

The Chatham Historic Dockyard Trust

Trustees' Report and Financial Statements

for the year ended 31 March 2024

Company number 01804108

Registered Charity number: 292101

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COMPANIES HOUSE

Vision

The most complete and best-preserved Dockyard of the Age of Sail will increase its impact through innovative reuses of our heritage assets making it ever more relevant to all users, providing excellent experiences for all and inspirational learning for the widest audiences.

Our Strategic Objectives

Preservation

To set the benchmark in maintaining excellence in the sympathetic preservation and use of The Historic Dockyard, its buildings, ships and collections through diverse re-use. Excellence in management of the heritage environment and building use will remain essential in preserving the unique, award-winning, historic character of the site.

Learning

To engage the widest audiences in learning about the significance and role of the former Royal Dockyard at Chatham and its people in supporting the Royal Navy from sail to steam to nuclear power over a 400 year period.

Utilising on-site heritage assets as the foundation for an industry leading museum and heritage site, we will maximise our reach and capacity whilst maintaining quality in delivering inspirational programmes and engaging activities which will incorporate the best use of digital technology and outreach activities.

Excellence

Providing excellence in everything we do, we will deliver an unmatched, inspirational and memorable experience for all users of The Historic Dockyard – whether visitors, tenants, residents or students – that exceed their expectations and maintains a balanced ecology of uses.

In setting and pursuing these objectives the Trustees have had regard to the Charity Commission's guidance on public benefit.

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Patron

HM The King

Vice Patrons at 31 March 2024

Admiral Sir Ian Garnett KCB

The Rt. Hon Sir Timothy Sainsbury Kt PC

Lord-Lieutenant of Kent, The Lady Colgrain

Trustees and Board Members

Admiral Sir Trevor Soar KCB, OBE, DL (Chairman)

Professor Robert Allison CBE, DL

Sir Ian Andrews CBE, TD

Mr William A Corbett

Mr Paul D Hudson

Mr Paul Jackson OBE

Mr Tony Jones (Appointed 23/05/2024)

Dame Diane Lees CBE (Appointed 23/05/2024)

Cllr Harinder Mahil (Appointed 23/05/2024)

Miss Sarah E Roots

Mr Prodaman K Sarwal MBE (Retired 23/05/2024)

Mr Duncan Wilson CBE

Mrs Deirdre Wells OBE

Secretary

Mr Christopher Langridge

Company members

The Trustees and Board Members (as above)

The Rt. Hon. The Secretary of State for Defence

The Rt. Hon. The Secretary of State for Digital, Culture, Media and Sport

Mr John Spence OBE DL

Key Management

Mr Richard Morsley

Mr Paul Barnard

Mrs Lynnette Crisp

Mr Nigel Howard

Mr Christopher Knott

Ms Olivia Horner

Mr Sean Rodwell

Chief Executive

Deputy Chief Executive

Director of Communications & Public Engagement

Director of the Historic Environment and Buildings

Financial Controller (Retired 31 March 2024)

Director of Commercial and Operations

Financial Controller (Appointed 27 November 2023)

Bankers

Barclays Bank PLC

13 Fremlin Walk

Maidstone

Kent ME14 1QG

Auditor

Azets

First Floor, River House

1 Maidstone Road

Sidcup

Kent, DA14 5RH

Solicitors

Cripps LLP

22 Mount Ephraim

Tunbridge Wells

Kent TN4 8AS

Registered Office

1st Floor North

Fitted Rigging House

The Historic Dockyard

Chatham

Kent

ME4 4TZ

Tel: 01634 823800 / www.thedockyard.co.uk

The Trust gratefully acknowledges the financial and other support during 2023/24 of its Dockyard Ambassadors, and of its many stakeholders and funders, so essential to its successful operation.

Major Donors and Supporters during 2023/2024 (in alphabetical order):

Arts Council England
DCMS Wolfson Museums and Galleries Improvements Fund
The Department for Digital, Culture, Media and Sport (DCMS)
The Department for Levelling Up, Housing and Communities
The Foyle Foundation
The Garfield Weston Foundation
The Headley Trust
Marsh Christian Trust
Medway Council
National Lottery Heritage Fund
Sir Charles Jessel Charitable Trust

We would like to thank all of the individuals and organisations that have supported the Historic Dockyard through this year, including those who have generously left gifts in the form of a legacy. Their support is hugely appreciated and makes a real difference to the valuable work we do.

In addition, we would like to thank, in particular, the Department for Digital, Culture, Media & Sport and Medway Council for their continued valuable support over many years.

The Chatham Historic Dockyard Trust is a registered charity (Charity No. 292101) and registered company (Company No. 01804108).

Gifts and donations made by UK taxpayers under gift aid substantially increase the value of donations made.

The Trust is a Fully Accredited Museum.

Trustees' annual report incorporating the strategic report

For the year ended 31 March 2024

Chairman's Introduction

As Chairman of the Chatham Historic Dockyard Trust, I am honoured to present the Annual Review for 2023/24. This year has been one of remarkable progress and profound significance for this very special place. The 31st March 1984 marked the closure of the Royal Dockyard at Chatham and 40 years later, we are very proud to note all the incredible achievements that have taken place over that period of time to create a sustainable mixed-use heritage estate. In our 40th year, we are also very proud to say that following many years of valued support from the Department of Digital, Culture, Media and Sport (DCMS), this funding relationship came to an end of 31st March 2023, marking the Trust's complete financial independence. This incredible achievement is testament to our unique business model, generating multiple income streams and utilising our site assets to underpin our financial viability. We are very grateful for the support that has been provided by DCMS over many years and we hope to continue our relationship with the Department for many years to come. This document reports against the period 1 April 2023 to 31 March 2024.

Achieving the Learning Purpose

The Historic Dockyard continues to grow back its audiences following the COVID-19 pandemic and we are pleased to report that we welcomed 143,162 visitors to the Historic Dockyard during this reporting period, a 13% uplift from the previous year. Whilst visitor numbers remain below pre-pandemic levels, we are very pleased to see visitors returning to the site and recognise the wider trends for heritage visitation within the sector which also remain below pre-pandemic levels.

Visitors

Over the course of the last twelve months, we have undertaken a range of additions and improvements to our visitor offer to help grow audiences further. Working in partnership with the National Maritime Museum Cornwall, we were delighted to host their "Monsters of the Deep" exhibition within No.1 Smithery for the entire 2023 visitor season.

This exhibition explored a wide range of themes related to underwater exploration and the creatures found at the murky depths of our oceans. The exhibition explored the mythology of sea monsters and the science behind modern oceanography and displayed a wonderful collection of deep sea specimens on loan from the National Oceanographic Centre. Loans for this exhibition were also secured from the National Maritime Museum, the British Library, the Beaney House of Knowledge and Brighton and Hove Museums Trust.

The exhibition received significant press interest from its launch on 1st April 2023 and a broader range of family activities, talks programmes and events were organised throughout the course of the year all following the wider theme of Monsters of the Deep.

Over the course of the year, we have also worked closely in partnership with the Royal National Lifeboat Institute (RNLI) in developing a temporary exhibition for 2024 which marks the 200th anniversary of this inspirational organisation. This exhibition launched on 23rd March 2024 and I look forward to sharing more information about the success of this exhibition in our next annual report.

Over the winter of 2023/24, the Trust took the opportunity to undertake a major refresh of the wider No.1 Smithery building, creating a revised Orientation Gallery as well as updating and refreshing the Permanent Exhibition Gallery. These works were funded by the DCMS/Wolfson Museums and Galleries Improvement Fund, the Garfield Weston Foundation, the Foyle Foundation and the Hedley Trust. We are grateful for their continued support and the revised gallery spaces opened to the public on 24th March 2024.

We continue to grow the number of formal educational visits and during the reporting period and would like to recognise our Lifelong Learning Teams for the achievement of a Sandford Award for Education, recognising their contribution to excellence in learning outside the classroom.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Achieving the Preservation Purpose

The Trust has made some great strides in the last year in achieving against its Preservation objective. We are delighted to report the effective completion of the Fitted Rigging House South project following significant investment from the Department of Levelling Up, Housing and Communities (DLUHC). Commercial tenants have now moved into the spaces created and the additional income streams generated by their presence will play a significant role in securing the Trust's long-term financial sustainability.

We are also pleased to report that our bid to Arts Council England MEND Round 3 has been successful, securing c.£2.3million to support essential maintenance works for Commissioner's House. This valuable funding will enable the Trust to undertake a programme of essential maintenance and repairs throughout 2025/26 that will see repair and replacement of the roof and improved mechanical and electrical provisions within the building itself.

Our partnership with the University of Kent continues to develop following the continued progress of the Docking Station project which seeks to utilise the Police Section House on the former Royal Dockyard site. The Trust continues to pursue the acquisition of this building via Homes England as part of this partnership project.

External Support

Support through third-party sources has always been transformational, not only in supporting our day-to-day operation but in supporting us in our drive for financial resilience. During this period, we have been fortunate to receive significant grant support from Arts Council England, the Foyle Foundation, the Hedley Trust and DCMS as well as support from a number of donors and benefactors who are referenced later in this report.

Our Teams

Over the course of the past year, the Senior Leadership Team within the Trust has seen a small amount of change following the retirement of the Trust's long-standing Financial Controller, Chris Knott. We are pleased to announce the appointment of Sean Rodwell to the position of Financial Controller following a succession planning exercise. We would also like to acknowledge a number of Trustees who will retire from our Board following the completion of their standard terms of engagement. In particular, we would like to acknowledge Pommy Sarwal MBE and Sir Ian Andrews CBE, TD who both step down later this year.

We are fortunate to have a highly dedicated and motivated team of staff and volunteers that give so much time and energy to supporting the furtherance of our charitable objectives and my thanks goes to each and every one of those people that make this place what it is today.

Forging the Future

Following the effective delivery of our current 5-year Corporate Plan, the Board of Trustees are embarking on a 10-year strategic planning exercise to ascertain the future direction of the organisation. As the Trust has now reached a point of financial independence, in our 40th year of operation, it is appropriate to develop a strategy that has a focus on the delivery of our charitable purposes, the values which underpin the culture of our organisation and the strategic imperatives that will drive our organisation over the next 10 years. We look forward to working with our teams and stakeholders to develop this strategy over the coming months.

This next part of our journey fills all of us with a great deal of excitement and I look forward to the opportunity to report on the progress of this in the future.

Admiral Sir Trevor Soar KCB OBE DL

Chairman

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Strategic Report - Vision & Objectives

Vision

The most complete and best-preserved Dockyard of the Age of Sail will increase its impact through innovative reuses of our heritage assets making it ever more relevant to all users, providing excellent experiences for all and inspirational learning for the widest audiences.

Our Core Charitable Objectives

The preservation of the Historic Dockyard Chatham, the most complete 18th Century dockyard in the world and; The education of the public in its historical, architectural and archaeological importance.

Our Strategic Objectives

Preservation

To set the benchmark in maintaining excellence in the sympathetic preservation and use of The Historic Dockyard, its buildings, ships and collections through diverse re-use. Excellence in management of the heritage environment and building use will remain essential in preserving the unique, award-winning, historic character of the site.

Learning

To engage the widest audiences in learning about the significance and role of the former Royal Dockyard at Chatham and its people in supporting the Royal Navy from sail to steam to nuclear power over a 400-year period.

Utilising on-site heritage assets as the foundation for an industry leading museum and heritage site, we will maximise our reach and capacity whilst maintaining quality in delivering inspirational programmes and engaging activities which will incorporate the best use of digital technology and outreach activities.

Excellence

Providing excellence in everything we do, we will deliver an unmatched, inspirational and memorable experience for all users of The Historic Dockyard – whether visitors, tenants, residents or students – that exceed their expectations and maintains a balanced ecology of uses.

Achieving the Vision and Objectives

Learning

The Trust has traditionally operated its ships, collections, open spaces, museums, galleries and programmes as a visitor attraction to meet the majority of its Learning objectives.

Before the pandemic there was an ambition to grow visitor numbers to 225-250K but with a fundamentally different operating environment and shifts in consumer behaviour, reaching such targets will not be achievable for several years. We are, however, pleased to report that the Historic Dockyard was able to operate a full visitor season and welcomed 143,162 visitors to site over this period. Whilst this is still below our ambition, the growth shown throughout the year gives us cause for optimism going into the year ahead to further increase our visitor number and hence, the delivery of our charitable objectives whilst simultaneously aiming to increase spends with visitors who choose to be with us.

