

**THE SHEPPEY HERITAGE TRUST LIMITED**

(a company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

**CHARITY REGISTRATION NO: 1065880**

**COMPANY NUMBER: 03438234**

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## **THE SHEPPEY HERITAGE TRUST LIMITED**

### **TRUSTEES' REPORT**

The trustees (who are also the Directors of the Company for the purposes of company law) are pleased to present their annual directors' report together with the financial statements of the Trust for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

### **OUR PURPOSES AND ACTIVITIES**

#### **Objectives**

The stated charitable objectives are:

- to advance the education in the history, culture and heritage of the Isle of Sheppey; and
- for the benefit of the inhabitants of the Isle of Sheppey, to provide and assist in the provision of facilities for education and recreation or other leisure time occupation in the interest of social welfare and with the object of improving the quality of life on the island.
- to operate a museum or museums.

#### **Public Benefit**

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the Trust are in line with charitable objects and do provide benefit for the public.

To achieve the Trust's stated objectives the strategies adopted are:

- continue the development of the new centre to commemorate the pioneer aviators;
- pursue funding from a variety of public and private sources;
- support other initiatives on the Isle of Sheppey to educate islanders and improve the image of the island; and
- work with other agencies and trusts to bring to the public's attention the culture and heritage of the island.

### **ACHIEVEMENTS AND PERFORMANCE**

This has been a very good year for the trust, especially in regard to the museum:

- The build project is now structurally complete and has been signed off by the building inspector; and
- The lease has been signed off and is now in force.

The audio-visual presentation at the museum has now been completed. It will need some improvements later but it is perfectly alright for use when we open.

The new toilets have been completed by the prison team and are a vast improvement on the old ones. We now have an accessibility toilet.

We have recruited two new trustees and several new volunteers, both male and female. A new management structure has been agreed to suit the new museum layout with teams of volunteers with different functions and managers for each team.

The museum was closed in January and the new layout was created. We now have the shop, audio-visual room, and two display areas and sufficient volunteers to open four days a week. The layout will require improvement in the future.

The new museum opened in February 2024 and has been very well received by our visitors. Trained volunteers are manning the shop and our guides show people round, explain the exhibits and tell the story of Sheppey's aviation history.

The build team are now shifting their focus to the back rooms which will become the museum's work space, with kitchen, storage, staff wash room, and office space. There is also a lot of work to do outside to improve the gardens.

The Archivist has been kept busy publishing new and re-printed books for our shop and has had to deal with a big increase in artefacts being donated or purchased for the museum. Some very important items have been added to our displays.

We are now in a much better position to receive coach parties, school parties, etc. and this is a great benefit to all.

I would like to end by thanking all those involved in creating the exciting new facility that will be valued for years to come. We can now look forward to a great year ahead.

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**TRUSTEES' REPORT**

**FINANCIAL REVIEW**

Review of the Financial Position

The Trust received a sizeable restricted grant of £16,228 for the museum extension and unrestricted income totalling £7,117. This was mainly museum entrance fees and shop sales. The total of £23,345 was considerably more than the previous year and is mainly due to the completion and opening of the museum extension..

During the year £16,681 was spent completing the museum extension. The amount has been added to fixed assets, and, as the Trust has a lease over the land on which the extension has been built until October 2030, the expenditure is being written off over the remaining lease term.

Charitable expenditure during the year amounted to £10,040 and includes monies spent on artefacts, termed heritage assets in these accounts, and also on the running costs of the current museum and governance. An analysis is provided in note 7.

The result is a deficit on unrestricted funds of £1,164 and a surplus on restricted funds of £14,469, a net overall increase in funds of £13,305 to £37,110. Of that amount £9,161 is held as cash at bank.

Reserves Policy

The trustees review periodically the level of unrestricted income reserves they consider appropriate. As a minimum they consider that one year's normal expenditure plus an amount for premises' repairs should be held to cover unexpected expenditure and unplanned closures. A suitable sum might be £10,000. At the year-end unrestricted general funds were £11,864.

**REFERENCE AND ADMINISTRATIVE DETAILS**

Charity registration number	1065880
Company number	3438234
Other names	Eastchurch Aviation Museum
Website	<a href="https://eastchurchaviationmuseum.org.uk/">https://eastchurchaviationmuseum.org.uk/</a>
Registered office	1 High Street Sheerness Kent, ME12 1NY
Accountants	Foreman Waller 1 High Street Sheerness Kent, ME12 1NY
Bankers	HSBC UK 115 High Street Sittingbourne Kent, ME10 4AL

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**TRUSTEES' REPORT**

**REFERENCE AND ADMINISTRATIVE DETAILS**

Directors and trustees

The directors of the charitable company (the Trust) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

M D Hawkins	- Chairman
S Braysher	- appointed 30 October 2023
M J Brown	
Ms J L Delamaine	
A Downs	
Mrs S M Downs	- appointed 30 October 2023
Mrs R J Hawkins	
P J Macdonald	
G Pendleton	
K H Pugh	
P I O West	
K Ingleton	- until his death on 11 July 2023

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Governing Document

The Trust is governed by its Memorandum and Articles of Association adopted on incorporation on 23 September 1997 as updated by special resolutions on 27 October 1997 and 29 March 2021.

