

SHEERNESS DOCKYARD PRESERVATION TRUST

England & Wales · Charity number 1160812

Details

Status	Registered
Legal form	Charitable company
Company number	09197223
Registered	2015-03-10
Register	View on the Charity Commission register

Contact

Address	2 Naval Terrace Sheerness ME12 1RR
Phone	01795 669158
Email	dockyardchurch@gmail.com
Website	http://sheernessdockyardpt.org.uk/

Activities

Objects: THE OBJECTS OF THE CHARITY ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING:(1) TO PRESERVE FOR THE BENEFIT OF THE PEOPLE OF SHEERNESS AND OF THE NATION, THE HISTORICAL, ARCHITECTURAL AND CONSTRUCTIONAL HERITAGE THAT MAY EXIST IN AND AROUND SHEERNESS, IN PARTICULAR IN AND AROUND THE FORMER ROYAL NAVAL DOCKYARD IN SHEERNESS.(2) TO ADVANCE THE PUBLIC EDUCATION AND INTEREST IN THE HISTORY AND ARCHITECTURAL HERITAGE OF THE LOCAL AREA.(3) SUCH CHARITABLE PURPOSES FOR THE PUBLIC BENEFIT AS ARE EXCLUSIVELY CHARITABLE ACCORDING TO THE LAWS OF ENGLAND AND WALES AS THE TRUSTEES MAY FROM TIME TO TIME DETERMINE.

Activities: (1) To preserve for the benefit of the people of Sheerness and of the nation, the historical, architectural and constructional heritage that may exist in and around Sheerness, in particular in and around the former Royal Naval Dockyard in Sheerness.(2) To advance the public education and interest in the history and architectural heritage of the local area.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£325,358	£55,669	-	-
2023-12-31	£561,358	£1,308,881	£1,366,472	0
2022-12-31	£2,257,458	£2,539,084	£2,113,995	0
2021-12-31	£1,532,542	£1,946,206	£2,395,621	0
2020-12-31	£441,612	£387,171	-	-

Trustees

Name	Role	Appointed
ANDREW BYRNE		2014-09-01
Emma Harkup		2025-11-01
JOHN EDWARD BAKER LLB		2014-09-01
JUSTIN WEBB		2014-09-01
KEVIN John MOORE		2014-09-01
Matthew Brown		2018-05-12
STUART TAYLOR		2014-09-01

SHEERNESS DOCKYARD PRESERVATION TRUST

England & Wales - Charity number 1160812

Accounts

**SHEERNESS DOCKYARD
PRESERVATION TRUST
(A COMPANY LIMITED BY
GUARANTEE)**

REGISTERED CHARITY NUMBER: 1160812

REGISTERED COMPANY NUMBER: 09197223 (England and Wales)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

SHEERNESS DOCKYARD PRESERVATION TRUST

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Page
Report of the Trustees	1 to 5
Report of the Independent Examiner	6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 20
Detailed Statement of Financial Activities	21 to 22

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Mission Statement

The Sheerness Dockyard Preservation Trust was founded in 2014 to campaign for the preservation of the historic buildings in and around the former Royal Naval Dockyard at Sheerness.

The Sheerness Dockyard Preservation Trust has two strategic aims

- To preserve for the benefit of the people of Sheerness and of the nation, the historical, architectural and constructional heritage that may exist in and around Sheerness, in particular in and around the former Royal Naval Dockyard in Sheerness.
- To advance the public education and interest in the history and architectural heritage of the local area.

Significant activities

The main activity that the Trust has recently overseen is the restoration of the Dockyard Church building within the former Royal Naval Dockyard at Sheerness.

The trustees have leased the completed building to Fruitbowl Media Ltd - who run the site as 'Island Works', and we are very pleased to see the Church brought back to life, and the building thriving as an enterprise centre, events space and café, with a wide range of community activity taking place within the building.

A second phase project currently at initiation stage is to consider a larger presentation of the famous Sheerness Dockyard Model and explore opportunities to create a public presentation of the entire model and enable visitor activities responding to this unique and sizeable artefact.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Volunteers

Currently the Charity does not utilise volunteers in its work, other than the time committed by Trustees in the work that they do in supervising the Dockyard Church project and overseeing the operation of the Charity.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2024**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Project Completion: The Sheerness Dockyard Church Restoration Project

Last year saw the practical completion of our great project, a project first conceived over a decade ago, to restore the burnt-out ruin of Grade II* Dockyard Church and revive it as a enterprise space which would contribute to the cultural life and economy both of Sheerness and the Isle of Sheppey as a whole.

Funding for the project was built around a core grant of £4.8m from the National Lottery Heritage Fund, with match funding being received from a number of other trusts, foundations and individuals, with significant additional support coming from Historic England, and the building first opened to the Public in June 2023. In 2024 we oversaw completion of the defects period of the building contract, and the final completion of the project's construction contract.

The Trustees were delighted when the project was recognised at the annual RICS awards in 2024 in both the Heritage Project, and winning the prestigious Project of the Year award.

It has since also been recognised with four awards at the RIBA South East awards in May 2025, including Building of the Year, and Project Architect of the year.

Operation of the Dockyard Church Building: This year was the first year where we saw a full year of operation of the building, with 'Island Works' being open for business, under the direction of Paul Andrews of Fruitbowl Media.

Since opening, Island Works has hosted a wide range of events, including craft fairs, orchestral concerts, dramatic performances, Weddings, a psychic convention, and has been filled with local artists for Art Week. Current activities and events can be accessed from the Island Works website at <https://islandworks.co.uk/events/>

The Café continues to go from strength to strength under the sterling direction of Sharon, and has a large number of regular visitors, and the co-working spaces host regular business forums and a range of regular professional networking events as well as workspace of a community of members.

The Dockyard Model:

The contract for displaying elements of the Dockyard Model was awarded to local designers Andy and Sharon Feast who have worked extensively on exhibitions and displays in national museums. The series of secure and movable display cases of different sizes they designed have now been fabricated, are now on display within the ground floor areas of the restored building, showing model sections to the public for the very first time. The sections of the Model are now on display in the Church, the extant Quadrangular store and the Admiralty house, and the surviving Naval terrace and Dockyard Church.

Fundraising activities

The fundraising campaign for the building restoration Project was completed over three years ago, and the trustees are currently exploring the potential of specific fundraising campaigns to support the housing and associated operations of future presentation of the great Dockyard Model, as well as publications relating to the heritage and history of the Dockyard.

Further information & news updates about the Trust are available on our website:
<https://sdpt.org.uk/>

SHEERNESS DOCKYARD PRESERVATION TRUST

FINANCIAL REVIEW

Financial position

As the main construction phase of the Dockyard Church Restoration Project completed in July 2023, 2024 saw a significant decrease in the outgoing resources for the Charity. The total incoming resources were £325,358, down from £561,358 in the prior year.

The majority of this income is connected to the operating lease for the Dockyard Church building.

Restricted funds as at the year end were £1,535,728 (2023: £1,320,592).

Unrestricted funds at the year end were £100,433 (2023: £45,880).

Principal funding sources

All pledged funds have now been received. A further grant from the Art Fund relating to the dockyard model will be completed once 3D scanning of the model has been completed in its new storage space in Kent. We are enormously grateful to all our supporters for giving so generously to this landmark project.

Reserves policy

Restricted funds include any donations which have been granted to the Trust for a specific purpose such as project work or contributions to a capital works programme.

Unrestricted funds are any funds which have been donated to, or earned by the charity, which are not designated against a particular spending stream and can be spent by the charity to further its charitable aims.

Reserves are maintained to ensure the ability of the Charity to manage cashflow issues and to enable it to achieve its objects and ambitions.

Our current reserves policy is that we are seeking to ensure that we have sums sufficient to cover the estimated cost of operation of the Enterprise Centre for a period of 6 months plus 10%.

At the start of the year, the total of unrestricted reserves was £45,880.

At the end of the 2024 financial period, unrestricted reserves were £100,433.

Going concern

After making appropriate enquiries, and consideration of forecasts prepared for the next 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

There are no specific concerns amongst the Board of Trustees at the point of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, the Memorandum & Articles of Association dated 01/09/2014, and as amended by special resolution dated 20/02/2015, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees, and no more than twelve.

At the annual general meeting one third of the trustees must retire, with those longest in office retiring first and the choice between any of equal service being made by drawing lots. If the Charity, at the meeting at which a trustee retires by rotation, does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Prospective trustees are recommended by existing trustees to join the board of trustees, or advertisements are placed in the local press.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee Background & Skills

The Sheerness Dockyard Preservation Trust is formed of eight Trustees who bring together a range of experience from heritage restoration, conservation, architectural design and history, business and commercial management, project co-ordination, community engagement, design and finance.

The Trust Chair during the project construction phase, William Palin, now the Chief Executive of St Barts Heritage, stepped down as Chair at the start of 2024.

The new Chair of the Trust, Kevin Moore, has a wealth of experience in community & charity leadership and management, is Chair of the Charitable Trust of the Worshipful Company of Communicators, and was Chair of the Board of East End Homes, Tower Hamlets' largest registered social landlord until September 2024. He was previously Chief Executive of Stepney City Farm, and Walworth Garden Farm, and Chair of the Hackney Society.

Details of other Trustees are available on the Trust website.

Reporting Structure

The Trust holds quarterly Trustee meetings, along with an Annual General Meeting (AGM). The meetings are minuted and circulated to all Trustees.

Induction and training of new trustees

All trustees are inducted with the Charity Commission charity trustee 'welcome pack' handbook and provided with regular updates issued by the charity commission. At each meeting of trustees, any declaration of interests or conflicts should they arise are minuted. This to prevent them from affecting any decision or the decision-making process.

On occasion, where the trustees consider there may be a skills deficit within the board, the trustees seek to fulfil their duties by seeking independent expert advice on specific matters. Trustees were selected for the individual skills and experience they could bring to the board in order to effectively manage the charity and help achieve its aims and objectives.

As with all charities funds are limited, and trustees are 'up skilled' with training, advice & guidance from the specialist knowledge of fellow trustees on particular matters.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09197223 (England and Wales)

Registered Charity number

1160812

Registered office

2 Naval Terrace

Sheerness

ME12 1RR

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees

K J Moore (Chairman)
A Byrne (Vice chairman)
W M Palin (resigned June 2024)
J E Baker (Treasurer)
C D Foulds (resigned June 2025)
A W Deeley
J Webb
M Brown
A K De Moubay (resigned June 2025)
S Taylor
E J Barnard

Company Secretary

J E Baker

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Sheerness Dockyard Preservation Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 31 October 2025 and signed on its behalf by:

John Baker

Digitally signed by John
Baker
Date: 2025.10.31
11:38:48 Z

John Baker
Treasurer

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF THE SHEERNESS DOCKYARD PRESERVATION TRUST

I report to the charity trustees on my examination of the accounts of the Sheerness Dockyard Preservation Trust for the year ended 31 December 2024.

This report is made to the charity trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken so that I might carry out an Independent Examination of the financial statements in accordance with the general directions given by the Charity Commissioners. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my work or for this report.

Responsibilities and basis of report

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

As the charity trustees of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and

in carrying out my examination I have followed all applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the PCC as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Keith Raffan FCA
Chartered Accountant
Raffan and Golding Ltd
17 Short's Gardens
Covent Garden
London, WC2H 9AT

Dated: 31st October 2025

SHEERNESS DOCKYARD PRESERVATION TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted fund £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total Funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	160	265,517	265,677	541,940
Investment income	3	<u>59,681</u>	<u>-</u>	<u>59,681</u>	<u>19,418</u>
Total		<u>59,841</u>	<u>265,517</u>	<u>325,358</u>	<u>561,358</u>
 EXPENDITURE ON					
Raising funds	4	49	-	49	9,447
Charitable activities	5				
Dockyard Preservation		-	50,381	50,381	1,296,936
Other		<u>5,239</u>	<u>-</u>	<u>5,239</u>	<u>2,498</u>
Total		<u>5,288</u>	<u>50,381</u>	<u>55,669</u>	<u>1,308,881</u>
 NET INCOME/(EXPENDITURE)					
Transfers between funds	15	<u>54,553</u>	<u>215,136</u>	<u>269,689</u>	<u>(747,523)</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>54,553</u>	<u>215,136</u>	<u>269,689</u>	<u>(747,523)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>45,880</u>	<u>1,320,592</u>	<u>1,366,472</u>	<u>2,113,995</u>
TOTAL FUNDS CARRIED FORWARD		<u>100,433</u>	<u>1,535,728</u>	<u>1,636,161</u>	<u>1,366,472</u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST (REGISTERED NUMBER: 09197223)

BALANCE SHEET
31 DECEMBER 2024

	Notes	Unrestricted fund £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
FIXED ASSETS					
Tangible assets	10	-	68,210	68,210	89,477
Heritage assets	11	<u>1</u>	<u>929,538</u>	<u>929,539</u>	<u>948,639</u>
		1	997,748	997,749	1,038,116
CURRENT ASSETS					
Debtors	12	18,467	55,393	73,860	76,359
Cash at bank		<u>83,215</u>	<u>491,206</u>	<u>574,421</u>	<u>748,366</u>
		101,682	546,599	648,281	824,725
CREDITORS					
Amounts falling due within one year	13	(1,250)	(8,619)	(9,869)	(496,369)
NET CURRENT ASSETS		<u>100,432</u>	<u>537,980</u>	<u>638,412</u>	<u>328,356</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		100,433	1,535,728	1,636,161	1,366,472
NET ASSETS		<u>100,433</u>	<u>1,535,728</u>	<u>1,636,161</u>	<u>1,366,472</u>
FUNDS	15				
Unrestricted funds				100,433	45,880
Restricted funds				<u>1,535,728</u>	<u>1,320,592</u>
TOTAL FUNDS				<u>1,636,161</u>	<u>1,366,472</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 31 October 2025 and were signed on its behalf by:

John Baker
Digitally signed by
John Baker
Date: 2025.10.31
11:57:15 Z

John Baker

Trustee

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31.12.24 £	31.12.23 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(174,946)</u>	<u>1,006,228</u>
Net cash provided by operating activities		<u>(174,946)</u>	<u>1,006,228</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(104,209)
Purchase of heritage assets		-	(1,320,450)
Interest received		<u>1,001</u>	<u>1</u>
Net cash used in investing activities		<u>1,001</u>	<u>(1,424,658)</u>
Change in cash and cash equivalents in the reporting period		(173,945)	(418,430)
Cash and cash equivalents at the beginning of the reporting period		<u>748,366</u>	<u>1,166,796</u>
Cash and cash equivalents at the end of the reporting period		<u>574,421</u>	<u>748,366</u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2024**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.24 £	31.12.23 £
Net income for the reporting period (as per the Statement of Financial Activities)	269,689	(747,523)
Adjustments for:		
Depreciation charges	40,367	21,099
Interest received	(1,001)	(1)
Impairment of heritage assets	-	1,147,143
Decrease/(increase) in debtors	2,499	658,856
(Decrease)/increase in creditors	<u>(486,500)</u>	<u>(72,346)</u>
Net cash provided by operations	<u>(174,946)</u>	<u>1,006,228</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24 £	Cash flow £	At 31.12.24 £
Net cash			
Cash at bank	<u>748,366</u>	<u>(173,945)</u>	<u>574,421</u>
	<u>748,366</u>	<u>(173,945)</u>	<u>574,421</u>
Total	<u>748,366</u>	<u>(173,945)</u>	<u>574,421</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

General information

Sheerness Dockyard Preservation Trust is a registered charity in England and Wales and a company limited by guarantee. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Basis of preparing the financial statements

The Trustees acknowledge their responsibility for ensuring that the company keeps accounting records that comply with the requirements of the Companies Act, and which give a fair and true view of the state of affairs of the company as at the end of the financial year, and these financial statements have been prepared in accordance with these provisions, and with the Charities Act.