Monsters of the Deep and Engaging Programming to Drive Visitation

The Trust took the conscious decision in 2022 to programme more thematically for 2023 and beyond and the theme of "Monsters of the Deep" was settled upon following the confirmation of the Monsters of the Deep exhibition on loan from the National Maritime Museum Cornwall. This temporary exhibition opened to the public on 1st April 2023.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Working alongside our exhibitions programme, the Trust developed an engaging range of family activities to excite and engage audiences during peak visitation periods around school holidays. These included a variety of craft activities all linked to either our core product or to our temporary exhibition. We were also thrilled to continue our partnership with Silvergate Media to present a range of activities from May to August linked to Octonauts, a popular children's TV series originated from a range of books. This activity was heavily linked into the Monsters of the Deep exhibition.

Family Programming

Attracting family audiences during our peak visitation periods is important to us as it provides an additional reason for our visitors to join us during a very competitive time of year. We programme each of the holiday periods independently and over the reporting period have delivered the following activities:

- Easter 2023 – What's Hatching at the Dockyard (Monsters of the Deep themed)
- May 2023 (to Summer 2022) – Octonauts
- Summer 2023 – Doc Yard Summer Show
- October 2023 – Here Be Dragons (Monsters of the Deep themed)
- February 2024 – HMS CAVALIER Crew Challenge

Festivals in Full Swing

Throughout 2023, the Historic Dockyard was proud to host 2 major events:

- Medway Gaming Festival 2023 (1st & 2nd July 2023) – 2023 marked the third year of this event which was hosted at the Historic Dockyard in partnership with Medway Council following a pilot in 2021 towards the end of the COVID-19 pandemic. The event is a celebration of Gaming in its widest form and serves as an excellent way to drive new audiences that are currently not engaging with our core product. We welcomed c.5,500 paid visitors to this event, an increase of c.30% from the previous year.
- Salute to the 40s (9th & 10th September 2023) – We hosted our annual Salute to the 40s event in September. We were delighted to have welcomed c.4,600 visitors to site over the weekend.

Lifelong Learning

The Trust continues to see an impact on formal learning visitation with the costs of transportation for school groups particularly impacting the growth of our formal learning function. With that in mind, we are however pleased to report that we engaged with over c.13,500 through our formal learning programmes, both on-site and through our educational outreach activities to schools and events. We are pleased to report that we have once again been selected as a recipient of the much coveted Sandford Award for Heritage Education, recognising the high quality learning provision provided by our Lifelong Learning teams.

Community and Public Engagement

Following the completion of our consultancy project with B&G Consulting, we are now actively working to make a wider impact within our immediate local communities through a range of public engagement works. This has been achieved through a range of partnership with local community organisation and charities and have focussed on increasing our presence and audiences within underrepresented groups.

Museum and Collections

Following a successful fundraising campaign, the Trust took the opportunity during the closed period to visitors of 2023/24 to undertake a programme of upgrades and improvements to No.1 Smithery, primarily focussed on the Orientation Gallery and Permanent Exhibition Gallery. These works sought to deal with issues around failing audio visual equipment but also upgrade the spaces to give a more modern and flexible feel. We also took the opportunity to relocate the Chatham Chest from its existing location in our main visitor entrance to its new home in the Permanent Exhibition Gallery. This decision was taken to allow us to provide a more complete interpretation of the object and recognise the links with Sir John Hawkins and the slave trade, putting this in context with the charitable message of the object. We worked closely with the Medway African Caribbean Association (a long-standing partner of the Trust) to re-tell the story of this object and the Trust is grateful for their support in this process. This forms part of a longer project that aims to look at the challenging messages around both slavery and colonialism that are woven into the wider context of the dockyard's 400-year history.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Preservation

With over 100 buildings and structures, including 47 ancient monuments, preservation on our historic estate can never stand still. We achieve our charitable purpose of 'preservation' through our long-term 'Preservation through Reuse' strategy.

Caring for Scheduled Ancient Monuments

The Trust secured a significant grant from the Levelling Up Fund (LUF) in 2021 to bring the southern end of the Fitted rigging House, a Scheduled Ancient Monument, into effective use. The building was underutilised and the LUF funded project has transformed the property from a heritage liability into a significant heritage asset. The project, which was directly managed by the Trust as Managing Contractor, has seen the building preserved and let for commercial office space. The building is fully let and generating property derived revenue for the benefit of the Trust. The project was completed in November 2023 and was formally opened by the Secretary of State for Culture Media and Sport, the Rt Hon Lucy Frazer MP.

Throughout the year, the Estates and Preservation team has undertaken a wide range of other projects across our historic estate. These projects have included the full external redecoration of the Sail and Colour Loft, a significant Scheduled Ancient Monument, which is now the home of Mid Kent College's Medway School of Arts. In addition to the external redecoration, the project included a range of external fabric repairs and major internal works to ensure suitability for the new tenant.

No.1 Smithery, a cultural facility and gallery at the heart of the Dockyard, underwent a major refresh which saw significant improvements to the building, the first significant works since a major capital project completed in 2010. The project saw full internal redecoration of key gallery spaces, new flooring, lighting, interpretation and access improvements. The improved No.1 Smithery Gallery was opened to the public in March 2024.

A range of smaller projects have been undertaken across the historic estate, including roof repairs at the intersection of No.3 and 4 Slip, repair to the external façade of Machine Shop No.3 and repair and redecoration of Building 73. Across the tenanted Dockyard estate, there has been considerable programme of work to maintain and decorate properties, including notably internal redecorations to Admirals Offices.

We are in the process of acquiring our 48th Scheduled Ancient Monument. In a partnership between Medway Council, the University of Kent's Institute of Cultural and Creative Industries and the Trust, the Police Section House, a Grade II listed Scheduled Ancient Monument, will be developed into innovative new creative space called The Docking Station. This new development will become a digital creative and cultural industries hub providing cutting edge technologies, performance and training opportunities. Construction is planned to commence in autumn 2024.

Having secured a major grant through the Arts Council England administered MEND programme, planning is now well underway for a major preservation project the Grade I Listed, Scheduled Ancient Monument, Commissioners House. Preservations works on Commissioner's House will include roof repair, mechanical and electrical, and environmental improvement. The project will commence in late 2024 with a planned completion in 2026.

Historic Ship Maintenance

With three historic warships in our care, their preservation is an important part of our activity.

Ongoing maintenance work has taken place onboard HMS Gannet and HMS Ocelot to maintain the current condition and undertake regular reviews and surveys to ensure their ongoing condition. Further improvements have been made to the interpretation onboard HMS Ocelot to improve the visitor experience.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

HMS Cavalier is a Second World War destroyer built on the Isle of Wight in 1944. HMS Cavalier is preserved at the Historic Dockyard Chatham as the National Destroyer Memorial commemorating the lives and Royal Navy Destroyers lost during the Second World War. As part of our planned maintenance, works were undertaken to provide hull repairs, painting of the hull and decks. We are currently monitoring the condition of HMS Cavalier carefully where we are seeing areas of deterioration within the hull with a longer-term dry docking procedure planned for the coming years.

Achieving Excellence

As an independent charity our aim is to provide excellence in everything we do. We strive to deliver unmatched, inspirational and memorable experiences for all users of the Historic Dockyard – whether visitors, tenants, residents or students – that exceed their expectations.

Developing excellence is the key to unlocking income and creative development across several areas.

Quality Assured

We believe that benchmarking against others and using external judgement through accredited schemes is the best way to assess achievement. We participate in the Visit England Visitor Attraction Quality Assurance Scheme (VAQAS) and we're pleased to report that for 2023/24 we received a score of 92 out of 100.

Travellers' Choice

We are delighted to have been awarded the 2023 Tripadvisor Travellers' Choice Award, which recognises outstanding visitor experiences, for the 13th year running.

Investing in our people

Investment in our staff and volunteers as an educational charity is fundamental to our culture and essential for our future success. We continue to manage talent within our organisation. Following the retirement of some long-standing members of the team, a succession planning process has engaged people at different levels of the Trust.

In 2023/24, we said farewell to our longstanding Financial Controller, Christ Knott, who retired following a long career with Chatham Historic Dockyard Trust. We are pleased to report the appointment of Sean Rodwell as the current Financial Controller who joined the Trust in 2023 originally as Financial Controller (Designate).

We have policies in place to encourage good relationships with staff and managers, and to promote a happy and productive working environment. The areas covered include training in health and safety, GDPR, equal opportunities, technology and safeguarding. A comprehensive staff handbook is issued to all new staff during induction and is available through internal systems. We are also pleased to report that in the last financial year, we have introduced a range of well-being initiatives to enhance wellbeing across all our teams including regular social activities and the integration of a new employee assistance service.

Engaging diverse audiences and ensuring everyone has access to The Historic Dockyard Chatham is a priority. The Trust has adopted a new Equality, Diversity and Inclusion strategy putting the importance of this work stream at the highest level. The strategy documents how we aim to better understand our barriers to entry and make The Historic Dockyard Chatham welcoming and inclusive for everyone.

Staff Complement

Permanent - 77

Seasonal - 68

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Volunteers

From railway operators to ship-keepers and conservators to researchers, volunteers are crucial to the operation of the Historic Dockyard and the Trust is forever grateful for the time and expertise our volunteers bring to the organisation. The Trust has over 300 registered volunteers with c.150 of these giving up their valuable time to work with us on a regular basis. We are grateful for all the support they provide to us.

Trading activity

As an organisation we are committed to being entrepreneurial, dynamic and proactive whilst remaining focussed on activity that maximises charitable purpose. We use trading activity to generate income to further our core purpose.

Visitor Trading

Our consolidated trading result generated a net profit of £145k, with 'spend per head' hitting a record breaking high.

Call the Midwife

Call the Midwife location tours remain a popular choice for visitors and our costumed midwife guides took over 12,000 fans through our official tour and gallery. Planning began in 2022 for a revised Call The Midwife tour which brings the product up to date with the current TV series and included a revised and refreshed gallery adding new props, sets and costumes to further enhance the experience. This product was launched in May 2023.

Filming

We remain a popular choice for location managers with our filming business having generated £222K in the reporting period. This was much reduced from the previous year due to the Hollywood writers strike which had a major impact on filming projects happening globally.

Rope Sales

Rope sales were £409k for the year versus £404k in 2023/24, demonstrating a small increase despite a difficult market.

Governance

In accordance with the articles of association there are eleven trustees, all of whom are the Directors and members of the Trust, which is a company limited by guarantee. The Secretary of State for Digital, Culture, Media & Sport, the Secretary of State for Defence and Mr John Spence OBE DL are also members of the Trust company.

The Trust Board retains ultimate responsibility for strategic decision-making, but ordinary management of the activities and business of the Trust is delegated to the Chief Executive, who in turn delegates specific management areas to appropriate member of his executive team. Specific and defined expenditure and contractual limits are in place and operate effectively. The Chief Executive and key members of the Executive team report regularly to Board committees and to the Trust Board itself.

As vacancies in the Trust Board from time to time arise, it is Trust policy to ensure that new appointments reflect specific skill sets seen as important for a charity of this nature. In accordance with an established protocol, nominations for new Trustees are invited from existing Board members, and considered by a Nominations Committee, comprising the Chairman of the Trust and the Chairman of the Remuneration Committee, who consult and invite representations from appropriate Board members. After an interview process, a formal proposal is put to the full Board for decision. Once appointed, new Trustees are given a full day's induction at the Historic Dockyard which includes a full site tour and time spent understanding the business with the Chairman, Chief Executive and other senior managers of the Trust with on-going training provided as necessary.

The Trust Board, Committees of the Board and wholly owned subsidiaries (see below), with their separate boards, have all operated effectively during the year, providing strategic guidance to the Executive team and all-important oversight and scrutiny of delivery against objectives set. Following best practice, the Trust Board has effective Audit, Finance & General Purposes and Remuneration Committees as well as specially formed groups start-finish Committees, such as the Interface Land Committee, to focus scrutiny on areas considered to carry special significance and potential risk.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

The Audit Sub-Committee during the reporting period comprised of 6 members (Pommy Sarwal, Tony Corbett, Paul Hudson, Sir Ian Andrews, David Philip and Sir Trevor Soar). The Committee meets twice a year (February and October).

