 PANDEMIC

Charitable activities
The St Mary's Island Community Centre and the Community Watersports Centre were fully operational during 2022/23.

	2023	2022
	£	£
Business support grants	-	16,000
Cancellation of business rates	-	2,280
Coronavirus Job Support Scheme	-	5,851
	-	24,131

Fixed asset investments
As reported in the Note 19, there were unrealised revaluation losses on investments in the year to 31 March 2023 of £1,837,684 compared with unrealised revaluation gains of £840,591 in the previous year to 31 March 2022. The directors consider that these gains and losses are largely attributable to the reaction of global stock markets in post Covid-19 pandemic environment to the crises arising from the Russia Ukraine war, and other subsequent developments across the world.

35. EVENTS AFTER THE END OF THE REPORTING PERIOD
There were no exceptional events after the end of the reporting date at 31st March 2023.

36. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
INCOME FROM:				
Donations and legacies		-	-	-
Investments	2	723,238	101,112	824,350
Charitable activities	3	859,487	-	859,487
Other income	4	864,461	-	864,461
TOTAL INCOME		2,447,186	101,112	2,548,298
EXPENDITURE ON:				
Raising funds	5	19,406	2,674	22,080
Other charitable activities	7	1,997,178	173,125	2,170,303
TOTAL EXPENDITURE	10	2,016,584	175,799	2,192,383
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		430,602	(74,687)	355,915
Net gains/(losses) on investments		929,451	75,300	1,004,751
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		1,360,053	613	1,360,666
Transfers between Funds		(10,043)	10,043	-
NET INCOME/(EXPENDITURE)		1,350,010	10,656	1,360,666
Total funds at 1 April		21,148,262	3,591,383	24,739,645
TOTAL FUNDS AT 31 MARCH		22,498,272	3,602,039	26,100,311

37. COMPARATIVE STATEMENT OF FUNDS YEAR ENDED 31 MARCH 2022

SUMMARY

	Brought Forward	Incoming Resources	Resources Expended	Transfers in/out	Gains / Losses	Carried Forward
	01-Apr-21					31-Mar-22
	£	£	£	£	£	£
Designated funds	5,696,522	305,909	(139,336)	(3,110)	265,927	6,125,912
General funds	15,451,740	2,141,278	(1,877,248)	(6,933)	663,523	16,372,360
Unrestricted funds (A)	21,148,262	2,447,187	(2,016,584)	(10,043)	929,450	22,498,272
Restricted funds (B)	3,591,383	101,113	(175,800)	10,043	75,300	3,602,039
	24,739,645	2,548,300	(2,192,384)	-	1,004,750	26,100,311

(A) UNRESTRICTED FUNDS

	Brought Forward	Incoming Resources	Resources Expended	Transfers	Gains / Losses	Carried Forward
	01-Apr-21					31-Mar-22
	£	£	£	£	£	£
Designated funds						
Community fund	2,705		(4,540)	4,540		2,705
Marine Infrastructure reserve	397,009	26,904	-	-	9,560	433,473
SMI Medium Term Infrastructure reserve	828,354	16,587	-	(7,650)	19,948	857,239
Pembroke fund reserve	4,227,476	219,126	(52,825)	-	236,419	4,630,196
Watersports Reserve	240,978	43,292	(81,971)	-		202,299
	5,696,522	305,909	(139,336)	(3,110)	265,927	6,125,912
General funds						
Dowry Fund reserve	14,605,378	1,273,831	(877,520)	-	499,363	15,501,052
Revaluation reserve	194,771	-	-	-	164,160	358,931
Profit & Loss A/c	651,591	867,447	(999,728)	(6,933)	-	512,377
	15,451,740	2,141,278	(1,877,248)	(6,933)	663,523	16,372,360
Total Unrestricted funds	21,148,262	2,447,187	(2,016,584)	(10,043)	929,450	22,498,272

37. COMPARATIVE STATEMENT OF FUNDS YEAR ENDED 31 MARCH 2022 (continued)

(B) RESTRICTED FUNDS

	Brought Forward	Incoming Resources	Resources Expended	Transfers	Gains / (Losses)	Carried Forward
	01-Apr-21					31-Mar-22
	£	£	£	£	£	£
Restricted funds						
Starfish Play Area	319,693	8,832	(4,194)	-	7,699	332,030
Tadpole Play Area	61,962	2,225	(4,996)	-	1,492	60,683
Community centre	199,088	5,250	(9,033)	10,043	4,794	210,142
endowment	38,748	2,074	(12,523)	-	933	29,232
Shark Park Play Area	290,182	3,743	-	-	-	293,925
SOB Reserve Fund	50,000	-	(4,800)	-	-	45,200
Leviathan Way/ Western Ave Landscaping Reserve	1,690,429	48,299	(66,925)	-	37,716	1,709,519
Island Way Loop Road fund	188,003	5,925	(7,557)	-	4,527	190,898
Sector 3 Landscaping Reserve	22,943	663	(1,558)	-	552	22,600
Sector 5 Landscaping Reserve	730,335	24,102	(64,214)	-	17,587	707,810
Total Restricted funds	3,591,383	101,113	(175,800)	10,043	75,300	3,602,039