Statement of compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable entities preparing their accounts in accordance with the Financial Reporting Standard 102. The charity constitutes a Public Benefit Entity as defined by FRS 102.

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.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

In the case of performance related grants, income has only been recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Heritage assets

Heritage assets are carried at cost, net of depreciation and any provision for impairment.

The heritage asset has previously been under construction, with construction completing in June 2023. The building was brought in to use in July 2023 from which point depreciation should apply.

The heritage asset was initially donated to the Trust and recognised at £1. Restoration costs are capitalised and then impaired so that the asset is held at its estimated post restoration value.

In 2020 the charity were gifted the Sheerness Dockyard Model by English Heritage, which is believed to have originally been produced by John Rennie as part of the Dockyard's expansion works which began on 23rd December 1813. As information on the cost or valuation of this asset cannot be obtained at a cost commensurate with the benefit to the users of these accounts, and in accordance with the Charities SORP, this asset is not recognised within the charity's heritage assets.

Impairment of heritage assets

Due to the considerable conservation deficit in the Dockyard Church project, the costs incurred on the project were previously impaired on a straight line basis at a rate of 87% which recognised the value of the completed building as a small % of the total project cost.

Restoration costs are then capitalised and then impaired so that the asset is held at its estimated post restoration value. The Church Building valuation was assessed by Caxtons Chartered Surveyors in May 2018.

The cost of the project activity was fully recognised in 2023 following the opening of the building, resulting in the capitalisation of the asset and the introduction of depreciation on a fifty year basis of useful life of asset. The recognised depreciation in 2024 was £19,100, resulting in retained asset value of £929,539 on the balance sheet.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

2. DONATIONS AND LEGACIES

	31.12.24	31.12.23
	£	£
Donations	160	627
Grants	<u>265,517</u>	<u>541,313</u>
	<u>265,677</u>	<u>541,940</u>

3. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Rents received	58,680	19,417
Deposit account interest	<u>1,001</u>	<u>1</u>
	<u>59,681</u>	<u>19,418</u>

4. RAISING FUNDS

Raising donations and legacies

	31.12.24	31.12.23
	£	£
Consultants	-	9,447
Memberships	<u>49</u>	<u>-</u>
	<u>49</u>	<u>9,447</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Dockyard Preservation	<u>12,721</u>	<u>37,660</u>	<u>50,381</u>

6. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Dockyard Preservation	<u>-</u>	<u>37,660</u>	<u>-</u>	<u>-</u>	<u>37,660</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2024**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.24	31.12.23
	£	£
Auditors' remuneration	1,487	5,663
Depreciation - owned assets	<u>21,627</u>	<u>14,732</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

During the year ended 31 December 2024, no trustees were reimbursed expenses (2023: one trustee was reimbursed expenses of £433) as follows:-

	2024	2023
	£	£
K Moore – Launch Event Costs	<u>-</u>	<u>433</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	627	541,313	541,940
Investment income	19,418	-	19,418
	<u>20,045</u>	<u>541,313</u>	<u>561,358</u>
EXPENDITURE ON			
Raising funds	-	9,447	9,447
Charitable activities			
Dockyard Preservation	8,305	1,288,631	1,296,936
Other	<u>1,948</u>	<u>550</u>	<u>2,498</u>
Total	<u>10,253</u>	<u>1,298,628</u>	<u>1,308,881</u>
NET INCOME/(EXPENDITURE)	9,792	(757,315)	(747,523)

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2024**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Total funds £
Transfers between funds	(900)	900	-
RECONCILIATION OF FUNDS			
Total funds brought forward	36,988	2,077,007	2,113,995
TOTAL FUNDS CARRIED FORWARD	<u>45,880</u>	<u>1,320,592</u>	<u>1,366,472</u>

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 December 2024	13,860	87,077	3,272	104,209
Additions	-	-	-	-
At 31 December 2024	<u>13,860</u>	<u>87,077</u>	<u>3,272</u>	<u>104,209</u>
DEPRECIATION				
At 1 December 2024	<u>1,617</u>	<u>12,215</u>	<u>900</u>	<u>14,732</u>
Charge for year	<u>2,772</u>	<u>17,415</u>	<u>1,080</u>	<u>21,267</u>
At 31 December 2024	<u>4,389</u>	<u>29,630</u>	<u>1,980</u>	<u>35,999</u>
NET BOOK VALUE				
At 31 December 2024	<u>9,471</u>	<u>57,447</u>	<u>1,292</u>	<u>68,210</u>
At 31 December 2023	<u>12,243</u>	<u>74,862</u>	<u>2,372</u>	<u>89,477</u>

11. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2024	948,639
Additions	-
Impairments	-
At 31 December 2024	<u>948,639</u>
PROVISIONS	
Charge for year	<u>19,100</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2024**11. HERITAGE ASSETS - continued**

At 31 December 2024	<u>929,539</u>
At 31 December 2023	<u>948,639</u>
NET BOOK VALUE	

The heritage assets held by the charity include the freehold of the Dockyard Church land, which was a gift to the charity in 2016 and is valued in the accounts at £1 (2023: £1) and the restored building, valued as below.

Summary analysis of heritage asset transactions:

	2024 £	2023 £	2022 £	2021 £	2020 £
Purchases					
Dockyard Church Freehold	-	-	-	-	-
Dockyard Church Renovation	<u>-</u>	<u>1,320,450</u>	<u>2,782,439</u>	<u>2,172,513</u>	<u>288,650</u>
Total additions	<u>-</u>	<u>1,320,450</u>	<u>2,782,439</u>	<u>2,172,513</u>	<u>288,650</u>
Charge for Impairment					
Dockyard Church Freehold		-	-	-	-
Dockyard Church Renovation	<u>-</u>	<u>(1,147,143)</u>	<u>(2,417,249)</u>	<u>(1,889,026)</u>	<u>(250,985)</u>
Total charge for impairment	<u>-</u>	<u>(1,147,143)</u>	<u>(2,417,249)</u>	<u>(1,889,026)</u>	<u>(250,985)</u>
Net change in assets before depreciation					
Dockyard Church Freehold		-	-	-	-
Dockyard Church Renovation	<u>-</u>	<u>173,307</u>	<u>365,190</u>	<u>283,487</u>	<u>37,665</u>
Total net change in assets after depreciation	<u>(19,100)</u>	<u>166,940</u>	<u>365,190</u>	<u>283,487</u>	<u>37,665</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2024**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.24	31.12.23
	£	£
Other debtors	18,467	7,000
VAT	-	15,731
Prepayments and accrued income	<u>55,393</u>	<u>53,628</u>
	<u>73,861</u>	<u>76,359</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade creditors	8,619	9,377
Other creditors	-	265,517
Accruals and deferred income	<u>1,250</u>	<u>221,475</u>
	<u>9,869</u>	<u>496,369</u>

14. SECURED DEBTS

The charity received grant funding from the National Heritage Memorial Fund, more commonly known as the National Heritage Lottery Fund, towards the refurbishment of the Sheerness Dockyard Church. As part of the grant agreement, the charity agreed to a number of conditions with regards to how the funding shall be spent and on some of the uses of the Dockyard Church upon the completion of the restoration works.

The National Heritage Memorial Fund hold a fixed charge over the Sheerness Dockyard Church, which it holds as security should any sums become payable to them arising from a breach of the terms and conditions of the grant funding.

15. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	45,880	54,553	-	100,433
Restricted funds				
Restoration of Sheerness Dockyard Church	1,028,116	239,314	253,920	1,521,352
Arts fund	29,876	(15,500)	-	14,376
QFT	8,678	(8,678)	-	-
Maintenance Fund	<u>253,920</u>	<u>-</u>	<u>(253,920)</u>	<u>-</u>
	<u>1,320,590</u>	<u>215,136</u>	<u>-</u>	<u>1,535,728</u>
TOTAL FUNDS	<u>1,366,472</u>	<u>269,689</u>	<u>-</u>	<u>1,636,161</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2024**15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	59,841	(5,288)	54,553
Restricted funds			
Restoration of Sheerness Dockyard			
Church	265,517	(26,203)	239,314
Arts fund		(15,500)	(15,500)
QFT	-	(8,678)	(8,678)
	<u>265,517</u>	<u>(50,381)</u>	<u>215,136</u>
TOTAL FUNDS	<u>331,191</u>	<u>(55,669)</u>	<u>269,689</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	36,988	9,794	(900)	45,882
Restricted funds				
Restoration of Sheerness Dockyard				
Church	1,999,541	717,505	(253,920)	1,028,116
Arts fund	64,589	(35,613)	900	29,876
QFT	-	(8,678)	-	8,678
Swale Borough Council fund	12,877	(12,877)	-	-
Maintenance Fund	-	-	253,920	253,920
	<u>2,077,077</u>	<u>(757,317)</u>	<u>900</u>	<u>1,320,590</u>
TOTAL FUNDS	<u>2,113,995</u>	<u>(747,523)</u>	<u>-</u>	<u>1,366,472</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2024**15. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	20,045	(10,251)	(9,794)
Restricted funds			
Restoration of Sheerness Dockyard			
Church	531,122	(1,248,817)	(717,505)
QFT	10,000	(1,322)	(8,678)
Arts fund	1	(35,614)	(35,613)
Swale Borough Council fund	-	(12,877)	(12,877)
	<u>541,313</u>	<u>(1,298,630)</u>	<u>(757,317)</u>
TOTAL FUNDS	<u>561,358</u>	<u>(1,308,881)</u>	<u>(747,523)</u>

The nature and purpose of each restricted fund is as follows:

Restoration of Sheerness Dockyard Church

The charity has received funds from numerous funding bodies and individuals, which are restricted to the costs of the restoration works of the Sheerness Dockyard Church. Upon completion of the restoration, the building is restricted for use to develop a 'Sheerness Enterprise Centre' and for the restoration project to deliver a programme of heritage activity including site-based apprenticeships/traineeships, volunteer training, guided tours, projects/resources for schools, and professional sharing/heritage careers awareness events.

Arts Fund

Funding received from the Art Fund is restricted to conserve, re-site and interpret the Sheerness Dockyard Model.

QFT

Funding received from the Queenborough Fishery Trust to be used towards the RACE furniture installed within the café and co-working areas.

Swale Borough Council Fund

Funding received from Swale Borough Council to support the charity's Sheerness Dockyard projects.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

16. RELATED PARTY DISCLOSURES

In 2024 there were no related party transactions, including donations, with entities that the trustees were actively involved in.

During the year ended 31 December 2023, the charitable company received a grant of £10,000 from Queenborough Fisheries, a trust in which A De Moubray, who was at that point a Trustee of the Dockyard Trust, was also a trustee.

See note 8 for details of transactions with trustees.

SHEERNESS DOCKYARD PRESERVATION TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2024

	31.12.24 £	31.12.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	160	627
Grants	<u>265,517</u>	<u>541,313</u>
	265,677	541,940
Investment income		
Rents received	58,680	19,417
Deposit account interest	<u>1,001</u>	<u>1</u>
	<u>59,681</u>	<u>19,418</u>
Total incoming resources	325,358	561,358
EXPENDITURE		
Raising donations and legacies		
Consultants	-	9,447
Memberships	49	-
Charitable activities		
Insurance	5,420	5,864
Light, heat, water	(14,386)	20,709
Advertising		28,219
Consultants	13,385	13,551
Operational Costs	6,324	32,103
Grounds & Maintenance	1,929	1,332
Impairment losses for heritage assets	<u>-</u>	<u>1,147,143</u>
	12,721	1,248,921
Other		
Entertaining	471	2,498
Support costs		
Management		
Sundries	34	13
Consultants	<u>-</u>	<u>9,447</u>
	34	9,460
Finance		
Trustees' expenses	-	433
Carried forward	-	433

This page does not form part of the statutory financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2024

	31.12.24 £	31.12.23 £
Finance		
Brought forward	-	433
Bank charges	102	104
Plant and machinery	2,772	1,617
Fixtures and fittings	17,415	12,215
Computer equipment	1,080	900
Heritage asset 2	<u>19,100</u>	<u>6,367</u>
	40,469	21,636
Information technology		
IT expenses	487	2,831
Governance costs		
Auditors' & examiners' remuneration	1,487	5,750
Legal & professional fees	-	5,788
Travel & Subsistence	<u>-</u>	<u>2,550</u>
	<u>1,487</u>	<u>14,088</u>
Total resources expended	<u>55,669</u>	<u>1,308,881</u>
Net income / (expenditure)	<u>269,689</u>	<u>(747,523)</u>

This page does not form part of the statutory financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST

England & Wales - Charity number 1160812

Accounts

REGISTERED COMPANY NUMBER: 09197223 (England and Wales)
REGISTERED CHARITY NUMBER: 1160812

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
SHEERNESS DOCKYARD PRESERVATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

SHEERNESS DOCKYARD PRESERVATION TRUST

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 26
Detailed Statement of Financial Activities	27 to 28

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Mission Statement

The Sheerness Dockyard Preservation Trust was founded in 2014 to campaign for the preservation of the historic buildings in and around the former Royal Naval Dockyard at Sheerness.

The Sheerness Dockyard Preservation Trust has two strategic aims

- To preserve for the benefit of the people of Sheerness and of the nation, the historical, architectural and constructional heritage that may exist in and around Sheerness, in particular in and around the former Royal Naval Dockyard in Sheerness.
- To advance the public education and interest in the history and architectural heritage of the local area.

Significant activities

The main activity that the Trust has recently completed is the restoration of the Dockyard Church building within the former Royal Naval Dockyard at Sheerness, and we are very proud that we have now brought the Church back to life as an enterprise centre, events space and cafe.

The trustees are now leasing the space to Fruitbowl Media Ltd to run the building as Island Works. A second phase project currently at initiation stage is to consider the Dockyard Model and explore the potential to create a permanent home for the entire model and enable visitor activities responding to this unique and sizeable artefact.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Volunteers

Currently the Charity does not utilise volunteers in its work, other than the time committed by Trustees in the work that they do in supervising the Dockyard Church project and overseeing the operation of the Charity.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Project Progress: The Sheerness Dockyard Church Project

This year saw the completion of our great project, a project which was conceived over a decade ago. The vision was to restore the burnt-out ruin of Grade II* Dockyard Church and revive it as a space which would contribute to the cultural life and economy both of Sheerness and the Isle of Sheppey as a whole. After establishing the new charity we developed the concept of a mixed use building with a business incubator space - with a focus on young people, and also public space where a range of events could take place, and visitors could better understand the history of the church and the dockyard as a whole - and where sections of the great Dockyard Model could be displayed.