Financial Management Policies

Management of the finances of the Trust remains the immediate responsibility of the Financial Controller who prepares detailed monthly financial and management accounting information for review by the Chief Executive. A summary of the financial position of the Trust and its subsidiaries is also presented for quarterly review and approval to the Finance and General Purposes Committee, and then to the Board itself.

Trust Net Income/Expenditure

The consolidated Statement of Financial Activities for the year ending 31st March 2024 shows surplus of £93k (2023: £1.2m).

Reserves Policy

The policy of the Trust is to hold in free reserves a minimum sum of £800k and a maximum level of £1.6m. This reserve is to cover various contingencies such as a significant uninsured loss, a significant event which damages the Trust's reputation leading to a reduction in visitor income, and a reduction in the Trust's rental income. The general reserve can also be used to cover temporary cash flow shortfalls in receiving grant payments relating to major capital projects. At 31 March 2024 this reserve stood at £373k (2023: £644k).

The Trust also maintains a designated development reserve of £247k (2023: £785k), use of which is only to be made when considered appropriate against a conscious review of future risks occurring over a project's /payback period. This reserve can be re-designated to general reserve following the review process should perceived risks have changed, therefore is also considered as part of the free reserves calculation.

The Trust has also established a designated PPM of £185k (2023: £85k), to plan for future planned preventative maintenance requirements across the estate. Similar to the designated development reserve, this can be re-designated to general reserve should perceived risks change, so is also considered as part of the free reserves calculation.

The Trust's Reserves Policy provides for a minimum reserve of £800k but rising to a cash maximum of £1.6m when designated reserves are replenished by rentals received post project completion. The total free reserves (including the development reserve and PPM) at 31 March 2024 were £805k (2023: £1.5m).

This policy is reviewed annually by the Trust Board.

Investment Policy

Following the Trust's policy review in 2014/15, £400k, as part of the general reserve, has been placed in medium term low risk investments through CCLA. These investments have now increased to £704k on 31 March 2024 (2023: £632k).

Risk

The Trust has an active risk register, which is reviewed by the Board twice in each year. The register covers identified strategic risks and monitors movement in risk as a key indicator of progress. Key risks are generally stable and considered manageable.

Chatham Historic Dockyard Trust holds a business risk register which is reviewed on a regular basis by the Board of Trustees. The register identifies key risks and at the point of reporting, these are listed as the following:

1. A substantial reduction in the resources required to meet the Trust's operational and development needs.
2. The occurrence of significant physical damage to the property, historic character or fabric of the Dockyard.
3. A failure in the strategic or operational management of the Trust.
4. A failure to maintain/manage our IT data-holding and related systems appropriately to meet statutory operational and security imperatives.
5. The loss of key staff or damage to morale within the workforce or volunteer community.
6. Failure to maintain a safe and healthy environment.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

7. The loss of a key partner or relationship.
8. Inappropriate development or change of use of property adjoining or near to the Dockyard.
9. A change in government policy or professional standards which is incompatible with the charitable purposes of the Trust.
10. Increased energy/utility costs and increased material/labour costs due to current economic climate.

Each of these risks is scored and appropriate mitigating actions are taken to ensure both likelihood and impact are reduced where possible.

To enhance internal controls a member of the finance team provides an internal audit function as a substantial part of his role, reporting directly to the Chief Executive, and thence to the audit and compliance committee of the Trust Board.

Several internal audits have been undertaken in designated areas, to ensure compliance with statutory and internal Trust requirements.

Fundraising

Support through third-party sources has been imperative to the Trust's survival. During this period, we have been fortunate to receive significant grant support from the Arts Council England, DCMS Wolfson Museums and Galleries Improvements Fund, the Foyle Foundation, the Headley Trust and the Garfield Weston Foundation.

DCMS

We were awarded £196,000 from DCMS to support a range of Planned Preventative Maintenance projects.

Individual Fundraising Activity

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts received are presented in our accounts as "income from donations, including grants".

In relation to the above, we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the trustees.

The charity is not bound by any undertaking to be bound by any Regulatory Scheme but any fundraising that does take place with individuals is in line with guidance set by the Fundraising Regulator.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we do not particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

In relation to the above, we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the trustees.

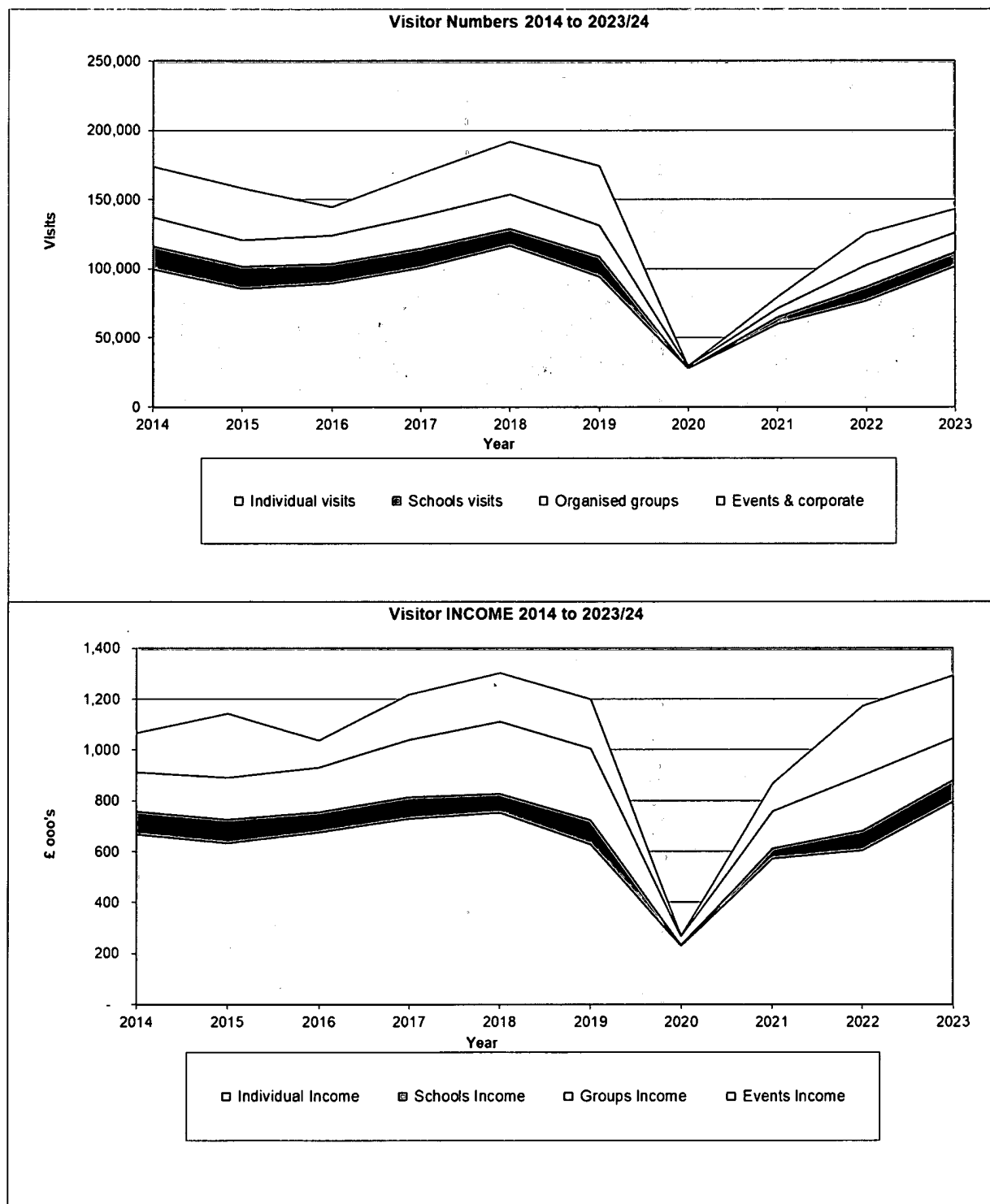
The charity is not bound by any undertaking to be bound by any Regulatory Scheme but any fundraising that does take place with individuals is in line with guidance set by the Fundraising Regulator.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we do not particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

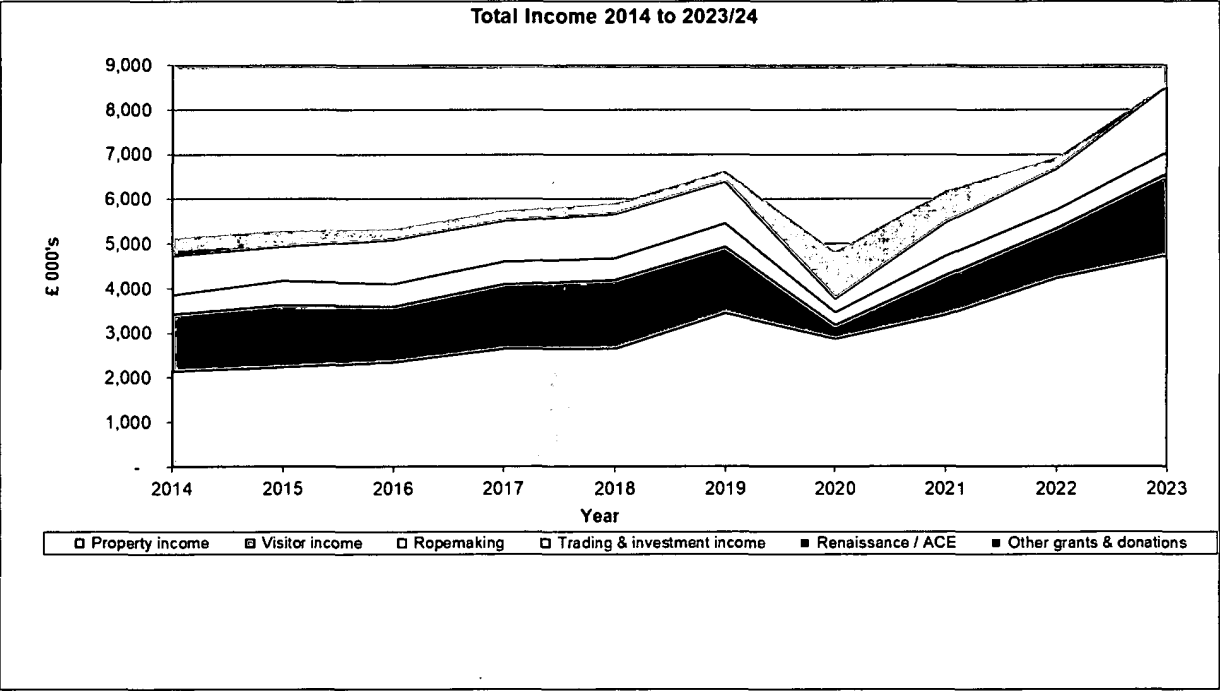
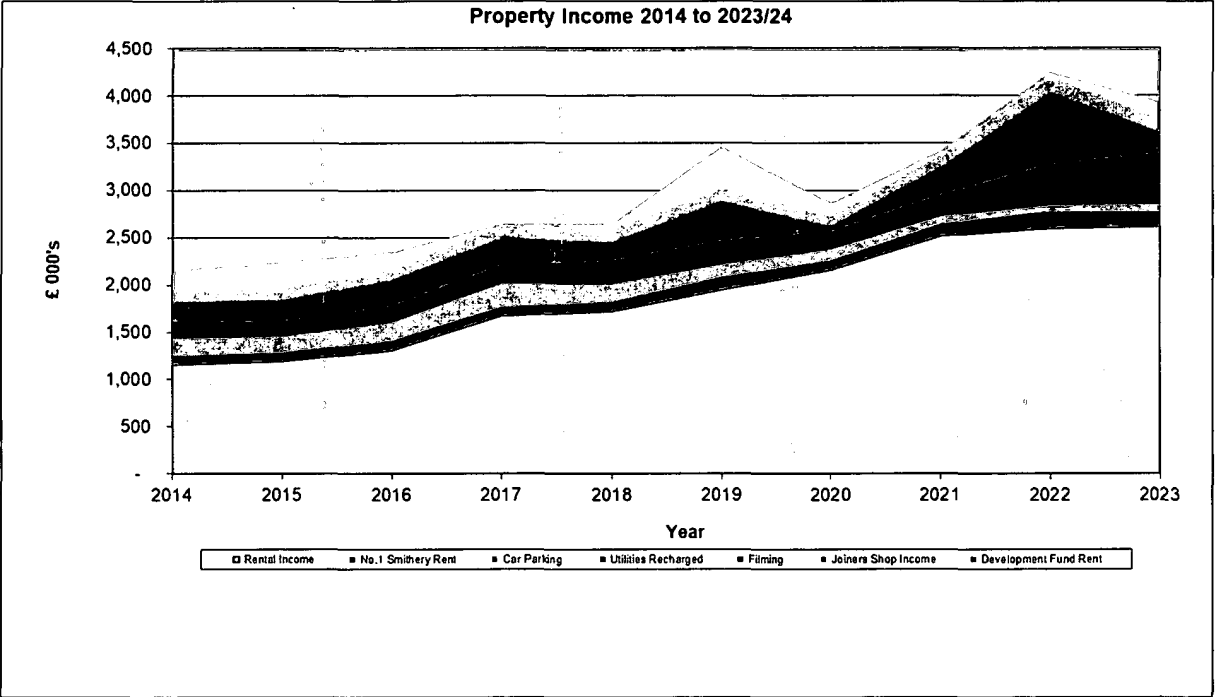
Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Financial Statistics