Appointment of Trustees

As set out in the Articles of Association, the Trust must have a minimum of three directors (Trustees), one third of whom retire at each annual general meeting, those retiring being those longest serving. The trustees have the power to co-opt additional directors who could serve until the next annual general meeting.

Additional directors may be nominated by the directors or members, subject to rules set out in the Articles.

Risk management

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the Trust faces; and
- the establishment of policies to mitigate those risks identified in the annual review.

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**TRUSTEES' REPORT**

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors of The Sheppey Heritage Trust Limited for the purposes of company law) are responsible for preparing an annual Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the Trustees to prepare financial statements for each year which 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 company for that period. In preparing the 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the board of trustees on 11 December 2024 and signed on their behalf

M D Hawkins  
Trustee

**Chartered Accountants' Report  
to the Board of Trustees on the preparation of  
the unaudited statutory accounts of  
The Sheppey Heritage Trust**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Sheppey Heritage Trust for the year ended 31 March 2024 as set out on pages 6 to 10 from the Trust's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/ethics>.

This report is made to the Board of Trustees, as a body, in accordance with the terms of our engagement letter dated 20 September 2023. Our work has been undertaken solely to prepare for your approval the accounts of The Sheppey Heritage Trust and state those matters that we have agreed to state to them in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [icaew.com](https://www.icaew.com). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its Board of Trustees, as a body, for our work or for this report.

It is your duty to ensure that The Sheppey Heritage Trust has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of its assets, liabilities, financial position and surplus or deficit. You consider that The Sheppey Heritage Trust is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Sheppey Heritage Trust. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

*Foreman Waller*

Foreman Waller  
Chartered Accountants

1 High Street  
Sheerness  
Kent, ME12 1NY

12 December 2024

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including income and expenditure account)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted fund £	Restricted funds £	Total 2024 £	Total 2023 £
<b>INCOME:</b>					
Donations and legacies					
- Donations		769	-	769	517
- Grants	6	200	16,228	16,428	5,500
Charitable activities					
- Museum entrance fees and shop sales		6,056	-	6,056	4,296
Investment income					
- Interest on deposit accounts		92	-	92	25
<b>TOTAL INCOME</b>		<b>7,117</b>	<b>16,228</b>	<b>23,345</b>	<b>10,338</b>
<b>EXPENDITURE:</b>					
Expenditure on charitable activities	7	8,281	1,759	10,040	7,055
<b>TOTAL EXPENDITURE</b>		<b>8,281</b>	<b>1,759</b>	<b>10,040</b>	<b>7,055</b>
<b>NET INCOME (EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(1,164)</b>	<b>14,469</b>	<b>13,305</b>	<b>3,283</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		13,028	10,777	23,805	21,241
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>11,864</b>	<b>25,246</b>	<b>37,110</b>	<b>24,524</b>

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 11 form part of these financial statements.

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**BALANCE SHEET**  
**AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		27,118		12,524
<b>CURRENT ASSETS</b>					
Stocks		1,731		1,200	
Cash at bank and in hand		9,161		10,681	
		10,892		11,881	
<b>CREDITORS: amounts falling due within one year</b>					
Other creditors		(900)		(600)	
<b>NET CURRENT ASSETS</b>			9,992		11,281
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>37,110</b>		<b>23,805</b>
<b>FUNDS</b>					
Unrestricted funds	9		11,864		13,028
Restricted funds	9		25,246		10,777
<b>TOTAL CHARITY FUNDS</b>			<b>37,110</b>		<b>23,805</b>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the charitable company to obtain an audit of its financial statements in accordance with section 476 of the Companies Act 2006.

The directors (trustees) acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparing financial statements.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

Approved by the board of trustees on 11 December 2024 and signed on their behalf

M D Hawkins  
Trustee



**THE SHEPPEY HERITAGE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**1 STATUTORY INFORMATION**

The Sheppey Heritage Trust is a Trust limited by guarantee and has no share capital. In the event of the Trust being wound up, the liability in respect of the guarantee may not exceed £10 per member of the Trust. The Trust is registered in England and Wales. Its registered number and registered office address can be found on page 2.

The presentation currency of the financial statements is the Pound Sterling (£).