Funding for the project came from a number of other trusts, foundations and individuals building on a core grant of £4.8m from the National Lottery Heritage Fund. Significant additional support came from Historic England.

During the works the envelope of this landmark historic building was lovingly conserved and repaired, brick and stonework made good and the missing windows replaced. The tower had to be completely dismantled then reconstructed - a new roof was installed and a modern interior inserted sensitively within the bare walls of this wonderful space. The surviving details and the scars of the building are now on display for all to see.

This time last year we were inching towards completion, but we were behind programme and costs were rising. Thanks to further support from both the Heritage Fund and Historic England we were able to keep the momentum. And crucially, we had by this time engaged Paul Andrews of Fruitbowl Media over the future lease and operation of the building. Paul's vision and formidable energy was exactly what we had been searching for from an end user. Fruitbowl signed a three-year lease for the building in May 2023 and IslandWorks was born, opening to the public in June.

The church was officially opened at a party on 7 June 2023 - and it was quite some party. The Sheppey Sea Cadets formed a guard of honour, and the Lord Lieutenant of Kent cut a cake surrounded by our friends, supporters and the assorted Great and Good of the county. Months later and the building is thriving. Many have come to the excellent café - which is drawing people from all over Kent.

Since opening, the church has hosted a craft fair, a psychic convention, and recently was filled with local artists for Art Week!

Further information & news updates are available on our website: <https://sdpt.org.uk/>

Operation of the Building:

The operating contract for the building was signed with Fruitbowl Media in June 2023, with the building opening to the public shortly afterwards.

They are working in partnership with a youth enterprise charity, The Kent Foundation, to manage young business incubation opportunities, venue and meeting room hire, a Co-Working space, and the running of the coffee shop, all under the banner of Island Works at the Dockyard Church.

Community Engagement:

Our freelance Community & Outreach Co-ordinator Allison Young continued to deliver the NLHF Activity Plan for the project, further developing links with Sheppey College and Oasis Academy School and through the Sheppey Development Forum.

Stand-alone projects included the 'Career Stories' and 'Tales from Dockyard Church' online projects - the latter being a written and oral history of people with connections to the church and dockyard. A time capsule was assembled and buried by students at the Oasis Academy on 20 April 2023.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

The Sheerness Dockyard Preservation Trust was delighted to hold its 2023 AGM in the restored Dockyard Church for the very first time, on Saturday the 4th of November, and a large crowd of project supporters and contributors attended.

The Dockyard Model:

The contract for displaying the Dockyard Model was awarded to local designers Andy and Sharon Feast who have worked extensively on exhibitions and displays in national museums. A costed proposal included a detailed survey of the model itself, now in store in Lincolnshire. This series of secure and movable display cases of different sizes they designed have now been fabricated, are now on display within the ground floor areas of the restored building, showing model sections to the public for the very first time. The sections of the Model are now on display in the Church, the extant Quadrangular store and the Admiralty house, and the surviving Naval terrace and Dockyard Church.

Communications and Heritage:

IslandWorks together with the Kent Foundation held a Community Open Day on Saturday the 22nd of July 2023 to highlight the fantastic new facilities, business opportunities and support available at the Dockyard Church.

A heritage Open Day in September 2023 brought over 120 people to the site for guided tours around the building, with talks on the building's history from Trustees.

The objectives relating to the operation of the Enterprise Centre at the Dockyard Church are effectively completed; the building having been leased to Fruitbowl media who are working with the Kent Foundation and the Pyramid Project to help young people with training and employment needs.

The restoration of the Dockyard Church Building saw practical completion achieved in July 2023.

Fundraising activities

The fundraising campaign for the building restoration Project was completed over two years ago, the trustees are currently exploring specific fundraising campaigns to support the housing and associated operations of the great Dockyard Model to support the Charity at this time.

FINANCIAL REVIEW

Financial position

As the main construction phase of the Dockyard Church Restoration Project completed in July 2023, 2023 saw a decrease in the outgoing resources for the Charity.

The total incoming resources were £826,875, down from £2,257,458 in the prior year. However, we have provided for a potential clawback of National Heritage Lottery Funding of £265,517, the position of which will be determined in the new financial year.

The majority of this income is recognised as resources expended through the impairment charge for the Dockyard Church restoration project.

Restricted funds as at the year end were £1,321,912 (2022: £2,077,007). Unrestricted funds at the year end were £44,560 (2022: 36,988).

Principal funding sources

All pledged funds have now been received. A further grant from the Art Fund relating to the dockyard model will be completed once 3D scanning of the model has been completed in its new storage space in Kent. We are enormously grateful to all our supporters for giving so generously to this landmark project.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

FINANCIAL REVIEW

Reserves policy

Restricted funds include any donations which have been granted to the Trust for a specific purpose such as project work or contributions to a capital works programme.

Unrestricted funds are any funds which have been donated to, or earned by the charity, which are not designated against a particular spending stream and can be spent by the charity to further its charitable aims.

Reserves are maintained to ensure the ability of the Charity to manage cashflow issues and to enable it to achieve its objects and ambitions.

Our current reserves policy is that we are seeking to ensure that we have sums sufficient to cover the estimated cost of operation of the Enterprise Centre for a period of 6 months plus 10%.

At the start of the year, the total of unrestricted reserves was £36,988.

At the end of the 2023 financial period, unrestricted reserves were £44,560.

Going concern

After making appropriate enquiries, and consideration of forecasts prepared for the next 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

There are no specific concerns amongst the Board of Trustees at the point of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, the Memorandum & Articles of Association dated 01/09/2014, and as amended by special resolution dated 20/02/2015, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees, and no more than twelve.

At the annual general meeting one third of the trustees must retire, with those longest in office retiring first and the choice between any of equal service being made by drawing lots.

If the Charity, at the meeting at which a trustee retires by rotation, does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Prospective trustees are recommended by existing trustees to join the board of trustees, or advertisements are placed in the local press.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee Background & Skills

The Sheerness Dockyard Preservation Trust is formed of eleven Trustees who bring together a range of experience from heritage restoration, conservation, architectural design and history, business and commercial management, project co-ordination, community engagement, design and finance.

The Trust Chair during 2023, William Palin, is now the Chief Executive of St Barts Heritage, and was formerly Director of Conservation at the Old Royal Naval College in Greenwich. He has a wealth of experience in leading and delivering high-profile government funded projects, and led the Painted Hall conservation project at Greenwich. Will stepped down as Chair in 2024.

The new Chair of the Trust, Kevin Moore, has a wealth of experience in community & charity leadership and management, and is currently Chair of the Board of East End Homes, Tower Hamlets' largest registered social landlord, as well as Chair of the Charitable Trust of the Worshipful Company of Communicators. He was previously Chief Executive of Stepney City Farm, and Walworth Garden Farm, and Chair of the Hackney Society.

Details of other Trustees are available on the Trust website.

Reporting Structure

The Trust holds quarterly Trustee meetings, along with an Annual General Meeting (AGM). The meetings are minuted and circulated to all Trustees.

In addition to these, as part of the Dockyard Church Project, which received 'Permission to Start' from the Heritage Lottery Fund in May 2017, regular Project meetings also take place.

- Monthly project board meetings, with all members of the Project team and Trustees to discuss on-going progress of the Project
- Quarterly Advisory panel meetings, comprising of a variety of individuals bringing knowledge and advice to the project.

Induction and training of new trustees

All trustees are inducted with the Charity Commission charity trustee 'welcome pack' handbook and provided with regular updates issued by the charity commission. At each meeting of trustees, any declaration of interests or conflicts should they arise are minuted. This to prevent them from affecting any decision or the decision-making process.

On occasion, where the trustees consider there may be a skills deficit within the board, the trustees seek to fulfil their duties by seeking independent expert advice on specific matters. Trustees were selected for the individual skills and experience they could bring to the board in order to effectively manage the charity and help achieve its aims and objectives.

As with all charities funds are limited, and trustees are 'up skilled' with training, advice & guidance from the specialist knowledge of fellow trustees on particular matters.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Overview: The Dockyard Church Project's professional team:

Project Management

The Project was managed by Glevum consulting, Director Simon Hawkins. Glevum consulting are a highly experienced heritage business consulting team. Since 2002 Glevum have delivered £40M of capital projects and activity plans. Glevum has project managed many HLF funded projects including the restoration of Turners House, Twickenham (£2.3M), the restoration and conservation of St Alfege Church, Greenwich (£2.7M) and the Painted Hall project Greenwich (£9.5M HLF funded).

Architect Team

The principal Design Architects were Hugh Broughton Architects who have many years of experience working on renovation and conservation projects both in the UK and abroad. They worked on the conservation of the Painted Hall at the Old Royal Naval College at Greenwich. They have been the lead design team on projects including the design of a new gallery to house the Portland Collection in Nottinghamshire, the design of a new East Wing at Maidstone Museum and more notably for a series of remote projects including the impressive and innovative Halley VI Antarctic Research Station and the Juan Carlos 1, Spanish Antarctic Base.

HBA partnered with Martin Ashley Architects who have overseen the recent stabilisation work and will provide specialist conservation advice for the project build.

As part of the Architect led Team HBA engaged Structural engineering firm Hockley and Dawson. MEP engineering firm Harley Haddow and Acoustics consultant Ramboll UK Ltd.

Cost Consultant

PT projects were engaged as Cost Consultants. PT Projects have worked on several significant Heritage Projects including Abingdon County Hall & Museum, Museum of the Order of St John, Orleans House & Gallery (Richmond) and Wat Tyler Country Park (Basildon).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09197223 (England and Wales)

Registered Charity number

1160812

Registered office

4 Naval Terrace
Sheerness
ME12 1RR

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees

W M Palin (resigned 29.6.24)
A Byrne (Vice chairman)
J E Baker (Treasurer)
K J Moore (Chairman)
C D Foulds
A W Deeley
J Webb
M Brown
A K De Moubray
S Taylor
E J Barnard

Company Secretary

J E Baker

Auditors

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Sheerness Dockyard Preservation Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ...27th September 2024..... and signed on its behalf by:

Digitally signed by John
Baker
John Baker
Date: 2024.09.27
16:16:33 +01'00'
.....
Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SHEERNESS DOCKYARD PRESERVATION TRUST

Opinion

We have audited the financial statements of Sheerness Dockyard Preservation Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SHEERNESS DOCKYARD PRESERVATION TRUST

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act 2006, Charities Act 2011 and UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

Date:

SHEERNESS DOCKYARD PRESERVATION TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted fund £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	627	541,313	541,940	2,257,458
Investment income	3	<u>19,418</u>	<u>-</u>	<u>19,418</u>	<u>-</u>
Total		<u>20,045</u>	<u>541,313</u>	<u>561,358</u>	<u>2,257,458</u>
EXPENDITURE ON					
Raising funds	4	-	9,447	9,447	12,558
Charitable activities	5				
Dockyard Preservation		8,305	1,288,631	1,296,936	2,526,526
Other		<u>1,948</u>	<u>550</u>	<u>2,498</u>	<u>-</u>
Total		<u>10,253</u>	<u>1,298,628</u>	<u>1,308,881</u>	<u>2,539,084</u>
NET INCOME/(EXPENDITURE)		9,792	(757,315)	(747,523)	(281,626)
Transfers between funds	15	<u>(900)</u>	<u>900</u>	<u>-</u>	<u>-</u>
Net movement in funds		8,892	(756,415)	(747,523)	(281,626)
RECONCILIATION OF FUNDS					
Total funds brought forward		36,988	2,077,007	2,113,995	2,395,621
TOTAL FUNDS CARRIED FORWARD		<u><u>45,880</u></u>	<u><u>1,320,592</u></u>	<u><u>1,366,472</u></u>	<u><u>2,113,995</u></u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST (REGISTERED NUMBER: 09197223)**BALANCE SHEET**
31 DECEMBER 2023

	Notes	Unrestricted fund £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
FIXED ASSETS					
Tangible assets	10	1,322	88,155	89,477	-
Heritage assets	11	<u>1</u>	<u>948,638</u>	<u>948,639</u>	<u>781,699</u>
		1,323	1,036,793	1,038,116	781,699
CURRENT ASSETS					
Debtors	12	6,999	69,360	76,359	734,215
Cash at bank		<u>37,560</u>	<u>710,806</u>	<u>748,366</u>	<u>1,166,796</u>
		44,559	780,166	824,725	1,901,011
CREDITORS					
Amounts falling due within one year	13	-	(496,369)	(496,369)	(568,715)
		<u></u>	<u></u>	<u></u>	<u></u>
NET CURRENT ASSETS		<u>44,559</u>	<u>283,797</u>	<u>328,356</u>	<u>1,332,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>45,882</u>	<u>1,320,590</u>	<u>1,366,472</u>	<u>2,113,995</u>
NET ASSETS		<u>45,882</u>	<u>1,320,590</u>	<u>1,366,472</u>	<u>2,113,995</u>
FUNDS	15				
Unrestricted funds				45,882	36,988
Restricted funds				<u>1,320,590</u>	<u>2,077,007</u>
TOTAL FUNDS				<u>1,366,472</u>	<u>2,113,995</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on ...27th September 2024..... and were signed on its behalf by:

Digitally signed by
John Baker
 John Baker
 Date: 2024.09.27
 16:15:23 +01'00'

 Trustee

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31.12.23 £	31.12.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,006,228</u>	<u>2,189,875</u>
Net cash provided by operating activities		<u>1,006,228</u>	<u>2,189,875</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(104,209)	-
Purchase of heritage assets		(1,320,450)	(2,782,439)
Interest received		<u>1</u>	<u>-</u>
Net cash used in investing activities		<u>(1,424,658)</u>	<u>(2,782,439)</u>
 Change in cash and cash equivalents in the reporting period		 (418,430)	 (592,564)
Cash and cash equivalents at the beginning of the reporting period		<u>1,166,796</u>	<u>1,759,360</u>
 Cash and cash equivalents at the end of the reporting period		 <u><u>748,366</u></u>	 <u><u>1,166,796</u></u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.23 £	31.12.22 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(747,523)	(281,626)
Adjustments for:		
Depreciation charges	21,099	-
Interest received	(1)	-
Impairment of heritage assets	1,147,143	2,417,249
Decrease/(increase) in debtors	657,856	(115,349)
(Decrease)/increase in creditors	(72,346)	169,601
Net cash provided by operations	<u>1,006,228</u>	<u>2,189,875</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank	<u>1,166,796</u>	<u>(418,430)</u>	<u>748,366</u>
	<u>1,166,796</u>	<u>(418,430)</u>	<u>748,366</u>
Total	<u>1,166,796</u>	<u>(418,430)</u>	<u>748,366</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

General information

Sheerness Dockyard Preservation Trust is a registered charity in England and Wales and a company limited by guarantee. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Basis of preparing the financial statements

The Trustees acknowledge their responsibility for ensuring that the company keeps accounting records that comply with the requirements of the Companies Act, and which give a fair and true view of the state of affairs of the company as at the end of the financial year, and these financial statements have been prepared in accordance with these provisions, and with the Charities Act.