Trustees’ annual report incorporating the strategic report (continued)
 For the year ended 31 March 2024



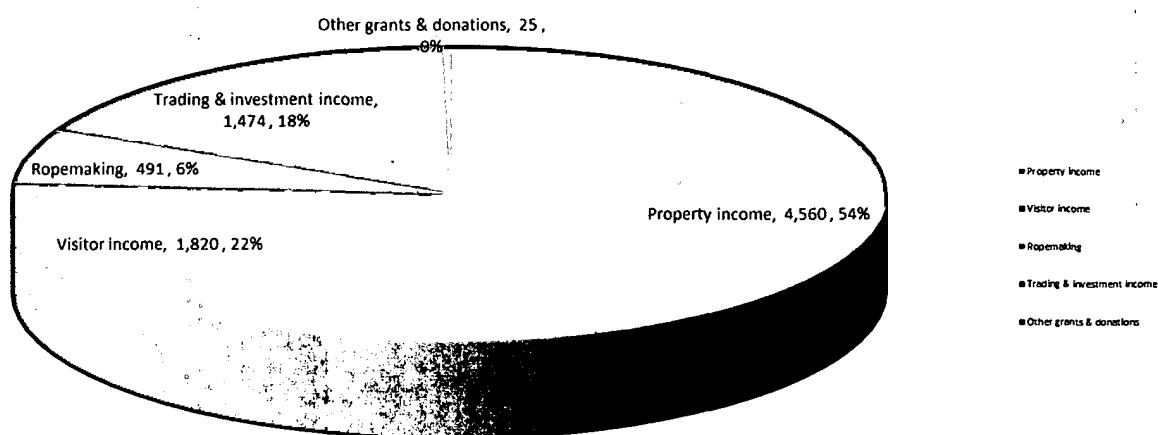
Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Chatham Historic Dockyard Trust

OPERATING INCOME 2023/24

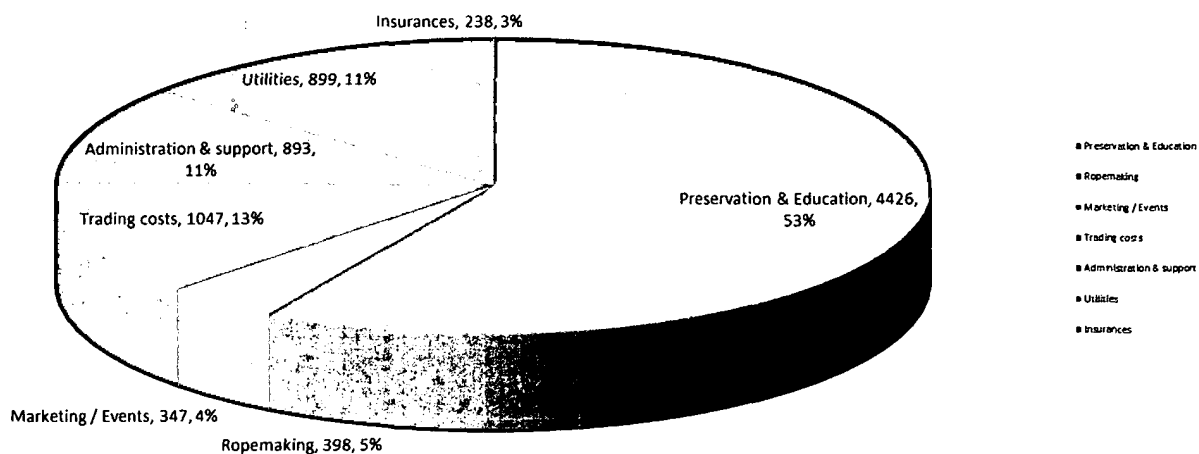
£000's



Chatham Historic Dockyard Trust

OPERATING EXPENDITURE 2023/24

£000's



Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

Subsidiaries

The Trust has four wholly owned trading subsidiaries which manage activities designed to create related income streams for the charity that do not arise from its primary purposes of preservation by re-use of its heritage assets and education.

In each case net profits are transferred to the Trust with the benefit of gift aid as a qualifying charitable donation.

The subsidiaries are:

Chatham Historic Dockyard (Trading) Limited

This subsidiary undertakes retail, catering and similar operations at the Historic Dockyard. The results for the year were:

	Retail	Catering
Turnover	£302k	£818k
Net Profit/(Loss)	£57k	£88k
Spend per visitor	£2.11	£5.71

CHD(Trading) Ltd. generated a net profit of £145k (£90k in 2022/23). This was despite visitor volumes still below pre-pandemic levels as retail and catering spends per head hit record levels.

Property Companies

The Trust has two wholly owned subsidiary property holding companies that manage the residential and potential development land on the Trust's estate:

Net Profit for the Year

Historic Dockyard Property Ltd (HDPL)	£3k
Historic Dockyard Property (2005) Ltd (HDPL 2005)	£112k

HDPL provides management and a range of maintenance services to the residential estate at the Historic Dockyard. It works closely with a formal Residents' Association. The time and commitment devoted by that Association is very valuable in helping to provide a well maintained and harmonious environment as part of the Trust's strategy of excellent service to all users of the estate.

HDPL 2005 owns and manages an area of potential development land within the estate, known as The Interface Land, currently let on commercial leases.

Master Ropemakers (Trading) Ltd (MRL)

The Trust recognises that the Ropery is one of its strongest visitor attractions. The combination of a guided tour and the traditional manufacturing process provide a highly enjoyable and educational experience. The manufacturing process, because of its educational value, is now undertaken by the Trust as part of its core activities, but the sale of manufactured rope and rope products continues as a commercial activity, undertaken by MRL.

The year saw the annual turnover for MRL reach £409k. There was a Net Profit of £35k which has been Gift Aided to Chatham Historic Dockyard Trust. Products made from manufactured rope for the retail market continue to grow in importance within the business of MRL. The encouraging results of the company are founded on principles of excellent customer service, quality production and diversification of product and markets.

Energy Carbon Reporting

The following SECR Report was completed by GEP Environmental Ltd (GEP) based on The Chatham Historic Dockyard Trust (CHDT) energy consumption, covering their 2024 financial year and contains GHG emissions results and conversions completed by GEPEnv, supporting CHDT's SECR reporting disclosure.

Trustees' annual report incorporating the strategic report (continued)

For the year ended 31 March 2024

As a "large" company, as defined by Companies Act 2006, The Chatham Historic Dockyard Trust is required to report on its energy usage and related carbon information. Consumption in kWh and emissions in tonnes of CO₂e for the financial year ending 31st March 2024 are provided.

Emissions from combustion of Gas tCO₂e (Scope 1)

Location Based Tonnes of CO₂ equivalent (tCO₂e) are calculated from the product of the invoiced gas consumption in m³ during the reporting period and the 2023 UK Government GHG Conversion Factors for Company Reporting for 'Natural Gas'

Since 1st October 2020, The Chatham Historic Dockyard Trust has purchased Carbon Neutral Gas as part of their Gas supply contract provided by Brook Green Supply Limited. For more information, please visit <https://www.brookgreensupply.com/fuel-mix>.

Emissions from purchased electricity tCO₂e (Scope 2, Location-based)

Location Based Tonnes of CO₂ equivalent (tCO₂e) are calculated from the product of the above stated electricity consumption in kWh during the current reporting period and the 2023 UK Government GHG Conversion Factors for Company Reporting for 'Electricity Generated/Electricity: UK'

Emissions from purchased electricity tCO₂e (Scope 2, Market-based)

Market Based Emissions are reported as 0 due to the fuel mix of the electricity purchased, as defined by the suppliers' fuel mix. Haven Power fuel mix: 100% REGO Backed Renewable Electricity.

Intensity Ratio (tCO₂e gross figure based on mandatory fields)

The intensity ratio stated above has been calculated as Tonnes of CO₂e per total square metres of property owned for The Chatham Historic Dockyard Trust as a whole (113,918 m²).

Carbon Emissions Data	Previous Reporting Year 1st April 2022 – 31st March 2023	Current Year 1st April 2023 – 31st March 2024
Scope 1 (tonnes CO₂e)	620	567
• Combustion of gas		
Scope 2 (tonnes CO₂e)		
• Electricity (includes T&D losses)		
o Location-based	502	538
o Market-based	-	-
Total Gross CO₂e based on above (tCO₂e)	1,122	1,105
Intensity Ratio (tCO₂e/m²)	0.0098	0.0097

Notes:

- Scope 1: Emissions associated with our direct activities, such as heating.
- Scope 2: Emissions related to the electricity we purchase. 'Location-based' represents the CO₂e intensity of our sites based on the fuel mix of the National Grid. 'Market-based' represents the electricity we have purchased, which is 100% REGO-backed renewable.

Carbon Emissions Data	Previous Reporting Year 1st April 2022 – 31st March 2023	Current Year 1st April 2023 – 31st March 2024
The Chatham Historic Dockyard Trust Energy Consumption Total energy consumed (kWh)		
• Electricity	2,377,561	2,393,399
• Natural Gas	3,396,887	3,097,830
The Chatham Historic Dockyard Trust Electricity Renewable %	100%	100%
Total electricity which is renewable %		
The Chatham Historic Dockyard Trust Natural Gas Carbon Offset %	100%	100%
Total natural gas which is carbon offset %		

Statement of Responsibilities of the Trustees

For the year ended 31 March 2024

The Trustees are responsible for preparing the Strategic Report, the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

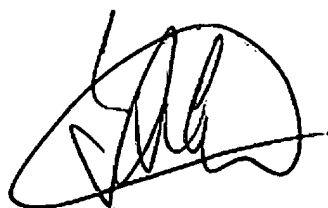
Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of Information to the Auditor

In accordance with company law, as Trustees we confirm that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- As the Trustees of the Trust we have taken all the steps that we ought to have taken in order to make ourselves aware of that information and to establish that the Trust's auditor is aware of that information.

The Trustees' Annual Report, incorporating the Strategic Report, is approved by the Board of Trustees and signed on behalf of the Trustees.