**2 ACCOUNTING POLICIES**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

(a) Basis of accounting

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£), and all amounts are rounded to the nearest Pound.

(b) Significant judgement - going concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the Trust's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees consider that the Trust has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the Trust has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Income

Income is recognised when the Trust has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(d) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the Trust as a donation that would normally be purchased from suppliers.

(e) Expenditure

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

Charitable activities include expenditure associated with the Trust's museum. The expenditure includes both the direct costs and support costs relating to these activities.

(f) Financial instruments

The Trust enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

(g) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Land and buildings - over the length of the lease                      Equipment - 25% on cost

Assets which cost less than £500 are not capitalised.

(h) Heritage assets

It is the policy of the Board not to capitalise heritage assets in the Trust's collection, which consists of a range of objects, art, books and archives. These items are held in support of the Trust's primary objective of increasing education in the history, culture and heritage of the Isle of Sheppey.

The Trustees consider that financial valuations of heritage assets would be misleading as to the value and significance of the objects involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits.

Items purchased are written off in the Statement of financial activities as charitable expenditure and not treated as assets on the balance sheet.

(i) Stocks

Stocks, which consist of goods for resale, are included at the lower of cost and net realisable value.

(j) Cash at bank and in hand

Cash at bank and in hand includes cash and deposits that are available to finance the Trust's day to day operations and have a maturity of three months or less from the date of acquisition.

(k) Funds accounting

The Trust has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust.

### **3 TRUSTEE REMUNERATION**

No trustee received any remuneration, benefits or expenses during the current or preceding period.

### **4 RELATED PARTY TRANSACTIONS**

There are no related party transactions in the current year or previous year.

### **5 TAXATION**

The Trust has obtained charitable status for taxation purposes and is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

### **6 GRANTS**

	Unrestricted fund £	Restricted funds £	Total 2024 £	Total 2023 £
GrantScape	-	16,228	16,228	5,000
Other grants	200	-	200	500
	<u>200</u>	<u>16,228</u>	<u>16,428</u>	<u>5,500</u>

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**7 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Heritage assets purchased	667	3,065
Books for resale	120	-
Other goods for resale	652	719
Repairs, maintenance and small equipment	1,407	362
Printing, postage and stationery	1,201	114
Insurance	637	497
Accountancy Fees	1,267	1,080
Bank charges	72	63
Rates	-	187
Telephone	394	252
Uniform and safety masks	210	257
Website costs	365	194
Other costs	961	242
Depreciation	2,087	742
	<u>10,040</u>	<u>7,774</u>

**8 TANGIBLE FIXED ASSETS**

	<b>Land and buildings</b>	<b>Fixtures and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cost			
- at 1 April 20223	11,339	8,521	19,860
- additions	16,681	-	16,681
- disposals	-	(212)	(212)
- at 31 March 2024	<u>28,020</u>	<u>8,309</u>	<u>36,329</u>
Depreciation			
- at 1 April 2023	-	7,336	7,336
- charge for year	1,668	419	2,087
	-	(212)	(212)
- at 31 March 2024	<u>1,668</u>	<u>7,543</u>	<u>9,211</u>
Net book values			
- at 31 March 2024	<u>26,352</u>	<u>766</u>	<u>27,118</u>
- at 31 March 2023	<u>11,339</u>	<u>1,185</u>	<u>12,524</u>

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**9 ANALYSIS OF CHARITABLE FUNDS**

	<b>General fund £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Balance at 1 April 2023	13,028	10,777	23,805
Income	7,117	16,228	23,345
Expenditure	(8,281)	(1,759)	(10,040)
Balance at 31 March 2024	11,864	25,246	37,110

The funds held at the year-end date are as follows:

- Fixed assets	2,952	24,166	27,118
- Cash	9,161	-	9,161
- Net other current assets	(249)	1,080	831
- Total funds	11,864	25,246	37,110

The restricted funds are:

	<b>Museum extension £</b>	<b>Purchase of gazebo £</b>	<b>Book reprint £</b>	<b>Total £</b>
Balance at 1 April 2023	9,202	375	1,200	10,777
Income	16,228	-	-	16,228
Expenditure	(1,514)	(125)	(120)	(1,759)
Balance at 31 March 2024	23,916	250	1,080	25,246

The three restricted funds are as follows:

Museum extension - grants received are for an extension to the museum building. The cost of the extension and the grants specifically for those costs are being written off in equal annual instalments over the length of the lease. The lease is for 7 years until October 2030.

Purchase of gazebo - a grant was received towards the cost of a gazebo for the Trust's use at functions. The gazebo is being written off over four years, and the grant matched over the same period.

Book reprint - a donor funded the reprint of a book. The book is in stock for resale. The balance on the fund is being carried forward at the year-end to be matched against the future costs of sales.