Statement of compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable entities preparing their accounts in accordance with the Financial Reporting Standard 102. The charity constitutes a Public Benefit Entity as defined by FRS 102.

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.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Impairment of heritage assets:

Due to the considerable conservation deficit in the Dockyard Church project, the costs incurred on the project are being impaired on a straight line basis at a rate of 87% which recognises the value of the completed building as a % of the total project cost. The Church Building valuation was assessed by Caxtons Chartered Surveyors in May 2018. The cost of project activity during 2023 was £1,320,450, resulting in an increase to net book value of £166,940.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

In the case of performance related grants, income has only been recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Heritage assets

Heritage assets are carried at cost, net of depreciation and any provision for impairment.

The heritage asset has previously been under construction, with construction completing in June 2023. The building was brought in to use in July 2023 from which point depreciation should apply.

The heritage asset was initially donated to the Trust and recognised at £1. Restoration costs are capitalised and then impaired so that the asset is held at its estimated post restoration value.

In 2020 the charity were gifted the Sheerness Dockyard Model by English Heritage, which is believed to have originally been produced by John Rennie as part of the Dockyard's expansion works which began on 23rd December 1813. As information on the cost or valuation of this asset cannot be obtained at a cost commensurate with the benefit to the users of these accounts, and in accordance with the Charities SORP, this asset is not recognised within the charity's heritage assets.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**2. DONATIONS AND LEGACIES**

	31.12.23	31.12.22
	£	£
Donations	627	-
Grants	<u>541,313</u>	<u>2,257,458</u>
	<u>541,940</u>	<u>2,257,458</u>

3. INVESTMENT INCOME

	31.12.23	31.12.22
	£	£
Rents received	19,417	-
Deposit account interest	<u>1</u>	<u>-</u>
	<u>19,418</u>	<u>-</u>

4. RAISING FUNDS**Raising donations and legacies**

	31.12.23	31.12.22
	£	£
Consultants	<u>9,447</u>	<u>12,558</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Dockyard Preservation	<u>1,248,921</u>	<u>48,015</u>	<u>1,296,936</u>

6. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Dockyard Preservation	<u>9,460</u>	<u>21,636</u>	<u>2,831</u>	<u>14,088</u>	<u>48,015</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.23	31.12.22
	£	£
Auditors' remuneration	5,750	5,000
Depreciation - owned assets	<u>14,732</u>	<u>-</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

During the year ended 31 December 2023, one trustee was reimbursed expenses of £433 (2022: two trustees were reimbursed expenses of £1,322) as follows:-

	2023	2022
W Palin - Travel & subsistence	-	999
W Palin - Utility reimbursement	-	275
M Brown - Lock & chain	-	48
K Moore - Launch event refreshments	<u>433</u>	<u>-</u>
	<u>433</u>	<u>1,322</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	<u>-</u>	<u>2,257,458</u>	<u>2,257,458</u>
EXPENDITURE ON			
Raising funds	-	12,558	12,558
Charitable activities			
Dockyard Preservation	<u>6,532</u>	<u>2,519,994</u>	<u>2,526,526</u>
Total	<u>6,532</u>	<u>2,532,552</u>	<u>2,539,084</u>
NET INCOME/(EXPENDITURE)	(6,532)	(275,094)	(281,626)

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	43,520	2,352,101	2,395,621
TOTAL FUNDS CARRIED FORWARD	<u>36,988</u>	<u>2,077,007</u>	<u>2,113,995</u>

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
Additions	<u>13,860</u>	<u>87,077</u>	<u>3,272</u>	<u>104,209</u>
DEPRECIATION				
Charge for year	<u>1,617</u>	<u>12,215</u>	<u>900</u>	<u>14,732</u>
NET BOOK VALUE				
At 31 December 2023	<u>12,243</u>	<u>74,862</u>	<u>2,372</u>	<u>89,477</u>
At 31 December 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

11. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2023	781,699
Additions	1,320,450
Impairments	<u>(1,147,143)</u>
At 31 December 2023	<u>955,006</u>
PROVISIONS	
Charge for year	<u>6,367</u>
NET BOOK VALUE	
At 31 December 2023	<u>948,639</u>
At 31 December 2022	<u>781,699</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**11. HERITAGE ASSETS - continued**

Summary analysis of heritage asset transactions:

	2023 £	2022 £	2021 £	2020 £	2019 £
Purchases					
Dockyard Church Freehold	-	-	-	-	-
Dockyard Church Renovation	1,320,450	2,782,439	2,172,513	288,650	205,592
Total additions	<u>1,320,450</u>	<u>2,782,439</u>	<u>2,172,513</u>	<u>288,650</u>	<u>205,592</u>
Charge for Impairment					
Dockyard Church Freehold		-	-	-	-
Dockyard Church Renovation	(1,147,143)	(2,417,249)	(1,889,026)	(250,985)	(178,765)
Total charge for impairment	<u>(1,147,143)</u>	<u>(2,417,249)</u>	<u>(1,889,026)</u>	<u>(250,985)</u>	<u>(178,765)</u>
Net change in assets before depreciation					
Dockyard Church Freehold		-	-	-	-
Dockyard Church Renovation	173,307	365,190	283,487	37,665	26,827
Total net change in assets after depreciation	<u>166,940</u>	<u>365,190</u>	<u>283,487</u>	<u>37,665</u>	<u>26,827</u>

The heritage assets held by the charity include the freehold of the Dockyard Church, which was a gift to the charity in 2016 and is valued in the accounts at £1 (2022: £1), and the restoration works to the Church which completed in June 2023 and are valued in the accounts at £948,638 (2022: £781,699).

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £	31.12.22 £
Other debtors	7,000	475,855
VAT	15,731	181,291
Prepayments and accrued income	<u>53,628</u>	<u>77,069</u>
	<u>76,359</u>	<u>734,215</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.23	31.12.22
	£	£
Trade creditors	9,377	207,228
Other creditors	265,517	141,526
Accruals and deferred income	<u>221,475</u>	<u>219,961</u>
	<u>496,369</u>	<u>568,715</u>

14. SECURED DEBTS

The charity received grant funding from the National Heritage Memorial Fund, more commonly known as the National Heritage Lottery Fund, towards the refurbishment of the Sheerness Dockyard Church. As part of the grant agreement, the charity agreed to a number of conditions with regards to how the funding shall be spent and on some of the uses of the Dockyard Church upon the completion of the restoration works.

The National Heritage Memorial Fund hold a fixed charge over the Sheerness Dockyard Church, which it holds as security should any sums become payable to them arising from a breach of the terms and conditions of the grant funding.

15. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	36,988	9,794	(900)	45,882
Restricted funds				
Restoration of Sheerness Dockyard Church	1,999,541	(717,505)	(253,920)	1,028,116
Arts fund	64,589	(35,613)	900	29,876
QFT	-	8,678	-	8,678
Swale Borough Council fund	12,877	(12,877)	-	-
Maintenance Fund	<u>-</u>	<u>-</u>	<u>253,920</u>	<u>253,920</u>
	<u>2,077,007</u>	<u>(757,317)</u>	<u>900</u>	<u>1,320,590</u>
TOTAL FUNDS	<u>2,113,995</u>	<u>(747,523)</u>	<u>-</u>	<u>1,366,472</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	20,045	(10,251)	9,794
Restricted funds			
Restoration of Sheerness Dockyard Church	531,312	(1,248,817)	(717,505)
Arts fund	1	(35,614)	(35,613)
QFT	10,000	(1,322)	8,678
Swale Borough Council fund	-	(12,877)	(12,877)
	<u>541,313</u>	<u>(1,298,630)</u>	<u>(757,317)</u>
TOTAL FUNDS	<u>561,358</u>	<u>(1,308,881)</u>	<u>(747,523)</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	43,520	(6,532)	36,988
Restricted funds			
Restoration of Sheerness Dockyard Church	2,266,727	(267,186)	1,999,541
Arts fund	64,589	-	64,589
QFT	390	(390)	-
Swale Borough Council fund	20,395	(7,518)	12,877
	<u>2,352,101</u>	<u>(275,094)</u>	<u>2,077,007</u>
TOTAL FUNDS	<u>2,395,621</u>	<u>(281,626)</u>	<u>2,113,995</u>

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2023**

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	-	(6,532)	(6,532)
Restricted funds			
Restoration of Sheerness Dockyard Church	2,257,458	(2,524,644)	(267,186)
QFT	-	(390)	(390)
Swale Borough Council fund	-	(7,518)	(7,518)
	<u>2,257,458</u>	<u>(2,532,552)</u>	<u>(275,094)</u>
TOTAL FUNDS	<u>2,257,458</u>	<u>(2,539,084)</u>	<u>(281,626)</u>

The nature and purpose of each restricted fund is as follows:

Restoration of Sheerness Dockyard Church

The charity has received funds from numerous funding bodies and individuals, which are restricted to the costs of the restoration works of the Sheerness Dockyard Church. Upon completion of the restoration, the building is restricted for use to develop a 'Sheerness Enterprise Centre' and deliver a programme of heritage activity including site-based apprenticeships/traineeships, volunteer training, guided tours, projects/resources for schools, and professional sharing/heritage careers awareness events.

Arts Fund

Funding received from the Art Fund is restricted to conserve, re-site and interpret the Sheerness Dockyard Model.

QFT

Funding received from the Queenborough Fishery Trust to be used toward the charity's reminisce project.

Swale Borough Council Fund

Funding received from Swale Borough Council to support the charity's Sheerness Dockyard projects.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

16. CAPITAL COMMITMENTS

	31.12.23	31.12.22
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>356,819</u>

17. RELATED PARTY DISCLOSURES

During the year ended 31 December 2023, the charitable company received a grant of £10,000 from Queenborough Fisheries, a trust in which A De Moubray is also a trustee.

In the prior year there were no related party transactions, including donations, with entities that the trustees were actively involved in.

See note 8 for details of transactions with trustees.

SHEERNESS DOCKYARD PRESERVATION TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2023

	31.12.23 £	31.12.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	627	-
Grants	<u>541,313</u>	<u>2,257,458</u>
	541,940	2,257,458
Investment income		
Rents received	19,417	-
Deposit account interest	<u>1</u>	<u>-</u>
	<u>19,418</u>	<u>-</u>
Total incoming resources	561,358	2,257,458
EXPENDITURE		
Raising donations and legacies		
Consultants	9,447	12,558
Charitable activities		
Insurance	5,864	5,074
Light and heat	20,709	23,715
Advertising	28,219	35,315
Consultants	13,551	10,500
Operational Costs	32,103	14,500
Grounds & Maintenance	1,332	1,032
Impairment losses for heritage assets	<u>1,147,143</u>	<u>2,417,249</u>
	1,248,921	2,507,385
Other		
Entertaining	2,498	-
Support costs		
Management		
Sundries	13	13
Consultants	<u>9,447</u>	<u>12,558</u>
	9,460	12,571
Finance		
Trustees' expenses	433	-
Carried forward	433	-

This page does not form part of the statutory financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2023

	31.12.23 £	31.12.22 £
Finance		
Brought forward	433	-
Bank charges	104	102
Plant and machinery	1,617	-
Fixtures and fittings	12,215	-
Computer equipment	900	-
Heritage asset 2	<u>6,367</u>	<u>-</u>
	21,636	102
Information technology		
IT expenses	2,831	498
Governance costs		
Auditors' remuneration	5,750	5,000
Legal & professional fees	5,788	-
Travel & Subsistence	<u>2,550</u>	<u>970</u>
	<u>14,088</u>	<u>5,970</u>
Total resources expended	<u>1,308,881</u>	<u>2,539,084</u>
Net expenditure	<u>(747,523)</u>	<u>(281,626)</u>

This page does not form part of the statutory financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST

England & Wales - Charity number 1160812

Accounts

REGISTERED COMPANY NUMBER: 09197223 (England and Wales)
REGISTERED CHARITY NUMBER: 1160812

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

SHEERNESS DOCKYARD PRESERVATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

SHEERNESS DOCKYARD PRESERVATION TRUST

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 25

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Mission Statement

The Sheerness Dockyard Preservation Trust was founded in 2014 to campaign for the preservation of the historic buildings in and around the former Royal Naval Dockyard at Sheerness.

The Sheerness Dockyard Preservation Trust has two strategic aims

- To preserve for the benefit of the people of Sheerness and of the nation, the historical, architectural and constructional heritage that may exist in and around Sheerness, in particular in and around the former Royal Naval Dockyard in Sheerness.
- To advance the public education and interest in the history and architectural heritage of the local area.

Significant activities

The main activity that the Trust is pursuing currently is the restoration of the ruined Dockyard Church building within the former Royal Naval Dockyard at Sheerness, and is now in the construction phase of the building project that will see the Church brought back to life as an Enterprise Centre.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Volunteers

Currently the Charity doesn't utilise volunteers in its work, other than the time committed by Trustees in the work that they do in supervising the Dockyard Church project, and overseeing the operation of the Charity.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Project Progress: The Sheerness Dockyard Church Project

The transformation of Dockyard Church continued during 2022 with activity focussing on the re-roofing of the building which continued in 2022 after the 5 large glulam (laminated timber) trusses had been installed. The zinc gutters and flashings were completed, the slates laid, the rooflights installed and the interior timber slatting fixed and painted by August 2022 allowing the interior scaffolding to come down.

Elsewhere, the new windows were installed at first floor level, the first fix of the services was completed and the concrete floor poured and polished. The revised project completion date was extended into 2023, due to supply chain complications.

Special events and visits included National Heritage Open Day event in September 2022 when visitors were given tours of the building by the contractor and trustees. On 4 August 2022 the trustees gave the first tour of the re-roofed interior. This was, appropriately, for the Sheppey History Society.

Further information & news updates are available on our website: <https://sdpt.org.uk/>

Future Operation of the Building:

The operating contract for the building was developed with Fruitbowl media, and signed in July 2023, with the building opening to the public shortly afterwards.

Community Engagement:

Our freelance Community & Outreach Co-ordinator Allison Young continued to deliver the NLHF Activity Plan for the project, further developing links with Sheppey College and Oasis Academy School and through the Sheppey Development Forum.

Stand-alone projects included the 'Career Stories' and 'Tales from Dockyard Church' online projects - the latter being a written and oral history of people with connections to the church and dockyard.

The Dockyard Model:

The contract for displaying the Dockyard Model was awarded to local designers Andy and Sharon Feast who have worked extensively on exhibitions and displays in national museums. A costed proposal included a detailed survey of the model itself, now in store in Lincolnshire. This series of secure and movable display cases of different sizes they designed have now been fabricated, are now on display within the ground floor areas of the restored building, showing model sections to the public for the very first time.

Communications and Heritage:

A heritage Open Day in September 2022 brought over a hundred people to the site for guided tours around the building, with talks on the building's history from Trustees, and Project approach from the Contractor's Contracts Manager.

The objectives relating to the operation of the Enterprise Centre at the Dockyard Church are currently in development as an appendix to the contract for the Managing Agent.