Admiral Sir Trevor Soar KCB OBE DL

Chairman

Date: 10th October 2024

The Historic Dockyard

Chatham

Kent ME4 4TZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATHAM HISTORIC DOCKYARD TRUST

For the year ended 31 March 2024

Opinion

We have audited the financial statements of Chatham Historic Dockyard Trust (the parent charitable company) and its subsidiaries (the group) for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATHAM HISTORIC DOCKYARD TRUST

For the year ended 31 March 2024

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the [strategic report and the] directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, 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 group's and 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 group or charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATHAM HISTORIC DOCKYARD TRUST

For the year ended 31 March 2024

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATHAM HISTORIC DOCKYARD TRUST

For the year ended 31 March 2024

- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

Michelle Wilkes (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

First Floor, River House

1 Maidstone Road

Sidcup

Kent, DA14 5RH

15 October 2024

Consolidated Statement of Financial Activities

(Incorporating the income and expenditure account)

For the year ended 31 March 2024

	Notes	Unrestricted funds	Restricted Funds		Total 2024	(as restated) Total 2023
		£	Fitted Rigging House	Other	£	£
Income from:						
Donations and grants	4	25,280	366,219	655,442	1,046,941	2,451,712
Charitable activities	5	6,555,018	-	-	6,555,018	5,691,207
Other trading activities	6	1,933,258	-	-	1,933,258	1,677,838
Investments	7	30,527	-	-	30,527	1,371
Total income		8,544,083	366,219	655,442	9,565,744	9,822,128
Expenditure on:						
Raising funds	9	1,966,082	-	-	1,966,082	1,704,380
Charitable activities						
Preservation	10	3,235,508	232,530	155,977	3,624,015	3,025,240
Education	11	3,047,366	-	906,663	3,954,029	3,856,277
Total charitable activities		6,282,874	232,530	1,062,640	7,578,044	6,881,517
Total expenditure		8,248,956	232,530	1,062,640	9,544,126	8,585,897
Net income/(expenditure) before gains and losses		295,127	133,689	(407,198)	21,618	1,236,231
Net gains/(losses) on investments	19	71,843	-	-	71,843	(23,194)
Net income (expenditure)	14	366,970	133,689	(407,198)	93,461	1,213,037
Transfers between funds	30	(65,271)	-	65,271	-	-
Net movement in funds		301,699	133,689	(341,927)	93,461	1,213,037
Funds as at 1 April 2023		2,220,881	8,220,831	9,432,141	19,873,853	18,660,816
Funds as at 31 March 2024	29, 30	2,522,580	8,354,520	9,090,214	19,967,314	19,873,853

All amounts relate to continuing activities.

The notes on pages 27 to 55 form part of these financial statements.

Consolidated Statement of Financial Activities

(Incorporating the income statement)

Full comparative information the year ended 31 March 2023

	Notes	Unrestricted funds	Restricted Funds		(as restated) Total 2023	Total 2022
		£	Fitted Rigging House £	Other £	£	£
Income from:						
Donations and grants	4	72,835	1,808,657	570,220	2,451,712	1,016,042
Charitable activities	5	5,691,207	-	-	5,691,207	4,391,250
Other trading activities	6	1,677,838	-	-	1,677,838	1,397,436
Investments	7	1,371	-	-	1,371	2,506
Other income	8	-	-	-	-	(900)
Total income		7,443,251	1,808,657	570,220	9,822,128	6,806,334
Expenditure on:						
Raising funds	9	1,704,380	-	-	1,704,380	1,470,207
Charitable activities						
Preservation	10	2,664,386	219,672	141,182	3,025,240	2,875,591
Education	11	2,976,441	-	879,836	3,856,277	3,502,580
Total charitable activities		5,640,827	219,672	1,021,018	6,881,517	6,378,171
Total expenditure		7,345,207	219,672	1,021,018	8,585,897	7,848,378
Net income/(expenditure) before gains and losses		98,044	1,588,985	(450,798)	1,236,231	(1,042,044)
Net (losses)/gains on investments	19	(23,194)	-	-	(23,194)	67,380
Net gains on investment property	17	-	-	-	-	(21,150)
Net income (expenditure)	14	74,850	1,588,985	(450,798)	1,213,037	(995,814)
Transfers between funds		-	-	-	-	-
Net movement in funds		74,850	1,588,985	(450,798)	1,213,037	(995,814)
Funds as at 1 April 2022		2,146,031	6,631,846	9,882,939	18,660,816	19,656,630
Funds as at 31 March 2023	29,30	2,220,881	8,220,831	9,432,141	19,873,853	18,660,816

All amounts relate to continuing activities.

The notes on pages 27 to 55 form part of these financial statements.

Consolidated and Trust Balance Sheets

As at 31 March 2024

	Notes	Consolidated (as restated)		Trust (as restated)	
		2024 £	2023 £	2024 £	2023 £
Fixed assets					
Property plant and equipment	15	1,493,866	2,420,176	1,478,636	2,410,572
Heritage assets	16	17,410,367	15,063,455	17,410,367	15,063,455
Investment properties	17	310,554	310,554	-	-
Investments in subsidiaries	18	-	-	26,100	26,100
Listed investments	19	704,165	632,322	704,165	632,322
		<u>19,918,952</u>	<u>18,426,507</u>	<u>19,619,269</u>	<u>18,132,449</u>
Current assets					
Inventories	20	352,411	325,495	261,563	237,799
Debtors	21	1,139,951	1,300,237	1,325,442	1,578,087
Cash and cash equivalents		<u>624,143</u>	<u>2,056,096</u>	<u>420,197</u>	<u>1,787,717</u>
		<u>2,116,505</u>	<u>3,681,828</u>	<u>2,007,202</u>	<u>3,603,603</u>
Creditors: amounts falling due within one year	22	<u>(1,809,138)</u>	<u>(1,825,477)</u>	<u>(1,725,576)</u>	<u>(1,778,621)</u>
Net current assets		<u>307,367</u>	<u>1,856,351</u>	<u>281,624</u>	<u>1,824,982</u>
Total assets less current liabilities		<u>20,226,319</u>	<u>20,282,858</u>	<u>19,900,894</u>	<u>19,957,431</u>
Creditors: amounts falling due after more than one year	23	<u>(200,000)</u>	<u>(350,000)</u>	<u>(200,000)</u>	<u>(300,000)</u>
Provision for deferred tax	25	<u>(59,005)</u>	<u>(59,005)</u>	<u>-</u>	<u>-</u>
Net assets	28	<u>19,967,314</u>	<u>19,873,853</u>	<u>19,700,894</u>	<u>19,607,431</u>
Funds employed					
Restricted funds					
Fitted Rigging House		8,354,520	8,220,831	8,354,520	8,220,831
Other		9,090,214	9,432,141	9,090,214	9,432,141
Total restricted funds	29	<u>17,444,734</u>	<u>17,652,972</u>	<u>17,444,734</u>	<u>17,652,972</u>
Unrestricted funds					
Designated funds	30	1,903,596	1,330,659	1,888,367	1,330,659
Revaluation reserve	30	246,321	246,321	-	-
General	30	372,663	643,901	367,793	623,800
	30	<u>2,522,580</u>	<u>2,220,881</u>	<u>2,256,160</u>	<u>1,954,459</u>
	28	<u>19,967,314</u>	<u>19,873,853</u>	<u>19,700,894</u>	<u>19,607,431</u>

Consolidated and Trust Balance Sheets

As at 31 March 2023

The financial statements were approved and authorised for issue by the Trustees on 24th September 2024 in accordance with section 408 of the Companies Act 2006, a separate Statement of Financial Activities for the charity has not been presented. The surplus attributable to the Trust for the year was £93,463 (2023- deficit of £1,236,232). Income attributable to the Trust for the year was £9,565,744 (2023- £8,924,938).



Admiral Sir Trevor Soar
Chairman

Company number 01804108

The notes on pages 27 to 55 form part of these financial statements

Consolidated statement of cash flows

For the year ended 31 March 2024

	Notes	2024 £	2023 £
Net cash from operating activities	31	<u>1,038,505</u>	<u>1,993,287</u>
Cash flow from investing activities			
Purchase of property, plant and equipment		(2,384,268)	(1,455,008)
Proceeds from the disposal of investment properties		-	-
(Purchase) of investments		-	-
Income from investment property		<u>13,810</u>	<u>15,249</u>
		<u>(2,370,458)</u>	<u>(1,439,759)</u>
Cash flow from financing activities			
Loan repayments		<u>(100,000)</u>	<u>-</u>
		<u>(100,000)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(1,431,953)	553,528
Cash and cash equivalents at the beginning of the year		<u>2,056,096</u>	<u>1,502,568</u>
Cash and cash equivalents at the end of the year		<u>624,143</u>	<u>2,056,096</u>
 Cash and cash equivalents at the end of the year			
Restricted fund		11,727	812,842
Unrestricted funds		<u>612,416</u>	<u>1,243,254</u>
Cash and cash equivalents at the end of the year		<u>624,143</u>	<u>2,056,096</u>

Cash and cash equivalents comprise cash at bank and in hand.

The notes on pages 27 to 55 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2024

1 Status

The Chatham Historic Dockyard Trust ("the Trust") is an independent charitable trust, incorporated in England and Wales, formed for the purpose of preserving The Historic Dockyard for the public benefit and to promote a wide knowledge of its archaeological, historical and architectural importance. The Trust was set up in 1984 under the terms of a Memorandum of Understanding with the Department of the Environment, under which a grant of £11,350,000 was received to be applied to the principal activities of the Trust. The Trust's constitution is set out in its Memorandum and Articles of Association, as amended by Special Resolutions on 27 February 2013, 18 July 2017, 24 May 2018 and 24 November 2022.

The Trust is a company limited by guarantee, registered in England, not having a share capital, and has a licence to dispense with the word "limited" in its title. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per member. The members of the Trust are the Secretary of State for Defence, the Secretary of State for Digital, Culture, Media and Sport, Mr John Spence OBE DL and the Trustees. The Trust's registered office is: The Fitted Rigging House, The Historic Dockyard, Chatham, Kent, England, ME4 4TZ, and its registered number is 01804108.

Details of the principal activities of the Trust is given in the accompanying narrative reporting.

2 Accounting policies

The principal accounting policies are summarised below.

Basis of preparation

The Trust is a public benefit entity and the Group is a public benefit group, as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and listed investments.

Going concern

As a charity the Trustees of Chatham Historic Dockyard Trust (CHDT) and its trading subsidiaries have a duty to consider the future resilience of all parts of the organisation. The Trust holds necessary reserves should there be a need to undertake an orderly wind down of operations caused by financial challenges or a change in the need for charitable services making the charity's role redundant. CHDT reviews this situation on a monthly rolling basis through cash flow management based on evidence-based business planning.

Review of the Trust's ongoing financial resilience is considered for 12 months from the date of accounts approval and beyond through regular reviews (at board level) of the strategic risk register and changes to it. The impact of internal and external factors likely to have a significant effect on income and expenditure are key elements of ongoing cash flow management and by implication the Going Concern status.

Notes to the financial statements (continued)

For the year ended 31 March 2024

2. Accounting policies (continued)

Going concern (continued)

The Trustees will continue to review plans with the CHDT Executive Team to make the necessary changes to remain within the free reserves level over the coming two years and indeed the life of the current Corporate Plan. The Trust has a strong balance sheet, so the Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as required. As such, they remain satisfied that the Chatham Historic Dockyard Trust can continue operating for the next 12 months and accounts have been prepared in the knowledge that the Chatham Historic Dockyard Trust is a financially viable organisation.

Disclosure exemptions for qualifying entities under FRS 102

The Trust is a qualifying entity as defined by FRS 102 and, as such, has taken advantage of the following exemptions:

- presenting a statement of entity cash flows on the grounds that the relevant information is included within the consolidated information presented within these financial statements;
- presenting certain financial instruments disclosures on the grounds that the relevant information is included within the consolidated information presented within these financial statements; and
- presenting information concerning key management personnel compensations.

Basis of consolidation

The Group consolidated financial statements include the financial statements of the Trust and all of its subsidiary undertakings.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Any entities which either become, or cease being, subsidiary undertakings during the year are included up to, or from, the dates of change of control, respectively. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Income recognition

Income is measured at the fair value of the consideration received or receivable and represents property rental and service income, admissions income from visitors, grants and donations, income from the sale of goods and services, and interest.

Income is recognised as follows:

- Property rental – on a time apportioned basis, over the life of the lease.
- Services – as the services are provided.
- Retail sales of goods – when the sale is made.
- Other sales of goods – when the risk of ownership passes to the customer.
- Grants – when the group has met the relevant performance criteria, and the grant can be measured reliably and receipt is probable.
- Donations – when the Group has entitlement, the donation or grant can be measured reliably and receipt is probable.
- Interest – as it is earned.

Any income received prior to recognition is deferred.