The restoration of the Dockyard Church Building continues in line with the Project Plan submitted to the National Heritage Lottery Fund as a component of the 'Permission to Start' process, although there have been some slippages to the original timescale, partially due to issues linked to the Covid lockdown, and practical completion was achieved in July 2023.

Fundraising activities

The fundraising campaign for the Project was completed over two years ago, and there are no specific fundraising campaigns in operation to support the Charity at this time.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW

Financial position

As the main construction phase of the Dockyard Church Restoration Project commenced at the end of 2020, 2022 saw a large increase in the incoming resources for the Charity, as increased claims including construction costs were submitted to the NHLF, the project's principal funder, throughout this period, along with increased releases of deferred income from the Projects other funders.

Owing to this, the total deferred income at the end of the year had fallen to £nil.

The total incoming resources were £2,257,458, up from £1,532,542 in the prior year.

The majority of this income is recognised as resources expended through the impairment charge for the Dockyard Church restoration project.

Principal funding sources

All pledged funds have now been received. A further grant from the Art Fund relating to the dockyard model will be completed once 3D scanning of the model has been completed in its new storage space in Kent. All current funders receive regular briefings from project administrator Catherine Hawkins.

We are enormously grateful to all our supporters for giving so generously to this landmark project.

Reserves policy

Restricted funds include any donations which have been granted to the Trust for a specific purpose such as project work or contributions to a capital works programme.

Unrestricted funds are any funds which have been donated to, or earned by the charity, which are not designated against a particular spending stream and can be spent by the charity to further its charitable aims.

Reserves are maintained to ensure the ability of the Charity to manage cashflow issues and to enable it to achieve its objects and ambitions.

Our current reserves policy is that we are seeking to ensure that we have sums sufficient to cover the estimated cost of operation of the Enterprise Centre for a period of 3 months plus 10%.

If our unrestricted reserves at the point that the building becomes operational are not yet at this stage, we will undertake an additional fundraising program to ensure that this is addressed, although the funding model applied by the National Heritage Lottery Fund included a Management & Maintenance payment at 100% at the end of the project and this would also help address any issues identified in relation to reserves at the point that initial operation of the Dockyard Church building commences.

At the start of the year, the total of unrestricted reserves was £43,520.

At the end of the 2022 financial period, unrestricted reserves were £36,988.

Going concern

After making appropriate enquiries, and consideration of forecasts prepared for the next 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

There are no specific concerns amongst the Board of Trustees at the point of this report.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, the Memorandum & Articles of Association dated 01/09/2014, and as amended by special resolution dated 20/02/2015, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees, and no more than twelve.

At the annual general meeting one third of the trustees must retire, with those longest in office retiring first and the choice between any of equal service being made by drawing lots.

If the Charity at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Prospective trustees are recommended by existing trustees to join the board of trustees, or advertisements are placed in the local press.

Trustee Background & Skills

The Sheerness Dockyard Preservation Trust is formed of eleven Trustees who bring together a range of experience from heritage restoration, conservation, architectural design and history, business and commercial management, project co-ordination, community engagement, design and finance.

The Trust Chairman, William Palin is now the Chief Executive of St Barts Heritage, and was formerly Director of Conservation at the Old Royal Naval College in Greenwich. He has a wealth of experience in leading and delivering similar high-profile government funded projects. He led the Painted Hall conservation project at Greenwich. This was a £9.5 million HLF funded project to clean and conserve over 40,000 square feet of the magnificent Grade I listed Painted Hall wall and ceiling paintings.

Details of other Trustees are available on the Trust website.

The Trust holds quarterly Trustee meetings, along with an Annual General Meeting (AGM). The meetings are minuted and circulated to all Trustees.

In addition to these, as part of the Dockyard Church Project, which received 'Permission to Start' from the Heritage Lottery Fund in May 2017, regular Project meetings also take place.

- Monthly project board meetings, with all members of the Project team and Trustees to discuss on-going progress of the Project
- Quarterly Advisory panel meetings, comprising of a variety of individuals bringing knowledge and advice to the project.

Reporting Structure

The Trust holds quarterly Trustee meetings, along with an Annual General Meeting (AGM). The meetings are minuted and circulated to all Trustees.

In addition to these, as part of the Dockyard Church Project, which received 'Permission to Start' from the Heritage Lottery Fund in May 2017, regular Project meetings also take place.

- Monthly project board meetings, with all members of the Project team and Trustees to discuss on-going progress of the Project
- Quarterly Advisory panel meetings, comprising of a variety of individuals bringing knowledge and advice to the project.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All trustees are inducted with the Charity Commission charity trustee 'welcome pack' handbook and provided with regular updates issued by the charity commission. At each meeting of trustees, any declaration of interests or conflicts should they arise are minuted. This to prevent them from affecting any decision or the decision-making process.

On occasion, where the trustees consider there may be a skills deficit within the board, the trustees seek to fulfil their duties by seeking independent expert advice on specific matters. Trustees were selected for the individual skills and experience they could bring to the board in order to effectively manage the charity and help achieve its aims and objectives.

Overview: The Dockyard Church Project's professional team:

Project Management

The Project is managed by Glevum consulting, Director Simon Hawkins. Glevum consulting are a highly experienced heritage business consulting team. Since 2002 Glevum have delivered £40M of capital projects and activity plans. Glevum has project managed many HLF funded projects including the restoration of Turners House, Twickenham (£2.3M), the restoration and conservation of St Alfege Church, Greenwich (£2.7M) and the Painted Hall project Greenwich (£9.5M HLF funded).

Architect Team

The principal Design Architects are Hugh Broughton Architects who have many years of experience working on renovation and conservation projects both in the UK and abroad. They worked on the conservation of the Painted Hall at the Old Royal Naval College at Greenwich. They have been the lead design team on projects including the design of a new gallery to house the Portland Collection in Nottinghamshire, the design of a new East Wing at Maidstone Museum and more notably for a series of remote projects including the impressive and innovative Halley VI Antarctic Research Station and the Juan Carlos 1, Spanish Antarctic Base.

HBA have partnered with Martin Ashley Architects who have overseen the recent stabilisation work and will provide specialist conservation advice for the project build.

As part of the Architect led Team HBA have engaged Structural engineering firm Hockley and Dawson. MEP engineering firm Harley Haddow and Acoustics consultant Ramboll UK Ltd.

Cost Consultant

PT projects have been engaged as Cost Consultants. PT Projects have worked on several significant Heritage Projects including Abingdon County Hall & Museum, Museum of the Order of St John, Orleans House & Gallery (Richmond) and Wat Tyler Country Park (Basilidon).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09197223 (England and Wales)

Registered Charity number

1160812

Registered office

4 Naval Terrace
Sheerness
ME12 1RR

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

W M Palin Chairman
A Byrne Vice chairman
J E Baker Treasurer
K J Moore
C D Foulds
A W Deeley
J Webb
M Brown
Mrs A K De Moubray
S Taylor
E J Bamard

Company Secretary

J E Baker

Auditors

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Comforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Sheerness Dockyard Preservation Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

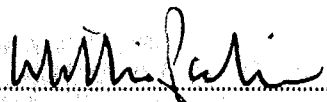
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 28/9/23 and signed on its behalf by:


.....
W M Palin - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

Opinion

We have audited the financial statements of Sheerness Dockyard Preservation Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act 2006, Charities Act 2011 and UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

↪

Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Comforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

Date: Sep 28, 2023
.....

SHEERNESS DOCKYARD PRESERVATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	2,257,458	2,257,458	1,532,542
EXPENDITURE ON					
Raising funds	3	-	12,558	12,558	12,434
Charitable activities	4				
Dockyard Preservation		6,532	2,519,994	2,526,526	1,933,772
Total		6,532	2,532,552	2,539,084	1,946,206
NET INCOME/(EXPENDITURE)		(6,532)	(275,094)	(281,626)	(413,664)
RECONCILIATION OF FUNDS					
Total funds brought forward		43,520	2,352,101	2,395,621	2,809,285
TOTAL FUNDS CARRIED FORWARD		36,988	2,077,007	2,113,995	2,395,621

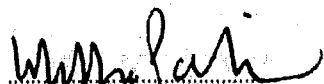
The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2022

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Heritage assets	9	1	781,698	781,699	416,509
CURRENT ASSETS					
Debtors	10	9,919	724,296	734,215	618,866
Cash at bank		27,068	1,139,728	1,166,796	1,759,360
		<u>36,987</u>	<u>1,864,024</u>	<u>1,901,011</u>	<u>2,378,226</u>
CREDITORS					
Amounts falling due within one year	11	-	(568,715)	(568,715)	(399,114)
NET CURRENT ASSETS		<u>36,987</u>	<u>1,295,309</u>	<u>1,332,296</u>	<u>1,979,112</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>36,988</u>	<u>2,077,007</u>	<u>2,113,995</u>	<u>2,395,621</u>
NET ASSETS		<u>36,988</u>	<u>2,077,007</u>	<u>2,113,995</u>	<u>2,395,621</u>
FUNDS	13				
Unrestricted funds				36,988	43,520
Restricted funds				<u>2,077,007</u>	<u>2,352,101</u>
TOTAL FUNDS				<u>2,113,995</u>	<u>2,395,621</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 28/9/23 and were signed on its behalf by:


W M Palin - Trustee

SHEERNESS DOCKYARD PRESERVATION TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>2,189,875</u>	<u>1,981,313</u>
Net cash provided by operating activities		<u>2,189,875</u>	<u>1,981,313</u>
 Cash flows from investing activities			
Purchase of heritage assets		<u>(2,782,439)</u>	<u>(2,172,513)</u>
Net cash used in investing activities		<u>(2,782,439)</u>	<u>(2,172,513)</u>
 Change in cash and cash equivalents in the reporting period		<u>(592,564)</u>	<u>(191,200)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,759,360</u>	<u>1,950,560</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>1,166,796</u></u>	<u><u>1,759,360</u></u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.22 £	31.12.21 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(281,626)	(413,664)
Adjustments for:		
Impairment of heritage assets	2,417,249	1,889,026
(Increase)/decrease in debtors	(115,349)	347,231
Increase in creditors	169,601	158,720
Net cash provided by operations	<u>2,189,875</u>	<u>1,981,313</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank	1,759,360	(592,564)	1,166,796
	<u>1,759,360</u>	<u>(592,564)</u>	<u>1,166,796</u>
Total	<u>1,759,360</u>	<u>(592,564)</u>	<u>1,166,796</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

General information

Sheerness Dockyard Preservation Trust is a registered charity and a company limited by guarantee. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Basis of preparing the financial statements

The Trustees acknowledge their responsibility for ensuring that the company keeps accounting records that comply with the requirements of the Companies Act, and which give a fair and true view of the state of affairs of the company as at the end of the financial year, and these financial statements have been prepared in accordance with these provisions, and with the Charities Act.

Statement of compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable entities preparing their accounts in accordance with the Financial Reporting Standard 102. The charity constitutes a Public Benefit Entity as defined by FRS 102.

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.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Impairment of heritage assets:

Due to the considerable conservation deficit in the Dockyard Church project, the costs incurred on the project are being impaired on a straight line basis at a rate of 87% which recognises the value of the completed building as a % of the total project cost. The Church Building valuation was assessed by Caxtons Chartered Surveyors in May 2018. The cost of project activity during 2022 was £2,782,439, resulting in an increase to net book value of £365,191.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

In the case of performance related grants, income has only been recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Heritage assets

Heritage assets are carried at cost, net of depreciation and any provision for impairment.

The heritage asset is currently in the course of construction and so will not be depreciated until it is brought into use.

The heritage asset was initially donated to the Trust and recognised at £1. Restoration costs are capitalised and then impaired so that the asset is held at its estimated post restoration value.

In 2020 the charity were gifted the Sheerness Dockyard Model by English Heritage, which is believed to have originally been produced by John Rennie as part of the Dockyard's expansion works which began on 23rd December 1813. As information on the cost or valuation of this asset cannot be obtained at a cost commensurate with the benefit to the users of these accounts, and in accordance with the Charities SORP, this asset is not recognised within the charity's heritage assets.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	-	5,000
Grants	2,257,458	1,527,542
	<u>2,257,458</u>	<u>1,532,542</u>

3. RAISING FUNDS

Raising donations and legacies

	31.12.22	31.12.21
	£	£
Consultants	<u>12,558</u>	<u>12,434</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Dockyard Preservation	<u>2,507,385</u>	<u>19,141</u>	<u>2,526,526</u>

5. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Dockyard Preservation	<u>12,571</u>	<u>102</u>	<u>498</u>	<u>5,970</u>	<u>19,141</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Auditors' remuneration	<u>5,000</u>	<u>1,500</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

During the year ended 31 December 2022, two trustees were reimbursed expenses of £1,322 (2021: one trustee was reimbursed expenses of £346) as follows:-

	2022	2021
W Palin - Travel & subsistence	999	274
W Palin - Utility reimbursement	275	-
W Palin - Web hosting	-	72
M Brown - Lock & chain	48	-
	<u>1,322</u>	<u>346</u>

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	<u>5,001</u>	<u>1,527,541</u>	<u>1,532,542</u>
EXPENDITURE ON			
Raising funds	-	12,434	12,434
Charitable activities			
Dockyard Preservation	<u>-</u>	<u>1,933,772</u>	<u>1,933,772</u>
Total	<u>-</u>	<u>1,946,206</u>	<u>1,946,206</u>
NET INCOME/(EXPENDITURE)	5,001	(418,665)	(413,664)
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	38,519	152,902	191,421
Prior year adjustment	<u>-</u>	<u>2,617,864</u>	<u>2,617,864</u>
As restated	<u>38,519</u>	<u>2,770,766</u>	<u>2,809,285</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>43,520</u></u>	<u><u>2,352,101</u></u>	<u><u>2,395,621</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

9. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2022	416,509
Additions	2,782,439
Impairments	(2,417,249)
At 31 December 2022	781,699
NET BOOK VALUE	
At 31 December 2022	781,699
At 31 December 2021	416,509

Summary analysis of heritage asset transactions:

	2022 £	2021 £	2020 £	2019 £	2018 £	2017 £
Purchases						
Dockyard Church Freehold	-	-	-	-	-	-
Dockyard Church Renovation	2,782,439	2,172,513	288,650	205,592	369,876	155,286
Total additions	2,782,439	2,172,513	288,650	205,592	369,876	155,286
Charge for impairment						
Dockyard Church Freehold	-	-	-	-	-	-
Dockyard Church Renovation	(2,417,249)	(1,889,026)	(250,985)	(178,765)	(321,611)	(135,022)
Total charge for impairment	(2,417,249)	(1,889,026)	(250,985)	(178,765)	(321,611)	(135,022)
Net change in assets						
Dockyard Church Freehold	-	-	-	-	-	-
Dockyard Church Renovation	365,190	283,487	37,665	26,827	48,265	20,264
Total net change in assets	365,190	283,487	37,665	26,827	48,265	20,264

The heritage assets held by the charity include the freehold of the Dockyard Church, which was a gift to the charity in 2016 and is valued in the accounts at £1 (2020: £1), and the restoration works to the Church which remained under construction as at 31 December 2022 and are valued in the accounts at £781,699 (2021: £416,509).

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Other debtors	475,855	318,971
VAT	181,291	149,895
Prepayments and accrued income	77,069	150,000
	<u>734,215</u>	<u>618,866</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade creditors	207,228	333,800
Other creditors	141,526	63,814
Accruals and deferred income	219,961	1,500
	<u>568,715</u>	<u>399,114</u>

12. SECURED DEBTS

The charity received grant funding from the National Heritage Memorial Fund, more commonly known as the National Heritage Lottery Fund, towards the refurbishment of the Sheerness Dockyard Church. As part of the grant agreement, the charity agreed to a number of conditions with regards to how the funding shall be spent and on some of the uses of the Dockyard Church upon the completion of the restoration works.

The National Heritage Memorial Fund hold a fixed charge over the Sheerness Dockyard Church, which it holds as security should any sums become payable to them arising from a breach of the terms and conditions of the grant funding.

13. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	At 31.12.22
	£	£	£
Unrestricted funds			
General fund	43,520	(6,532)	36,988
Restricted funds			
Restoration of Sheerness Dockyard Church	2,266,727	(267,186)	1,999,541
Arts fund	64,589	-	64,589
QFT	390	(390)	-
Swale Borough Council fund	20,395	(7,518)	12,877
	<u>2,352,101</u>	<u>(275,094)</u>	<u>2,077,007</u>
TOTAL FUNDS	<u>2,395,621</u>	<u>(281,626)</u>	<u>2,113,995</u>

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	-	(6,532)	(6,532)
Restricted funds			
Restoration of Sheerness Dockyard Church	2,257,458	(2,524,644)	(267,186)
QFT	-	(390)	(390)
Swale Borough Council fund	-	(7,518)	(7,518)
	<u>2,257,458</u>	<u>(2,532,552)</u>	<u>(275,094)</u>
TOTAL FUNDS	<u>2,257,458</u>	<u>(2,539,084)</u>	<u>(281,626)</u>

Comparatives for movement in funds

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.21 £
Unrestricted funds				
General fund	38,519	-	5,001	43,520
Restricted funds				
Restoration of Sheerness Dockyard Church	64,929	2,617,864	(416,066)	2,266,727
Arts fund	64,930	-	(341)	64,589
QFT	1,050	-	(660)	390
Swale Borough Council fund	21,993	-	(1,598)	20,395
	<u>152,902</u>	<u>2,617,864</u>	<u>(418,665)</u>	<u>2,352,101</u>
TOTAL FUNDS	<u>191,421</u>	<u>2,617,864</u>	<u>(413,664)</u>	<u>2,395,621</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,001	-	5,001
Restricted funds			
Restoration of Sheerness Dockyard Church	1,527,540	(1,943,606)	(416,066)
Arts fund	-	(341)	(341)
QFT	-	(660)	(660)
Swale Borough Council fund	1	(1,599)	(1,598)
	<u>1,527,541</u>	<u>(1,946,206)</u>	<u>(418,665)</u>
TOTAL FUNDS	<u>1,532,542</u>	<u>(1,946,206)</u>	<u>(413,664)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.22 £
Unrestricted funds				
General fund	38,519	-	(1,531)	36,988
Restricted funds				
Restoration of Sheerness Dockyard Church	64,929	2,617,864	(683,252)	1,999,541
Arts fund	64,930	-	(341)	64,589
QFT	1,050	-	(1,050)	-
Swale Borough Council fund	21,993	-	(9,116)	12,877
	<u>152,902</u>	<u>2,617,864</u>	<u>(693,759)</u>	<u>2,077,007</u>
TOTAL FUNDS	<u>191,421</u>	<u>2,617,864</u>	<u>(695,290)</u>	<u>2,113,995</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,001	(6,532)	(1,531)
Restricted funds			
Restoration of Sheerness Dockyard Church	3,784,998	(4,468,250)	(683,252)
Arts fund	-	(341)	(341)
QFT	-	(1,050)	(1,050)
Swale Borough Council fund	1	(9,117)	(9,116)
	<u>3,784,999</u>	<u>(4,478,758)</u>	<u>(693,759)</u>
TOTAL FUNDS	<u>3,790,000</u>	<u>(4,485,290)</u>	<u>(695,290)</u>

The nature and purpose of each restricted fund is as follows:

Restoration of Sheerness Dockyard Church

The charity has received funds from numerous funding bodies and individuals, which are restricted to the costs of the restoration works of the Sheerness Dockyard Church. Upon completion of the restoration, the building is restricted for use to develop a 'Sheerness Enterprise Centre' and deliver a programme of heritage activity including site-based apprenticeships/traineeships, volunteer training, guided tours, projects/resources for schools, and professional sharing/heritage careers awareness events.

Arts Fund

Funding received from the Art Fund is restricted to conserve, re-site and interpret the Sheerness Dockyard Model.

QFT

Funding received from the Queenborough Fishery Trust to be used toward the charity's reminiscence project.

Swale Borough Council Fund

Funding received from Swale Borough Council to support the charity's Sheerness Dockyard projects.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

14. CAPITAL COMMITMENTS

	31.12.22	31.12.21
	£	£
Contracted but not provided for in the financial statements	356,819	2,727,269

15. RELATED PARTY DISCLOSURES

During the year ended 31 December 2022, there were no related party transactions with entities that the trustees were actively involved in. However, during 2021 the charity paid Innov8 on Sheppey C.I.C. £660 to undertake work as part of the Trust's reminiscence project. Innov8 on Sheppey C.I.C. was related to the charity by virtue of being under the control of trustee Christopher Foulds. It has since been dissolved.

During the year ended 31 December 2022, the charity did not receive any donations from related parties. However, during 2021 the charity received a donation of £5,000 from the father of a trustee of the charity, William Palin.

See note 7 for details of transactions with trustees.

SHEERNESS DOCKYARD PRESERVATION TRUST

England & Wales - Charity number 1160812

Accounts

REGISTERED COMPANY NUMBER: 09197223 (England and Wales)
REGISTERED CHARITY NUMBER: 1160812

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
SHEERNESS DOCKYARD PRESERVATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 27

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Mission Statement

The Sheerness Dockyard Preservation Trust was founded in 2014 to campaign for the preservation of the historic buildings in and around the former Royal Naval Dockyard at Sheerness.

The Sheerness Dockyard Preservation Trust has two strategic aims

- To preserve for the benefit of the people of Sheerness and of the nation, the historical, architectural and constructional heritage that may exist in and around Sheerness, in particular in and around the former Royal Naval Dockyard in Sheerness.

- To advance the public education and interest in the history and architectural heritage of the local area.

Significant activities

The main activity that the Trust is pursuing currently is the restoration of the ruined Dockyard Church building within the former Royal Naval Dockyard at Sheerness, and is now in the construction phase of the building project that will see the Church brought back to life as an Enterprise Centre.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Volunteers

Currently the Charity doesn't utilise volunteers in its work, other than the time committed by Trustees in the work that they do in supervising the Dockyard Church project, and overseeing the operation of the Charity.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Project Progress: The Sheerness Dockyard Church Project

The transformation of Dockyard Church continued during 2021 with activity focussing on the repair and conservation of the brickwork and stonework on the exterior of the building - including the construction of the high brick parapet according to the 1820s design. This work was carried out by PAYE Stone, under the main contractor Coniston Ltd. By far the most significant, complex and impressive element of these works was the careful dismantling and re-construction of the tower, finally completed in March 2022. The tower, with its reinstated stone parapet and restored weathervane now commands the skyline above Sheerness once more.

Another major achievement was the re-roofing of the building which commenced in 2021 after the arrival of the 5 large glulam (laminated timber) trusses. The zinc gutters and flashings were completed, the slates laid, the rooflights installed and the interior timber slatting fixed and painted by August 2022 allowing the interior scaffolding to come down. Elsewhere, the new windows were installed at first floor level, the first fix of the services was completed and the concrete floor poured and polished. The revised project completion date is December 2022.

The Prince of Wales's office contacted the trust in early 2022 with a view to a royal visit at some point before completion of works. A recce was carried out in January 2022.

Special events and visits included Open House in September 2021 when visitors were given hard hat tours of the site by the contractor and trustees. On 4 August 2022 the trustees gave the first tour of the re-roofed interior. This was, appropriately, for the Sheppey History Society.

Further information & news updates are available on our website: <https://sdpt.org.uk/>

Future Operation of the Building:

Discussions have continued with our preferred managing agent for the building, Amelix, although the operating contract has not yet been agreed.

Community Engagement:

Our freelance Community & Outreach Co-ordinator Allison Young continued to deliver the NLHF Activity Plan for the project, further developing links with Sheppey College and Oasis Academy School and through the Sheppey Development Forum.

Stand-alone projects included the 'Career Stories' and 'Tales from Dockyard Church' online projects - the latter being a written and oral history of people with connections to the church and dockyard.

Allison continued to promote the project and activities via social media including interviews with Coniston apprentice Tommy Stower and PAYE Stonework apprentice Jake Howard.

School visits to the site were curtailed by Covid, but there were successful student visits in May 2022 by the Public Service and Level 1 & 2 Carpentry students from Sheppey College.

A successful Heritage Open Days event took place in Sept 2021 with 70 members of the public seizing the opportunity for a hard hat tour and this years follow up event takes place on 17 Sept.

The Dockyard Model:

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

The contract for displaying the Dockyard Model was awarded to local designers Andy and Sharon Feast who have worked extensively on exhibitions and displays in national museums. A costed proposal has now been worked up following discussions with trustees and a detailed survey of the model itself, now in store in Lincolnshire. This proposal - for a series of secure and movable display cases of different sizes - will be amended to fit within the allocated budget.

Communications and Heritage:

A heritage Open Day in September 2021 brought over one hundred people to the site for guided tours around the construction site, with talks on the building's history from Trustees, and Project approach from the Contractor's Contracts Manager.

In October 2021 the Trust embarked on making a short film about the Quadrangular Store, a remarkable building dating from the rebuilding of Sheerness Dockyard in the 1820s. We interviewed four employees who worked in the Dockyard prior to the demolition of the Store in 1979. The film, interspersed with historic images of the building, runs for 6 minutes and was released on the internet in September 2022.

Achievements against Objectives Set

The objectives relating to the operation of the Enterprise Centre at the Dockyard Church are currently in development as an appendix to the contract for the Managing Agent.

The restoration of the Dockyard Church Building continues in line with the Project Plan submitted to the National Heritage Lottery Fund as a component of the 'Permission to Start' process, although there have been some slippages to the original timescale, partially due to issues linked to the Covid lockdown, and the current project completion date is December 2022.

Fundraising activities

The fundraising campaign for the Project was completed over two years ago, and there are no specific fundraising campaigns in operation to support the Charity at this time.

FINANCIAL REVIEW

Financial position

As the main construction phase of the Dockyard Church Restoration Project commenced at the end of 2020, 2021 saw significant incoming resources for the Charity, as claims including construction costs were submitted to the NHLF, the project's principal funder, throughout this period.

The total incoming resources were £1.5 million, down from £2.8 million in the prior year.

The majority of this income is recognised as resources expended through the impairment charge for the Dockyard Church restoration project.

Fundraising programme:

All pledged funds have now been received. A further grant of £200,000 was awarded in autumn 2021 by Historic England for works to the Tower and roof. All current funders receive regular briefings from project administrator Catherine Hawkins.

We are enormously grateful to all our supporters for giving so generously to this landmark project.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

Reserves policy

Restricted funds include any donations which have been granted to the Trust for a specific purpose such as project work or contributions to a capital works programme.

Unrestricted funds are any funds which have been donated to, or earned by the charity, which are not designated against a particular spending stream and can be spent by the charity to further its charitable aims.

Reserves are maintained to ensure the ability of the Charity to manage cashflow issues and to enable it to achieve its objects and ambitions.

Our current reserves policy is that we are seeking to ensure that we have sums sufficient to cover the estimated cost of operation of the Enterprise Centre for a period of 3 months plus 10%.

If our unrestricted reserves at the point that the building becomes operational are not yet at this stage, we will undertake an additional fundraising program to ensure that this is addressed, although the funding model applied by the National Heritage Lottery Fund included a Management & Maintenance payment at 100% at the end of the project and this would also help address any issues identified in relation to reserves at the point that initial operation of the Dockyard Church building commences.

The total funds as at 31 December 2021 were £2,395,621 (2020: £2,809,285), of which £43,520 (2020: £38,519) are unrestricted funds and £2,352,101 (2020: £2,770,766) are restricted funds.

Going concern

After making appropriate enquiries, and consideration of forecasts prepared for the next 12 months, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, the Memorandum & Articles of Association dated 01/09/2014, and as amended by special resolution dated 20/02/2015, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees, and no more than twelve.

At the annual general meeting one third of the trustees must retire, with those longest in office retiring first and the choice between any of equal service being made by drawing lots.

If the Charity at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Prospective trustees are recommended by existing trustees to join the board of trustees, or advertisements are placed in the local press.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee Background & Skills

The Sheerness Dockyard Preservation Trust is formed of eleven Trustees who bring together a range of experience from heritage restoration, conservation, architectural design and history, business and commercial management, project co-ordination, community engagement, design and finance.

The Trust Chairman, William Palin is now the Chief Executive of St Barts Heritage, and was formerly Director of Conservation at the Old Royal Naval College in Greenwich. He has a wealth of experience in leading and delivering similar high-profile government funded projects. He led the Painted Hall conservation project at Greenwich. This was a £9.5 million HLF funded project to clean and conserve over 40,000 square feet of the magnificent Grade I listed Painted Hall wall and ceiling paintings.

Details of other Trustees are available on the Trust website.

Reporting Structure

The Trust holds quarterly Trustee meetings, along with an Annual General Meeting (AGM). The meetings are minuted and circulated to all Trustees.

In addition to these, as part of the Dockyard Church Project, which received 'Permission to Start' from the Heritage Lottery Fund in May 2017, regular Project meetings also take place.

- Monthly project board meetings, with all members of the Project team and Trustees to discuss on-going progress of the Project
- Quarterly Advisory panel meetings, comprising of a variety of individuals bringing knowledge and advice to the project.

Induction and training of new trustees

All trustees are inducted with the Charity Commission charity trustee 'welcome pack' handbook and provided with regular updates issued by the charity commission. At each meeting of trustees, any declaration of interests or conflicts should they arise are minuted. This to prevent them from affecting any decision or the decision-making process.

On occasion, where the trustees consider there may be a skills deficit within the board, the trustees seek to fulfil their duties by seeking independent expert advice on specific matters. Trustees were selected for the individual skills and experience they could bring to the board in order to effectively manage the charity and help achieve its aims and objectives.

As with all charities funds are limited, and trustees are 'up skilled ' with training, advice & guidance from the specialist knowledge of fellow trustees on particular matters.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Overview: The Dockyard Church Project's professional team:

Project Management

The Project is managed by Glevum consulting, Director Simon Hawkins. Glevum consulting are a highly experienced heritage business consulting team. Since 2002 Glevum have delivered £40M of capital projects and activity plans. Glevum has project managed many HLF funded projects including the restoration of Turners House, Twickenham (£2.3M), the restoration and conservation of St Alfege Church, Greenwich (£2.7M) and the Painted Hall project Greenwich (£9.5M HLF funded).