Notes to the financial statements (continued)

For the year ended 31 March 2024

2. Accounting policies (continued)

Grants

Grants are recognised in the Statement of Financial Activities as described above, with any grants received prior to recognition being deferred. In certain circumstance grants may become repayable (for example, if the grant funded property ceases to be used for a charitable purposes). A creditor is established whenever it becomes probable that a grant will become repayable.

Restricted grants received to fund capital expenditure are transferred to general funds once the expenditure has been incurred unless the resultant asset is restricted as to its use, in which case the funds remain as restricted. Depreciation on restricted assets is charged to the appropriate restricted fund.

Donated assets

Donated assets and services which would otherwise have been purchased are included at the estimated expenditure which has been avoided as a result of the gift. No value is attributed to volunteer time donated to the Trust. Except for the initial gift to the Trust, other donated assets and services are recognised at the fair value of the asset or service received. The initial gift to the Trust is recognised at £1 (being the nominal consideration paid) as the cost of valuing the assets outweighs the benefit of such a valuation.

Employee benefits

The Group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short term benefits, including compensation for loss of employment, holiday pay and other non-monetary benefits, are recognised as an expense in the period in which the service is received.

The Group operates a defined contribution plan, whereby the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense in the period to which they relate. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

Expenditure

Expenditure is accounted for in the period in which it is incurred. Expenditure includes any VAT which cannot be fully recovered which is reported as part of the expenditure to which it relates.

Expenditure relating directly to a particular activity is allocated to that activity. Indirect costs are classified as support costs, and these are allocated to activities on a basis consistent with use of the resources.

Expenditure includes the estimated value of donations in kind.

Notes to the financial statements (continued)

For the year ended 31 March 2024

2. Accounting policies (continued)

Operating leases

Operating leases are leases that do not transfer all the risks and rewards of ownership. Payments made by the Group under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease, including payments which are not required to be made on a straight-line basis. Lease incentives given or received are similarly spread on a straight-line basis over the relevant lease term.

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date. The Trust's activities are charitable and therefore, to the extent that any surpluses are applied to its charitable objects, the Trust is not liable to tax. In addition, its subsidiaries incur no current tax charge as all their profits, which would otherwise be taxable, are distributed to the Trust by way of Gift Aid and thus no tax liability arises.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Whilst the tax expense is immaterial, it is recognised as a part of the cost of the relevant activity, rather than being disclosed separately in the Statement of Financial Activities.

Property expenditure

The Trust has a substantial property portfolio which includes a significant number of scheduled ancient monuments, listed properties and other historic properties. On the inception of the Trust, many of the properties were in a state of disrepair and were not functional. The Trust is pursuing a programme of works to bring all properties into productive use which results in significant expenditure on the properties.

Expenditure on the existing properties is capitalised (as either part of property, plant and equipment or heritage assets, as appropriate) when the expenditure results in incremental future benefits to the Trust or replaces a previously identified component. Incremental benefits may arise through bringing a property into use (or back into use), through reduced future maintenance expenditure, or through the ability to generate additional income, directly or indirectly, in the future.

Expenditure which does not meet this criteria is written off as incurred.

Notes to the financial statements (continued)

For the year ended 31 March 2024

2 Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. Cost comprises the original purchase price, subsequent expenditure capitalised in accordance with the policy on *Property expenditure*, and expenditure directly attributable in bringing the asset to its working condition for its intended use. As noted above, the assets transferred to the Trust on its formation are recorded at £1, this being the nominal cost of these assets.

Land and assets under construction are not depreciated. Other assets are depreciated on a straight line basis so as to write off their cost over their expected useful lives, using the straight line method. The component categories and annual rates used are as follows:

Structural works to buildings	2%	Computer/AV equipment	20%
Roofs	4%	Other fixtures and fittings	10%
Ships refurbishments	10%	Plant and machinery	10%
Exhibition equipment	6.67%	Motor vehicles	20%
Galleries	10%		
Assets under construction	Not depreciated		

Subsequent expenditure which relates to either the replacement of previously capitalised component or part of a component or the enhancement of the asset which results in incremental future benefits, is capitalised and the carrying amount of any replaced part of the asset is derecognised.

Heritage Assets

Heritage assets are tangible and intangible assets with historic, artistic, scientific, technological, geophysical, or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. As a charity with preservation as one of its objects, in accordance with the SORP, the Trust's heritage assets may include assets which are not accessible to the public.

The Trust classifies the following classes of assets as heritage assets:

- The land and building acquired from the Ministry of Defence on the inception of the Trust.
- Capital works to the structure of its historic buildings.
- Its various collections of artefacts, exhibits and historical archives.
- Items of plant and machinery of historic importance, notably the three ships.

Currently, all the Trust's heritage assets are tangible assets and are accounted for in accordance with the accounting policy for property, plant and equipment as detailed in the policy on *Property expenditure*. The Trustees consider the cost of obtaining a valuation of donated heritage assets would outweigh the benefit of such a valuation.

Notes to the financial statements (continued)

For the year ended 31 March 2024

2 Accounting policies (continued)

Impairment

At each period end date, non-financial assets (comprising property, plant and equipment and heritage assets) are assessed to determine if there are indicators that the assets may be impaired in value; if there are such indicators of impairment, then a comparison of the asset's carrying value to its recoverable amount is undertaken. Any excess over the recoverable amount is recognised as an impairment loss and charged as expenditure in the Statement of Financial Activities; the carrying value of the asset is reduced appropriately.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use for the Trust's properties and other non-financial assets held for charitable purposes and which are fulfilling the charitable purpose for which they were acquired, is based on the depreciated replacement cost of the asset. For other assets, value in use is defined as the net present value of the future cash flows before interest expected to be generated from the assets.

For financial assets (comprising trade and other debtors) carried at cost less impairment, the impairment loss is the difference between the assets carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

If an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of their recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Financial Activities.

Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are initially measured at cost and subsequently at fair value. Revaluation surpluses and deficits are recognised in net income.

Investments

Investments in subsidiaries are stated at cost less accumulated impairment losses. Other investments are stated at fair value with movements through income and expenditure.

Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and bank deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Notes to the financial statements (continued)

For the year ended 31 March 2024

2 Accounting policies (continued)

Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Currently, the Group has no provisions.

Contingent liabilities arise from past events when either:

- It is only possible that an obligation will arise and when the existence or otherwise of the obligation will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the group's control; or.
- An obligation has arisen, but a provision is not recognised because either it is not probable that there will be an outflow of resources or the amount cannot be reliably measured at the reporting date.

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Funds

Designated funds are unrestricted funds which the Trustees have ring-fenced for a particular purpose. Transfers to and from the designated funds are recognised as and when decided by the Trustees.

Restricted funds are funds subject to specific restrictions imposed by donors, the nature of the appeal or other reasons.

Unrestricted funds comprise the accumulated surplus or deficit or recognised in income and expenditure after transfers to other reserves.

Notes to the financial statements (continued)

For the year ended 31 March 2024

3 Key judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make judgements and estimates that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

Critical judgements

In preparing the financial statements, the following judgements which have, or could have, a material impact on the financial statements were made:

Classification of property expenditure

Expenditure on properties is analysed as either giving rise to an asset or expenditure which is written off as an expense when incurred, depending on whether the expenditure results in an incremental benefit, or not. The assessment of whether there is future benefit requires judgement. A key aspect of the judgement is whether the expenditure enables the Trust to gain greater use of the properties.

Classification of properties as investment properties

Investment properties are properties which are held to generate income or capital appreciation rather than for their contribution to culture or for the provision of services. As all of the Group's properties are within the boundary of the historic 80 acre site and are accessible to a certain extent to the visitors to the site; therefore the categorisation of any property as an investment property requires the exercise of judgement. The Trustees consider that the reversionary freeholds of the residential estate should be classed as investment properties as the Trust has no rights to use the properties and the freehold reversions are held to provide an income stream.

Property components

The Group accounts for its expenditure on property, plant and equipment using component accounting. Under component accounting, the property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components and in determining the useful lives of each component. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge.

Notes to the financial statements (continued)

For the year ended 31 March 2024

3 Key judgements and sources of estimation uncertainty (continued)

Property impairments

It is necessary to undertake an impairment assessment if there are any indicators of impairment, the identification of such indicators requires judgement. The Trustees consider that for properties used for charitable purposes, the key indicators of impairment are the extent to which the property continues to be used for its intended use, any forecast future reductions in use, and the physical condition of the property. During the year, the Trustees judged that there were no indicators of impairment and so no requirement to undertake an impairment review.

Initial gift to the Trust

The initial gift to the Trust has not been valued as, in the Trustees' judgement, the cost of obtaining such a valuation, which would be subjective and possibly unreliable, would outweigh the benefit of such a valuation.

Recognition of grant income

Grant income is recognised, inter alia, when the Trust has met any criteria of substance required of it under the relevant grant agreement. In the case of Heritage Lottery Funding, the Trustees consider that the receipt of permission to start is the only criteria of substance and therefore recognise grant income once that permission has been received. The DCMS provides funding for specific years; in the judgement of the Trustees, the terms of the grant are such that the Trust does not have prior entitlement to the funding.

Contingent assets and liabilities

The classification of assets and liabilities as contingent requires the exercise of judgement as to the probability of future cash flows. In the case of the contingent liabilities, in the Trustees' judgement any future cash flows would arise from actions of third parties over which the Trust has no or limited influence, and as such no provision is needed.

Restricted funds relating to capitalised expenditure

Restricted funds received to fund capital expenditure are transferred to general funds once the expenditure has been incurred unless the resultant asset is restricted as to its use, in which case the funds remain as restricted. The assessment of whether an asset is restricted as to its use requires the exercise of judgement in assessing whether the terms of the donation(s) which funded the asset prevent the Trust from using the asset for any of its general purposes. Where the Trustees consider that this to be the case, the entire cost of the asset is classed as restricted and all of the related funds are retained as restricted funds. The corollary of this is that the subsequent depreciation of the assets is deemed to be a restricted cost.

Critical estimates

Investment property valuations

Investment properties are recognised at their fair value, which is estimated as being the anticipated proceeds from future disposals, based on the immediate past history property sales. The timing and actual proceeds of any future sales are uncertain and may not reflect the past history.

Notes to the financial statements (continued)

For the year ended 31 March 2024

3 Key judgements and sources of estimation uncertainty (continued)

Useful lives

Depreciation of assets is calculated based on the cost and the estimated useful lives of the assets. The useful lives of property components (for example roofs) are estimated based on relevant construction data.

Carrying values

The carrying amount of the assets and liabilities affected by the above judgements and estimates are set out in the following notes.

4 Income from donations, including grants

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Government grants				
- Department for Digital, Culture, Media & Sport	-	311,000	311,000	196,000
- Medway Council	-	366,219	366,219	1,808,657
- Arts Council England (ACE)	-	249,508	249,508	249,508
Other grants	5,500	14,934	20,434	28,545
Foyle Foundation	-	50,000	50,000	-
The Headley Trust	-	30,000	30,000	-
Garfield Weston	-	-	-	100,000
Donations	19,780	-	19,780	19,002
Legacies	-	-	-	50,000
	<u>25,280</u>	<u>1,021,661</u>	<u>1,046,941</u>	<u>2,451,712</u>

5 Income from charitable activities

	2024 £	2023 £
Preservation - rent & service charges	4,830,302	4,331,495
Education - visitor admissions	<u>1,724,716</u>	<u>1,359,712</u>
	<u>6,555,018</u>	<u>5,691,207</u>

Income from charitable activities arises from the provision of services and is fully unrestricted.

Notes to the financial statements (continued)

For the year ended 31 March 2024

6 Income from other trading activities

	2024 £	2023 £
Income from sale of goods		
Retail – gift shop	219,568	151,199
Sales of rope products	490,840	476,098
Catering	725,795	599,904
Income from provision of services		
Weddings & other functions	326,154	282,079
Property income	170,651	168,558
Other miscellaneous income	250	-
	<u>1,933,258</u>	<u>1,677,838</u>

7 Income from investments

	2024 £	2023 £
Fixed interest on cash deposits	<u>30,527</u>	<u>1,371</u>

8 Future income from non-cancellable operating leases

	2024 £	2023 £
The Group is due to receive the following amounts under non-cancellable operating leases:		
Due next year	2,833,470	1,461,305
Due in 2 to 5 years	9,095,588	5,004,023
Due after more than 5 years	<u>7,529,551</u>	<u>10,063,162</u>
	<u>19,458,609</u>	<u>16,528,490</u>

Under the terms of the leases, the rental income is subject to periodic review. The leases give the tenants no right of acquisition.

Notes to the financial statements (continued)

For the year ended 31 March 2024

9 Expenditure on raising funds

	2024 £	2023 £
Incurring by the Trust	684,176	630,534
Incurring by the trading subsidiaries	1,040,239	892,733
Depreciation	6,963	4,456
	<u>1,731,378</u>	<u>1,527,723</u>
Support costs allocated to raising funds (see note 12)	234,704	176,657
	<u>1,966,082</u>	<u>1,704,380</u>

10 Expenditure on preservation

	2024 £	(as restated) 2023 £
Staff and associated costs	436,469	431,521
Maintenance costs	1,140,519	724,437
Fitted Rigging House preliminary expenditure	-	920
Utilities	928,885	912,578
Other direct costs	283,246	417,259
Depreciation	434,767	150,671
Allocated support costs (see note 12)	400,129	387,854
	<u>3,624,015</u>	<u>3,025,240</u>

Preservation comprises the cost of repair, maintenance and restoration of the historic buildings and ships of the Dockyard and other maintenance.

11 Expenditure on education

	2024 £	(as restated) 2023 £
Staff and associated costs	1,415,179	1,353,100
Other direct costs	971,086	873,523
Depreciation	508,104	650,090
Other project expenditure	67,075	57,129
Maintenance	233,881	222,833
Allocated support costs (see note 12)	758,704	699,602
	<u>3,954,029</u>	<u>3,856,277</u>

Education expenditure comprises the cost of the maintenance and operation of the galleries and exhibits within the Dockyard.

Notes to the financial statements (continued)

For the year ended 31 March 2024

12 Support costs

	2024 £	2023 £
Staff and associated costs	914,866	878,514
Office costs	93,514	83,357
Professional fees	81,671	26,859
Insurances	237,693	202,818
Other costs	46,879	52,485
Governance costs	18,914	20,080
	<u>1,393,537</u>	<u>1,264,113</u>

	2024 £	2023 £
Support costs are allocated as follows:		
Raising funds	234,704	176,657
Preservation	400,129	387,854
Education	758,704	699,602
	<u>1,393,537</u>	<u>1,264,113</u>

Support costs comprise the management costs of the Trust and its charitable subsidiaries and site security costs. Management costs comprise the Senior Executive and Finance functions (including Personnel and IT support). Site security comprises staff and other costs in respect of the provision of 24-hour security for the site for the benefit of the Trust, its tenants and residents.

The bases of apportionment utilised are as follows:

- Trustee expenses and security – equally between the two charitable activities.
- Management costs – in accordance with staff numbers.

13 Wages and salaries

Group	2024 £	2023 £
Wages and salaries	3,084,300	2,793,095
Social security costs	262,618	227,591
Pension scheme – defined contribution scheme	189,647	155,420
	<u>3,536,565</u>	<u>3,176,106</u>

Trust	2024 £	2023 £
Wages and salaries	2,735,591	2,469,471
Social security costs	238,254	202,933
Pension scheme – defined contribution scheme	174,560	135,016
	<u>3,148,405</u>	<u>2,807,420</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

13 Wages and salaries (continued)

Average no. of persons employed:	Group		Trust	
	2024	2023	2024	2023
	Number	Number	Number	Number
Preservation	24	21	24	21
Education	79	81	79	81
Ropemaking	6	6	6	6
Catering & retail	26	25	26	25
Support	10	9	10	9
	<u>145</u>	<u>142</u>	<u>145</u>	<u>142</u>

In addition, volunteers assist the Trust in undertaking its activities; details are provided in the Trustees' Annual Report.

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2024	2023
	Number	Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£80,001 - £90,000	-	-
£90,001 - £100,000	<u>1</u>	<u>1</u>

Contributions in the year for the provision of money purchase benefits to higher paid employees totalled £48,718 (2023: £26,679).

During the year, the Trust incurred reorganisation costs of £30k (2023: £1k)

The Chairman of the Trustees is entitled to receive remuneration from the Trust for services provided, as permitted by the Memorandum and Articles and approved by the Charity Commission. The Chairman's emoluments for the year were £28,988 for Sir Trevor (2023 - £27,708 for Sir Trevor); this remuneration is not pensionable. The Trust chooses to pay the Chairman as the role significantly exceeds that of other Trustees. No other Trustees received emoluments. Expenses reimbursed to 4 (2023 - 3) Trustees in respect of the cost of attending meetings and other reimbursed expenses amounted to £3,025 (2023 - £2,724).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly, including any Trustee. In the opinion of the Trust key management personnel are the Trustees and the senior managers.

Key management remuneration was as follows:

	2024	2023
	£	£
Key management remuneration	<u>585,192</u>	<u>530,043</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

14 Net income/(expenditure)

	2024 £	2023 £
Net income/(expenditure) is stated after charging:		
Depreciation of tangible assets:		
- Property, plant and equipment	388,072	250,152
- Heritage assets	561,762	555,065
Auditor's remuneration:		
- Audit (Trust)	19,900	17,400
- Audit under provision	-	(70)
- Audit (Subsidiaries)	13,305	12,325
- Non audit services paid to companies associated with the auditors	-	2,750
Income received under non-cancellable operating leases	3,174,092	1,565,388
Operating lease charges	<u>3,722</u>	<u>907</u>

15 Tangible fixed assets – Property plant and equipment

Group	Fixtures, fittings and equipment £	Galleries £	Assets under construction £	Total £
Cost				
1 April 2023	7,759,726	6,935,505	1,306,904	16,002,135
Additions	438,748	343,749	1,543,000	2,325,497
Disposals	(21,698)	-	-	(21,698)
Transfer between classes	-	-	(2,849,904)	(2,849,904)
31 March 2024	<u>8,176,776</u>	<u>7,279,254</u>	<u>-</u>	<u>15,456,060</u>
Depreciation				
1 April 2023	7,103,576	6,478,383	-	13,581,959
Charge for year	207,264	180,808	-	388,072
On disposals	(7,867)	-	-	(7,867)
31 March 2024	<u>7,302,973</u>	<u>6,659,191</u>	<u>-</u>	<u>13,962,164</u>
Net book value				
31 March 2024	<u>873,803</u>	<u>620,063</u>	<u>-</u>	<u>1,493,866</u>
31 March 2023	<u>656,150</u>	<u>457,122</u>	<u>1,306,904</u>	<u>2,420,176</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

15 Tangible fixed assets – Property plant and equipment (continued)

Trust	Fixtures, fittings and equipment £	Galleries £	Assets under construction £	Total £
Cost				
1 April 2023	7,622,167	6,935,505	1,306,904	15,864,576
Additions	426,159	343,749	1,543,000	2,312,908
Disposals	(21,698)	-	-	(21,698)
Transfer between classes	-	-	(2,849,904)	(2,849,904)
31 March 2024	8,026,628	7,279,254	-	15,305,882
Depreciation				
1 April 2023	6,975,621	6,478,383	-	13,454,004
Charge for year	200,301	180,808	-	381,109
On disposals	(7,867)	-	-	(7,867)
31 March 2024	7,168,055	6,659,191	-	13,827,246
Net book value				
31 March 2024	858,573	620,063	-	1,478,636
31 March 2023	646,546	457,122	1,306,904	2,410,572

As part of the terms of the heritage lottery grant, there is a charge in place over the fitted rigging house.

16 Heritage assets

Group and Trust	Freehold land and buildings £	Ships £	Collections and artefacts £	Total £
Cost				
1 April 2023	21,389,779	3,344,642	144,000	24,878,421
Additions	58,771	-	-	58,771
Transfer between classes	2,849,903	-	-	2,849,903
31 March 2024	24,298,453	3,344,642	144,000	27,787,095
Depreciation				
1 April 2023	6,470,324	3,344,642	-	9,814,966
Charge for year	561,762	-	-	561,762
31 March 2024	7,032,086	3,344,642	-	10,376,728
Net book value				
31 March 2024	17,266,367	-	144,000	17,410,367
31 March 2023	14,919,455	-	144,000	15,063,455

Notes to the financial statements (continued)

For the year ended 31 March 2024

16 Heritage assets (continued)

No value was attributed to the assets transferred to the Trust on its creation as the cost of obtaining such valuations would not be commensurate with the benefits to the users of the accounts and, in any event, given the uniqueness of many of the assets transferred, a reliable valuation may be impossible to obtain.

The heritage assets comprise the Trust's freehold land and buildings, the ships, items of historic plant and equipment, the museum collections, art and photographs and the archives. The heritage assets recognised comprise capitalised expenditure on enhancing the utility of the historic properties and expenditure on assets which have been purchased since the inception of the Trust.

The assets include:

- 47 structures designated as Scheduled Ancient Monuments and 54 listed buildings;
- two ships and one submarine;
- large plant and equipment, including the rope manufacturing machines, cranes and metal working plant;
- over 100,000 items connected to the history of Chatham Dockyard and the Royal Navy at Chatham. They range from small items of personal ephemera - a dockyard matey's old cigarette box - to HMS Cavalier, the Royal Navy's last Second World War destroyer;
- over 20,000 photographs dating from the very earliest years of photography, mainly depicting Chatham Dockyard at work and ships of the Royal Navy on the River Medway;
- over 150 works of art including oil paintings, watercolours and prints. Their content ranges from topographical views of the dockyard to portraits of naval personnel;
- 50 models, mainly of naval ships;
- over 100 machine tools all of which were originally used in the dockyard for shipbuilding and repair;
- over 100 items of naval ordnance dating from the seventeenth to the twentieth centuries and includes guns, torpedoes, mines and mortars; and
- over 10,000 items in the archive collection, mainly documents relating to naval and dockyard correspondence and to individuals' naval service.

Whilst the Trust would like to acquire further assets to add to its collections, the main focus of the Trust's efforts has been - and will be for the foreseeable future - preserving the various buildings. To this end, the Trust has a long term maintenance plan for its buildings and a shorter term plan for bringing unused buildings into use through appropriate refurbishment work. However, in the year, the Trust was able to acquire a model submarine and a white ensign; the cost of these new assets was less than the de minimis capitalisation threshold.

All assets have been catalogued in order that they can be properly managed and all collections are stored in such a manner to prevent any deterioration in their condition and to ensure that they are physically secure. The buildings, the ships, structures and heavy plant are all accessible to visitors to the Dockyard (although the public cannot obtain access to the interior of certain buildings as they are in use). The collections are accessible to the public through the Trust's museum and those items not on show are made accessible to researchers on request.

The Trust does not expect to dispose of any of its heritage assets.

Notes to the financial statements (continued)

For the year ended 31 March 2024

17 Investment Properties

Group	2024 £	2023 £
1 April	<u>310,554</u>	<u>310,554</u>
31 March	<u>310,554</u>	<u>310,554</u>

The investment properties are valued by reference to the rental yield established by recent sales of properties as determined by independent valuers and applying that yield to the rental income stream from ongoing investment properties. The directors have carried out that valuation at 31st March 2024 and the revaluation is £310,554.

18 Investments – shares in subsidiary companies

Trust	Share capital £	Total £
1 st April 2023 and 31 March 2024	<u>26,100</u>	<u>26,100</u>

The subsidiary companies at 31 March 2024 were wholly owned and registered in England & Wales and are as follows:

Name	Company number	Activity
Master Ropemakers (Trading) Limited	02651660	Non-traditional rope sales
Chatham Historic Dockyard (Trading) Limited	01983754	Retail & catering
Historic Dockyard Property Limited	02331347	Residential property management
Historic Dockyard Property (2005) Limited	05538093	Property development
Historic Dockyard Property (2010) Limited	07232729	Dormant
Master Ropemakers Limited	07232492	Dormant

The registered office of the above subsidiaries is The Fitted Rigging House, The Historic Dockyard, Chatham, Kent, England, ME4 4TZ.