Architect Team

The principal Design Architects are Hugh Broughton Architects who have many years of experience working on renovation and conservation projects both in the UK and abroad. They worked on the conservation of the Painted Hall at the Old Royal Naval College at Greenwich. They have been the lead design team on projects including the design of a new gallery to house the Portland Collection in Nottinghamshire, the design of a new East Wing at Maidstone Museum and more notably for a series of remote projects including the impressive and innovative Halley VI Antarctic Research Station and the Juan Carlos 1, Spanish Antarctic Base.

HBA have partnered with Martin Ashley Architects who have overseen the recent stabilisation work and will provide specialist conservation advice for the project build.

As part of the Architect led Team HBA have engaged Structural engineering firm Hockley and Dawson. MEP engineering firm Harley Haddow and Acoustics consultant Ramboll UK Ltd.

Cost Consultant

PT projects have been engaged as Cost Consultants. PT Projects have worked on several significant Heritage Projects including Abingdon County Hall & Museum, Museum of the Order of St John, Orleans House & Gallery (Richmond) and Wat Tyler Country Park (Basildon).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09197223 (England and Wales)

Registered Charity number

1160812

Registered office

4 Naval Terrace
Sheerness
ME12 1RR

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees

W M Palin Chairman
A Byrne Vice chairman
J E Baker Treasurer
K J Moore
C D Foulds
A W Deeley
J Webb
M Brown
Mrs A K De Moubray
S Taylor
E J Barnard

Company Secretary

J E Baker

Auditors

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Sheerness Dockyard Preservation Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

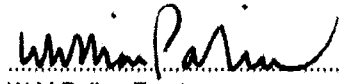
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SHEERNESS DOCKYARD PRESERVATION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on**25 OCTOBER**..... and signed on its behalf by:
2022


.....
W M Palin - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST**

Opinion

We have audited the financial statements of Sheerness Dockyard Preservation Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST**

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST**

Our 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 a Report of the Independent Auditors 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act 2006, Charities Act 2011 and UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHEERNESS DOCKYARD PRESERVATION TRUST

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

Date: 25 October 2022

SHEERNESS DOCKYARD PRESERVATION TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted fund	Restricted funds	31.12.21 Total funds	31.12.20 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,001	1,527,541	1,532,542	2,786,807
Investment income	3	-	-	-	1
Total		<u>5,001</u>	<u>1,527,541</u>	<u>1,532,542</u>	<u>2,786,808</u>
EXPENDITURE ON					
Raising funds	4	-	12,434	12,434	13,426
Charitable activities	5				
Dockyard Preservation		-	1,933,772	1,933,772	328,262
Total		<u>-</u>	<u>1,946,206</u>	<u>1,946,206</u>	<u>341,688</u>
NET INCOME/(EXPENDITURE)		5,001	(418,665)	(413,664)	2,445,120
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		38,519	152,902	191,421	136,980
Prior year adjustment	10	-	2,617,864	2,617,864	227,185
As restated		<u>38,519</u>	<u>2,770,766</u>	<u>2,809,285</u>	<u>364,165</u>
TOTAL FUNDS CARRIED FORWARD		<u>43,520</u>	<u>2,352,101</u>	<u>2,395,621</u>	<u>2,809,285</u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST (REGISTERED NUMBER: 09197223)**BALANCE SHEET**
31 DECEMBER 2021

	Notes	Unrestricted fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds as restated £
FIXED ASSETS					
Heritage assets	11	1	416,508	416,509	133,022
CURRENT ASSETS					
Debtors	12	45,019	573,847	618,866	866,881
Cash at bank		-	1,759,360	1,759,360	1,950,560
		45,019	2,333,207	2,378,226	2,817,441
CREDITORS					
Amounts falling due within one year	13	(1,500)	(397,614)	(399,114)	(141,178)
NET CURRENT ASSETS		<u>43,519</u>	<u>1,935,593</u>	<u>1,979,112</u>	<u>2,676,263</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>43,520</u>	<u>2,352,101</u>	<u>2,395,621</u>	<u>2,809,285</u>
NET ASSETS		<u>43,520</u>	<u>2,352,101</u>	<u>2,395,621</u>	<u>2,809,285</u>
FUNDS	15				
Unrestricted funds				43,520	38,519
Restricted funds				<u>2,352,101</u>	<u>2,770,766</u>
TOTAL FUNDS				<u>2,395,621</u>	<u>2,809,285</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on ~~25 OCTOBER 2022~~ and were signed on its behalf by:


W M Palin - Trustee

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2021

		31.12.21	31.12.20
	Notes	£	as restated £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,981,313</u>	<u>1,091,781</u>
Net cash provided by operating activities		<u>1,981,313</u>	<u>1,091,781</u>
Cash flows from investing activities			
Purchase of heritage assets		(2,172,513)	(288,650)
Interest received		<u>-</u>	<u>1</u>
Net cash used in investing activities		<u>(2,172,513)</u>	<u>(288,649)</u>
Change in cash and cash equivalents in the reporting period		(191,200)	803,132
Cash and cash equivalents at the beginning of the reporting period		<u>1,950,560</u>	<u>1,147,428</u>
Cash and cash equivalents at the end of the reporting period		<u>1,759,360</u>	<u>1,950,560</u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21	31.12.20 as restated
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(413,664)	2,445,120
Adjustments for:		
Interest received	-	(1)
Impairment of heritage assets	1,889,026	250,983
Decrease/(increase) in debtors	347,231	(729,156)
Increase/(decrease) in creditors	158,720	(875,165)
Net cash provided by operations	<u>1,981,313</u>	<u>1,091,781</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	<u>1,950,560</u>	<u>(191,200)</u>	<u>1,759,360</u>
	<u>1,950,560</u>	<u>(191,200)</u>	<u>1,759,360</u>
Total	<u>1,950,560</u>	<u>(191,200)</u>	<u>1,759,360</u>

The notes form part of these financial statements

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

General information

Sheerness Dockyard Preservation Trust is a registered charity and a company limited by guarantee. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Basis of preparing the financial statements

The Trustees acknowledge their responsibility for ensuring that the company keeps accounting records that comply with the requirements of the Companies Act, and which give a fair and true view of the state of affairs of the company as at the end of the financial year, and these financial statements have been prepared in accordance with these provisions, and with the Charities Act.

Statement of compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable entities preparing their accounts in accordance with the Financial Reporting Standard 102. The charity constitutes a Public Benefit Entity as defined by FRS 102.

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.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Impairment of heritage assets:

Due to the considerable conservation deficit in the Dockyard Church project, the costs incurred on the project are being impaired on a straight line basis at a rate of 87% which recognises the value of the completed building as a % of the total project cost. The Church Building valuation was assessed by Caxtons Chartered Surveyors in May 2018. The cost of project activity during 2021 was £2,172,513, resulting in an increase to net book value of £283,487.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

In the case of performance related grants, income has only been recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Heritage assets

Heritage assets are carried at cost, net of depreciation and any provision for impairment.

The heritage asset is currently in the course of construction and so will not be depreciated until it is brought into use.

The heritage asset was initially donated to the Trust and recognised at £1. Restoration costs are capitalised and then impaired so that the asset is held at its estimated post restoration value.

In 2020 the charity were gifted the Sheerness Dockyard Model by English Heritage, which is believed to have originally been produced by John Rennie as part of the Dockyard's expansion works which began on 23rd December 1813. As information on the cost or valuation of this asset cannot be obtained at a cost commensurate with the benefit to the users of these accounts, and in accordance with the Charities SORP, this asset is not recognised within the charity's heritage assets.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20 as restated
	£	£
Donations	5,001	-
Grants	<u>1,527,541</u>	<u>2,786,807</u>
	<u>1,532,542</u>	<u>2,786,807</u>

3. INVESTMENT INCOME

	31.12.21	31.12.20 as restated
	£	£
Deposit account interest	<u>-</u>	<u>1</u>

4. RAISING FUNDS

Raising donations and legacies

	31.12.21	31.12.20 as restated
	£	£
Consultants	<u>12,434</u>	<u>13,426</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Dockyard Preservation	<u>1,918,844</u>	<u>14,928</u>	<u>1,933,772</u>

6. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Dockyard Preservation	<u>12,434</u>	<u>99</u>	<u>343</u>	<u>2,052</u>	<u>14,928</u>

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21	31.12.20 as restated
	£	£
Auditors' remuneration	<u>1,500</u>	<u>-</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

During the year ended 31 December 2021, one trustee was reimbursed expenses of £346 (2020: one trustee was reimbursed expenses of £255).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	50,001	2,736,806	2,786,807
Investment income	<u>1</u>	<u>-</u>	<u>1</u>
Total	<u>50,002</u>	<u>2,736,806</u>	<u>2,786,808</u>
EXPENDITURE ON			
Raising funds	-	13,426	13,426
Charitable activities			
Dockyard Preservation	<u>443</u>	<u>327,819</u>	<u>328,262</u>
Total	<u>443</u>	<u>341,245</u>	<u>341,688</u>
NET INCOME	49,559	2,395,561	2,445,120

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund	Restricted funds	Total funds as restated
	£	£	£
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	13,869	123,111	136,980
Prior year adjustment	(24,909)	252,094	227,185
As restated	(11,040)	375,205	364,165
TOTAL FUNDS CARRIED FORWARD	<u>38,519</u>	<u>2,770,766</u>	<u>2,809,285</u>

10. PRIOR YEAR ADJUSTMENT

During the year, it was identified that VAT and some expenses had been mistakenly capitalised in previous years as part of the cost of the development of the Dockyard Church development. These costs form part of the charity's heritage asset which is under construction, and was subsequently impaired in previous years in accordance with the charity's accounting policies. Meanwhile the receipts of input VAT from VAT claims in previous years were mistakenly classified within deferred income.

Consequently, these financial statements have been amended accordingly. The impact of this adjustment on the comparatives included in these accounts are as follows:

	Change (£)
Heritage asset	-47,127
VAT repayable	+50,679
Deferred income	-164,544
Increased 2020 expenditure	+48,756
Decrease to impairment charge for 2020	-94,237
Funds brought forward	+122,615

Additionally, during the year it was identified that following a review of the grants and donations forming the pledged funding towards the charity's Dockyard project, that income was mistakenly being carried forward within deferred income and not recognised as accrued income when the recognition criteria had been met.

Consequently, these financial statement have been amended to recognise these grants and donations in the financial period when the income recognition criteria had been met. The impact of this adjustment on the comparatives included in these accounts are as follows:

	Change (£)
Grant income in 2020	+2,345,196
Deferred income	-1,799,767
Accrued income	+650,000
Funds brought forward	+104,571

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

11. HERITAGE ASSETS

	Total £
COST	
At 1 January 2021	133,022
Additions	2,172,513
Impairments	<u>(1,889,026)</u>
At 31 December 2021	<u>416,509</u>
NET BOOK VALUE	
At 31 December 2021	<u>416,509</u>
At 31 December 2020	<u>133,022</u>

Summary analysis of heritage asset transactions:

	2021 £	2020 £	2019 £	2018 £	2017 £
Purchases					
Dockyard Church Freehold	-	-	-	-	-
Dockyard Church Renovation	<u>2,172,513</u>	<u>288,650</u>	<u>205,592</u>	<u>369,876</u>	<u>155,286</u>
Total additions	<u>2,172,513</u>	<u>288,650</u>	<u>205,592</u>	<u>369,876</u>	<u>155,286</u>
Charge for Impairment					
Dockyard Church Freehold	-	-	-	-	-
Dockyard Church Renovation	<u>(1,889,026)</u>	<u>(250,985)</u>	<u>(178,765)</u>	<u>(321,611)</u>	<u>(135,022)</u>
Total charge for impairment	<u>(1,889,026)</u>	<u>(250,985)</u>	<u>(178,765)</u>	<u>(321,611)</u>	<u>(135,022)</u>
Net change in assets					
Dockyard Church Freehold	-	-	-	-	-
Dockyard Church Renovation	<u>283,487</u>	<u>37,665</u>	<u>26,827</u>	<u>48,265</u>	<u>20,264</u>
Total net change in assets	<u>283,487</u>	<u>37,665</u>	<u>26,827</u>	<u>48,265</u>	<u>20,264</u>

The heritage assets held by the charity include the freehold of the Dockyard Church, which was a gift to the charity in 2016 and is valued in the accounts at £1 (2020: £1), and the restoration works to the Church which remained under construction as at 31 December 2021 and are valued in the accounts at £416,508 (2020: £133,021).

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2021**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21	31.12.20 as restated
	£	£
Other debtors	318,971	166,202
VAT	149,895	50,679
Prepayments and accrued income	<u>150,000</u>	<u>650,000</u>
	<u>618,866</u>	<u>866,881</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
Trade creditors	333,800	141,178
Other creditors	63,814	-
Accruals and deferred income	<u>1,500</u>	<u>-</u>
	<u>399,114</u>	<u>141,178</u>

14. SECURED DEBTS

The charity received grant funding from the National Heritage Memorial Fund, more commonly known as the National Heritage Lottery Fund, towards the refurbishment of the Sheerness Dockyard Church. As part of the grant agreement, the charity agreed to a number of conditions with regards to how the funding shall be spent and on some of the uses of the Dockyard Church upon the completion of the restoration works.

The National Heritage Memorial Fund hold a fixed charge over the Sheerness Dockyard Church, which it holds as security should any sums become payable to them arising from a breach of the terms and conditions of the grant funding.

15. MOVEMENT IN FUNDS

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.21 £
Unrestricted funds				
General fund	38,519	-	5,001	43,520
Restricted funds				
Restoration of Sheerness Dockyard Church	64,929	2,617,864	(416,066)	2,266,727
The Art Fund	64,930	-	(341)	64,589
QFT	1,050	-	(660)	390
Swale Borough Council fund	<u>21,993</u>	<u>-</u>	<u>(1,598)</u>	<u>20,395</u>
	<u>152,902</u>	<u>2,617,864</u>	<u>(418,665)</u>	<u>2,352,101</u>
TOTAL FUNDS	<u>191,421</u>	<u>2,617,864</u>	<u>(413,664)</u>	<u>2,395,621</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2021**15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,001	-	5,001
Restricted funds			
Restoration of Sheerness Dockyard Church	1,527,540	(1,943,606)	(416,066)
Arts fund	-	(341)	(341)
QFT	-	(660)	(660)
Swale Borough Council fund	<u>1</u>	<u>(1,599)</u>	<u>(1,598)</u>
	<u>1,527,541</u>	<u>(1,946,206)</u>	<u>(418,665)</u>
TOTAL FUNDS	<u>1,532,542</u>	<u>(1,946,206)</u>	<u>(413,664)</u>

Comparatives for movement in funds

	At 1.1.20 £	Prior year adjustment £	Net movement in funds £	At 31.12.20 £
Unrestricted funds				
General fund	13,869	(24,909)	49,559	38,519
Restricted funds				
Restoration of Sheerness Dockyard Church	123,111	122,614	2,437,068	2,682,793
Arts fund	-	100,000	(35,070)	64,930
QFT	-	3,000	(1,950)	1,050
Swale Borough Council fund	<u>-</u>	<u>26,480</u>	<u>(4,487)</u>	<u>21,993</u>
	<u>123,111</u>	<u>252,094</u>	<u>2,395,561</u>	<u>2,770,766</u>
TOTAL FUNDS	<u>136,980</u>	<u>227,185</u>	<u>2,445,120</u>	<u>2,809,285</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2021**15. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	50,002	(443)	49,559
Restricted funds			
Restoration of Sheerness Dockyard Church	2,736,806	(299,738)	2,437,068
Arts fund	-	(35,070)	(35,070)
QFT	-	(1,950)	(1,950)
Swale Borough Council fund	-	(4,487)	(4,487)
	<u>2,736,806</u>	<u>(341,245)</u>	<u>2,395,561</u>
TOTAL FUNDS	<u>2,786,808</u>	<u>(341,688)</u>	<u>2,445,120</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Prior year adjustment £	Net movement in funds £	At 31.12.21 £
Unrestricted funds				
General fund	13,869	(24,909)	54,560	43,520
Restricted funds				
Restoration of Sheerness Dockyard Church	123,111	2,740,478	2,021,002	4,884,591
Arts fund	-	100,000	(35,411)	64,589
QFT	-	3,000	(2,610)	390
Swale Borough Council fund	-	26,480	(6,085)	20,395
	<u>123,111</u>	<u>2,869,958</u>	<u>1,976,896</u>	<u>4,969,965</u>
TOTAL FUNDS	<u>136,980</u>	<u>2,845,049</u>	<u>2,031,456</u>	<u>5,013,485</u>

SHEERNESS DOCKYARD PRESERVATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2021**15. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	55,003	(443)	54,560
Restricted funds			
Restoration of Sheerness Dockyard Church	4,264,346	(2,243,344)	2,021,002
Arts fund	-	(35,411)	(35,411)
QFT	-	(2,610)	(2,610)
Swale Borough Council fund	1	(6,086)	(6,085)
	<u>4,264,347</u>	<u>(2,287,451)</u>	<u>1,976,896</u>
TOTAL FUNDS	<u>4,319,350</u>	<u>(2,287,894)</u>	<u>2,031,456</u>

The nature and purpose of each restricted fund is as follows:

Restoration of Sheerness Dockyard Church

The charity has received funds from numerous funding bodies and individuals, which are restricted to the costs of the restoration works of the Sheerness Dockyard Church. Upon completion of the restoration, the building is restricted for use to develop a 'Sheerness Enterprise Centre' and deliver a programme of heritage activity including site-based apprenticeships/traineeships, volunteer training, guided tours, projects/resources for schools, and professional sharing/heritage careers awareness events.

Arts Fund

Funding received from the Art Fund is restricted to conserve, re-site and interpret the Sheerness Dockyard Model.

QFT

Funding received from the Queenborough Fishery Trust to be used toward the charity's reminiscence project.

Swale Borough Council Fund

Funding received from Swale Borough Council to support the charity's Sheerness Dockyard projects.

SHEERNESS DOCKYARD PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

16. CAPITAL COMMITMENTS

	31.12.21	31.12.20 as restated
	£	£
Contracted but not provided for in the financial statements	<u>2,727,269</u>	<u>-</u>

17. RELATED PARTY DISCLOSURES

During the year ended 31 December 2021, the charity paid Innov8 on Sheppey C.I.C. £660 (2020: £Nil) to undertake work as part of the Trust's reminiscence project. Innov8 on Sheppey C.I.C. is related to the charity by virtue of being under the control of trustee Christopher Foulds.

During the year ended 31 December 2021, the charity received a donation of £5,000 (2020: £Nil) from the father of a trustee of the charity, William Palin.

SHEERNESS DOCKYARD PRESERVATION TRUST

England & Wales - Charity number 1160812

Accounts

Sheerness Dockyard Preservation Trust

Charity Number: 1160812 - Company Number: 9197223

Trustees' Annual Report - 2020

Mission Statement

The Sheerness Dockyard Preservation Trust was founded in 2014 to campaign for the preservation of the historic buildings in and around the former Royal Naval Dockyard at Sheerness.

The Sheerness Dockyard Preservation Trust has two strategic aims

- To preserve for the benefit of the people of Sheerness and of the nation, the historical, architectural and constructional heritage that may exist in and around Sheerness, in particular in and around the former Royal Naval Dockyard in Sheerness.
- To advance the public education and interest in the history and architectural heritage of the local area.

Trustee Background & Skills

The Sheerness Dockyard Preservation Trust is formed of eleven Trustees who bring together a range of experience from heritage restoration, conservation, architectural design and history, business and commercial management, project co-ordination, community engagement, design and finance.

The Trust Chairman, William Palin is now the Chief Executive of St Barts Heritage, and was formerly Director of Conservation at the Old Royal Naval College in Greenwich. He has a wealth of experience in leading and delivering similar high-profile government funded projects. He led the Painted Hall conservation project at Greenwich. This was a £9.5 million HLF funded project to clean and conserve over 40,000 square feet of the magnificent Grade I listed Painted Hall wall and ceiling paintings.

Reporting Structure

The Trust holds quarterly Trustee meetings, along with an Annual General Meeting (AGM). The meetings are minuted and circulated to all Trustees.

In addition to these, as part of the Dockyard Church Project, which received 'Permission to Start' from the Heritage Lottery Fund in May 2017, regular Project meetings also take place.

- Monthly project board meetings, with all members of the Project team and Trustees to discuss on-going progress of the Project
- Quarterly Advisory panel meetings, comprising of a variety of individuals bringing knowledge and advice to the project.

Main Achievements of the Trust during 2020

Project Progress: The Sheerness Dockyard Church Project

The most important achievement during 2020 (and up until the date of this report) has been the commencement of capital works on the Dockyard Church project. Works began in November, following the appointment of our principal contractor, Coniston Ltd in August.

Detailed design development work continued during 2020, under the direction of our architectural team with lead designers Hugh Broughton Architects partnering with building conservation specialists Martin Ashley Architects.

A rather wet day in May saw Stuart McLeod, Director of the National Lottery Heritage Fund for London and the South East, visit the Dockyard Church for a tour and press briefing.

The weather failed to dampen spirits as Stuart toured the site and talked to our team and the press about the project.

We were also delighted to welcome local MP Gordon Henderson to the site in June, for a tour of the construction site and discussion about local synergies.



Further information & news updates are available on our website: <https://sdpt.org.uk/>

Future Operation of the Building:

Our partner charity, the Kent Youth Support Trust, declined to tender for the role of Dockyard Church centre manager and service provider having experienced difficulties during the Covid pandemic. The Trust therefore adopted Amelix group as its preferred bidder. Amelix is an experienced provider with a strong education and training focus, operating business centres and learning spaces in Canterbury and Reculver.

Community Engagement:

Our freelance Community & Outreach Co-ordinator Allison Young has begun to deliver the NLHF Activity Plan for the project. During the year we continued to maintain links with schools through her work and notably via the Trust's membership of the Sheppey LCEP (Local Cultural Education Partnership), where updates on the Trust were included in local education newsletters and presentations.

The creation of the vibrant hoardings for the building site was carried out in conjunction with Spire Media, and these were installed in February 2021. They now provide visitors and passers-by with an engaging overview of the history of the building and the ambitions of the project, along with features on a range of individuals involved in various aspects of the project delivery.



Liaison with contractors continues to develop apprenticeship and education opportunities for local young people, and we are making increased use of social media and web opportunities to share old and new stories relating to the Church, and to the Project.

The Estuary 2021 festival in May saw project architects Hugh Broughton and Martin Ashley along with Trust Director Will Palin, collaborate in a well attended online talk and Q&A event.

A heritage Open Day in September brought over 70 people to the site for guided tours around the construction site, with talks on the building's history from Trustees, and Project approach from the Contractor's Contracts Manager.

The Dockyard Model:

The Trust had appointed specialist model conservators Atom to undertake the packing, transport and conservation of the Dockyard Model. Storage was arranged at the Alan

Baxter Associates archive in Lincolnshire. The Model was packed into the custom-built cases and transported to the archive facility in November 2020.

Fundraising program:

During 2020 the Trust successfully reached its funding target of £7.98m, following the confirmation of the NLHF grant of £4.2m. The match funding broke down into approximately £3m from Trusts and Foundations and the remainder from individuals. Our largest grants, aside from the NLHF, have come from Historic England; the Julia and Hans Rausing Trust; Colyer Fergusson Charitable Trust; the Lund Trust, Garfield Weston Foundation; Sackler Trust; Henry Oldfield Trust; Foyle Foundation; Allchurches Trust; Art Fund; Swale Borough Council and Swire Charitable Trust.

We are enormously grateful to all our supporters for giving so generously to this landmark project.

Overview: The Dockyard Church Project's professional team:

Project Management

The Project is managed by Glevum consulting, Director Simon Hawkins. Glevum consulting are a highly experienced heritage business consulting team. Since 2002 Glevum have delivered £40M of capital projects and activity plans. Glevum has project managed many HLF funded projects including the restoration of Turners House, Twickenham (£2.3M), the restoration and conservation of St Alfege Church, Greenwich (£2.7M) and the Painted Hall project Greenwich (£9.5M HLF funded).

Architect Team

The principal Design Architects are Hugh Broughton Architects who have many years of experience working on renovation and conservation projects both in the UK and abroad. They worked on the conservation of the Painted Hall at the Old Royal Naval College at Greenwich. They have been the lead design team on projects including the design of a new gallery to house the Portland Collection in Nottinghamshire, the design of a new East Wing at Maidstone Museum and more notably for a series of remote projects including the impressive and innovative Halley VI Antarctic Research Station and the Juan Carlos 1, Spanish Antarctic Base.

HBA have partnered with Martin Ashley Architects who have overseen the recent stabilisation work and will provide specialist conservation advice for the project build.

As part of the Architect led Team HBA have engaged Structural engineering firm Hockley and Dawson. MEP engineering firm Harley Haddow and Acoustics consultant Ramboll UK Ltd.

Cost Consultant

PT projects have been engaged as Cost Consultants. PT Projects have worked on several significant Heritage Projects including Abingdon County Hall & Museum, Museum of the Order of St John, Orleans House & Gallery (Richmond) and Wat Tyler Country Park (Basildon).

The Trustees who managed the charity during 2020 are as follows:

William Palin	Chairman
Andrew Byrne	Vice chairman
John Baker	Treasurer
Kevin Moore	Trustee
Chris Foulds	Trustee
Andrew Deeley	Trustee
Justin Webb	Trustee
Matthew Browne	Trustee
Amicia Demoubray	Trustee
Stuart Taylor	Trustee
Ed Barnard	Trustee

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Name:	William Palin
Position:	Chair
Signature:	
Date:	22 September 2021

Sheerness Dockyard Preservation Trust

Statement of Financial Activities

Year ended 31st December 2020

	Total Funds 2020	Total Funds 2019
Incoming Resources		
General Donations	£0	£500
Other Income	£1	£17
Released Income (Awards)	£197,454	£110,716
Grant Claims	£244,157	£159,657
Total Incoming Resources	£441,612	£270,890
Resources Expended		
Costs of generating funds	(£0)	(£0)
Charitable Activities	(£41,507)	(£8,011)
Impairment Charge - Funded Project A	(£345,221)	(£227,674)
Governance & Administration	(£443)	(£1,386)
Total Resources Expended	(£387,171)	(£237,071)
Net incoming resources for the year	£54,441	£33,819
Total Funds brought forward	£136,980	£103,161
Total Funds carried forward	£191,421	£136,980

Sheerness Dockyard Preservation Trust

Balance Sheet

31st December 2020

		2020	2019
Fixed assets			
Intangible assets		0	0
Assets in the course of construction		£180,148	£128,339
Tangible assets		1	1
		180,149	128,340
Current assets	£2,116,762	£1,185,152	
Debtors	£166,202	£37,724	
Cash at bank	£1,950,560	£1,147,428	
Creditors	£141,178	£57,440	
Deferred Income	£1,964,312	£1,119,072	
Net current (liabilities) / assets		11,272	8,640
Total assets less current liabilities		191,421	136,980
Net (liabilities) / assets		191,421	136,980
Funds			
Funds brought forward		136,980	103,161
Yearly adjustment		54,441	33,819
Total funds		191,421	136,980

Sheerness Dockyard Preservation Trust

Notes to the accounts

Year ending 31st December 2020

1: Audit Exemption

The company is entitled to exemption from audit under section 477 of the Companies Act 2006.

2: Basis of Preparation

The Trustees acknowledge their responsibility for ensuring that the company keeps accounting records that comply with the requirements of the Companies Act, and which give a fair and true view of the state of affairs of the company as at the end of the financial year, and these financial statements have been prepared in accordance with these provisions, and with the Charities Act.

3: Accounting Policies

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued 16 July 2014, and with the Charities Act 2011. The charity constitutes a public benefit entity as recognised by FRS 102.

No material prior year errors have been identified in the reporting period (3.47 FRS 102 SORP).

In the case of performance related grants, income has only been recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

4: The Charity has no employees.

5: Impairment of Heritage Assets

Due to the considerable conservation deficit in the Dockyard Church project, the costs incurred on the project are being impaired on a straight line basis at a rate of 87% which recognises the value of the completed building as a % of the total project cost. The Church Building valuation was assessed by Caxtons Chartered Surveyors in May 2018. The cost of project activity during 2020 was £397,040, resulting in an increase to net book value of £51,809.

6: Debtors & Accrued Income

All debtors are accrued income for grant payments received following completion of project claims.

7: Creditors & Accruals

All creditors fall due within a year, and are Trade Creditors for Professional Services delivered as part of the NHLF delivery phase.

Deferred income has increased in year by £845,240 due to receipt of project pledges.

8: A fee of £300 plus VAT was paid for external scrutiny of accounts and other services provided by the independent examiner.

9: These statements were approved by the Trustees at their meeting on the 24th July 2021 and were signed by the Chairman.

Will Palin



Date:

**INDEPENDENT EXAMINERS' REPORT
ON THE ACCOUNTS OF
SHEERNESS DOCKYARD PRESERVATION TRUST
(Charity number 1160812)**

This report on the accounts of Sheerness Dockyard Preservation Trust for the year ended 31st December 2020 is in respect of an examination carried out under Section 144 of the Charities Act 2011.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is our responsibility to:

- Examine the accounts under section 145 of the Charities Act,
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- To state whether particular matters have come to our attention.

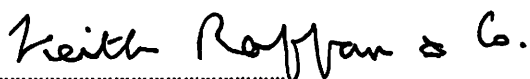
Basis of Independent Examiners' Report

Our examination was carried out in accordance with the General Directions given by the Charity Commission. That examination includes a review of the accounting records kept by Sheerness Dockyard Preservation Trust and a comparison of the accounts presented with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent Examiners' Statement

In connection with our examination, no matter has come to our attention:

- (1) which gives us reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with Section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and to comply with the requirements of the Act have not been met; or
- (2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Keith Raffan & Co.
Chartered Accountants

17 Short's Gardens,
London, WC2H 9AT.
23rd July 2020