Notes to the financial statements (continued)

For the year ended 31 March 2024

18 Investments – shares in subsidiary companies – Trust (continued)

Results of active subsidiaries

	Master Ropemakers (Trading) Limited £	Historic Dockyard Property Limited £	Historic Dockyard Property 2005 Limited £	Chatham Historic Dockyard (Trading) Limited £
Year ended 31 March 2024				
Turnover	408,899	13,810	127,984	1,119,830
Expenditure	(373,943)	(11,229)	(16,367)	(974,890)
Other income	353	-	-	-
Distribution to the Trust	(35,309)	(2,581)	(111,617)	(144,940)
Result for the year	-	-	-	-
As at 31 March 2024				
Assets	128,468	316,440	22,005	254,045
Creditors and provisions	(103,468)	(69,119)	(21,905)	(233,945)
Net assets	25,000	247,321	100	20,100
Year ended 31 March 2023				
Turnover	403,950	15,249	120,703	915,047
Expenditure	(337,469)	(13,630)	(16,260)	(824,771)
Distribution to the Trust	(66,481)	(1,619)	(104,443)	(90,276)
Result for the year	-	-	-	-
As at 31 March 2023				
Assets	129,573	338,755	103,032	210,925
Creditors and provisions	(104,573)	(91,434)	(102,932)	(190,825)
Net assets	25,000	247,321	100	20,100

19 Investments

	Group 2024 £	2023 £	Trust 2024 £	2023 £
Listed investments – common investment funds				
As at 1 April 2023	632,322	655,516	632,322	655,516
Unrealised gain/(loss)	71,843	(23,194)	71,843	(23,194)
As at 31 March 2024	704,165	632,322	704,165	632,322

Notes to the financial statements (continued)

For the year ended 31 March 2024

19 Investments (continued)

Listed investments comprise

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Investment Fund	301,586	269,435	301,586	269,435
Property Fund	138,029	138,324	138,029	128,324
Global Equity Fund	264,550	224,563	264,550	224,563
	<u>704,165</u>	<u>632,322</u>	<u>704,165</u>	<u>632,322</u>
Historical cost	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

20 Inventories

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Raw materials and consumables	160,849	155,284	160,849	155,284
Goods for resale	<u>191,562</u>	<u>170,211</u>	<u>100,714</u>	<u>82,515</u>
	<u>352,411</u>	<u>325,495</u>	<u>261,563</u>	<u>237,799</u>

There is no significant difference between the replacement cost of the inventories and their carrying amount. Inventories are stated after provisions for impairment of £13,904 (2023 - £14,871).

21 Debtors

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	368,899	424,212	300,478	423,264
Amount owed by subsidiary undertakings	-	-	285,556	383,904
Other debtors	152,628	315,746	128,109	213,818
Prepayments and accrued income	<u>618,424</u>	<u>560,279</u>	<u>611,299</u>	<u>557,101</u>
	<u>1,139,951</u>	<u>1,300,237</u>	<u>1,325,442</u>	<u>1,578,087</u>

Amounts above owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

22 Creditors: amounts falling due within one year

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Other loan	150,000	100,000	150,000	100,000
Trade creditors	569,724	357,608	521,651	333,916
Taxation and social security	59,065	55,144	59,065	55,144
Other creditors	480,237	359,443	474,752	357,288
Accruals and deferred income (see note 24)	<u>550,112</u>	<u>953,282</u>	<u>520,108</u>	<u>932,273</u>
	<u>1,809,138</u>	<u>1,825,477</u>	<u>1,725,576</u>	<u>1,778,621</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

23 Creditors: amounts falling due after more than one year

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Other loan	200,000	350,000	200,000	350,000
Due within one year	150,000	100,000	150,000	100,000
Due within 1 – 2 years	200,000	150,000	200,000	150,000
Due within 2 – 5 years	-	200,000	-	200,000
	<u>350,000</u>	<u>450,000</u>	<u>350,000</u>	<u>450,000</u>

The South East Local Enterprise Partnership (SELEP) loan is repayable by March 2026.

24 Deferred income

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Balance at 1 April	125,839	32,139	125,839	32,139
Amount released to SOFA	(125,839)	(32,139)	(125,839)	(32,139)
Amount deferred in the period	156,796	125,839	156,796	125,839
Balance at 31 March	<u>156,796</u>	<u>125,839</u>	<u>156,796</u>	<u>125,839</u>

Deferred income principally relates to advance event ticket sales and pre-billed rents.

25 Deferred tax

	Group		Trust	
	2024	2023	2024	2023
	£	£	£	£
Arising on property revaluations:				
At 1 April	59,005	59,005	59,005	59,005
At 31 March	<u>59,005</u>	<u>59,005</u>	<u>59,005</u>	<u>59,005</u>

Deferred tax is calculated at a rate of 19% (2023 – 19%).

26 Contingent liabilities

Within the Historic Dockyard there are 47 structures designated as Scheduled Ancient Monuments and 54 Listed Buildings. The Trust has a responsibility and liability to remedy any state of disrepair of the Listed Buildings under the Planning (Listed Buildings & Conservation Areas) Act 1990. Whilst the Trust continues to maintain these structures, it may have insufficient funds to carry out the full-scale repair of all the structures should the appropriate notice be served upon the Trustees. To date, no such notice has been served.

Certain grants received by the Trust for capital works within the Historic Dockyard may, under the provisions of the respective grant contracts, become repayable under certain circumstances. In the opinion of the Trustees such circumstances are unlikely to arise and accordingly no provision has been made in the accounts.

If fixed assets are disposed of then under certain circumstances any related grant funding in respect of these properties may be repayable. The Trustees have no intention of disposing of any grant funded assets.

27 Capital commitments

Notes to the financial statements (continued)

For the year ended 31 March 2024

As at the year end, the Group and Trust had contracted for capital commitments totalling £Nil (2023: £1,543,877).

28 Analysis of funds

Group – as at 31 March 2024	Restricted	Unrestricted			Total	Group Total
		Designated	Revalua- tion	General		
	£	£	£	£	£	£
Property, plant and equipment	904,743	589,123	-	-	589,123	1,493,866
Heritage assets	16,528,264	882,103	-	-	882,103	17,410,367
Investment properties	-	-	246,321	64,233	310,554	310,554
Listed Investments	-	-	-	704,165	704,165	704,165
Inventories	-	-	-	352,411	352,411	352,411
Debtors	-	-	-	1,139,951	1,139,951	1,139,951
Cash and cash equivalents	11,727	432,370	-	180,046	612,416	624,143
Creditors	-	-	-	(2,009,138)	(2,009,138)	(2,009,138)
Deferred tax	-	-	-	(59,005)	(59,005)	(59,005)
	<u>17,444,734</u>	<u>1,903,596</u>	<u>246,321</u>	<u>372,663</u>	<u>2,522,580</u>	<u>19,967,314</u>

Group – as at 31 March 2023	Restricted	Unrestricted			Total	Group Total
		Designated	Revalua- tion	General		
	£	£	£	£	£	£
Property, plant and equipment	2,074,094	163,530	-	182,552	346,082	2,420,176
Heritage assets	14,766,036	297,419	-	-	297,419	15,063,455
Investment properties	-	-	246,321	64,233	310,554	310,554
Inventories	-	-	-	632,322	632,322	632,222
Debtors	-	-	-	325,495	325,495	325,495
Investments	-	-	-	1,300,237	1,300,237	1,300,237
Cash and cash equivalents	812,842	869,710	-	373,544	1,243,254	2,056,096
Creditors	-	-	-	(2,175,477)	(2,175,477)	(2,175,477)
Deferred tax	-	-	-	(59,005)	(59,005)	(59,005)
	<u>17,652,972</u>	<u>1,330,659</u>	<u>246,321</u>	<u>643,901</u>	<u>2,220,881</u>	<u>19,873,853</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

28 Analysis of funds (continued)

Trust - as at 31 March 2024	Restricted	Unrestricted		General	Total	Trust Total
		Designated	Revaluation			
	£	£	£	£	£	£
Property, plant and equipment	904,743	573,893	-	-	573,893	1,478,636
Heritage assets	16,528,264	882,103	-	-	882,103	17,410,367
Inventories	-	-	-	261,563	261,563	261,563
Investment in subsidiaries	-	-	-	26,100	26,100	26,100
Debtors	-	-	-	1,325,442	1,325,442	1,325,442
Investments	-	-	-	704,165	704,165	704,165
Cash and cash equivalents	11,727	432,371	-	(23,901)	408,470	420,197
Creditors	-	-	-	(1,925,576)	(1,925,576)	(1,925,576)
	<u>17,444,734</u>	<u>1,888,367</u>	<u>-</u>	<u>367,793</u>	<u>2,256,160</u>	<u>19,700,894</u>

Trust - as at 31 March 2023	Restricted	Unrestricted		General	Total	Trust Total
		Designated	Revaluation			
	£	£	£	£	£	£
Property, plant and equipment	2,074,094	163,530	-	172,948	336,478	2,410,572
Heritage assets	14,766,036	297,419	-	-	297,419	15,063,455
Inventories	-	-	-	237,799	237,799	237,799
Investment in subsidiaries	-	-	-	26,100	26,100	26,100
Debtors	-	-	-	1,578,087	1,578,087	1,578,087
Investments	-	-	-	632,322	632,322	632,322
Cash and cash equivalents	812,842	869,710	-	105,165	974,875	1,787,717
Creditors	-	-	-	(2,128,621)	(2,128,621)	(2,128,621)
	<u>17,652,972</u>	<u>1,330,659</u>	<u>-</u>	<u>623,800</u>	<u>1,954,459</u>	<u>19,607,431</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

29 Restricted funds

Year ended 31 March 2024	At 1 April 2023 £	Transfers 2024 £	Income 2024 £	Expend- iture 2024 £	At 31 March 2024 £
Group and Trust					
Fixed asset funds	9,290,514	65,271	-	(542,798)	8,812,987
Fitted Rigging House	6,412,174	-	-	(189,032)	6,223,142
Arts Council England – NPO	6,500	-	249,508	(244,281)	11,727
No 1 Smithery	100,000	-	195,000	(29,500)	265,500
Other	35,127	-	14,934	(50,061)	-
DCMS	-	-	196,000	(196,000)	-
Fitted Rigging House (South)	1,808,657	-	366,219	(43,498)	2,131,378
	<u>17,652,972</u>	<u>65,271</u>	<u>1,021,661</u>	<u>(1,295,170)</u>	<u>17,444,734</u>

Year ended 31 March 2023	At 1 April 2022 £	Transfers 2023 £	Income 2023 £	Expend- iture 2023 £	At 31 March 2023 £
Group and Trust					
Fixed asset funds	9,802,672	-	-	(512,158)	9,290,514
Fitted Rigging House	6,631,846	-	-	(219,672)	6,412,174
Arts Council England – NPO	53,292	-	249,508	(296,300)	6,500
No 1 Smithery	-	-	100,000	-	100,000
Other	26,975	-	24,712	(16,560)	35,127
DCMS	-	-	196,000	(196,000)	-
Fitted Rigging House (South)	-	-	1,808,657	-	1,808,657
	<u>16,514,785</u>	<u>-</u>	<u>2,378,877</u>	<u>(1,240,690)</u>	<u>17,652,972</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

29 Restricted funds (continued)

The fixed asset funds represent the donations and grants received in previous years to fund capital expenditure; the balance of the funds represents the net book value of the related assets and the expenditure represents the annual depreciation of the related assets.

The Fitted Rigging House project is to preserve the North end of the fitted rigging house, this being the last major building within the dockyard which has yet to be refurbished, to allow it to be used more productively.

The Arts Council England - NPO programmes relate to various activities, designed to provide school children with educational activities relevant to the dockyard and its contribution to naval history.

No 1 Smithery - The Trust was pledged a total of £215,000 from the DCMS Wolfson Museums and Galleries Improvement Fund followed by an additional £100,000 from the Garfield Weston Foundation, £50,000 from the Foyle Foundation and £30,000 from The Headley Trust to support the refurbishment of the existing No.1 Smithery gallery space which was first developed in 2010 and is in need of uplift and improvement.

DCMS - The Trust acknowledges the continuing support from DCMS of £196k for FY 2023/24 which has been utilised to support a variety of preservation and learning projects across the organisation.

Other Grants - This represented a number of smaller grants for specific projects completed during the course of the year.

The Fitted Rigging House (South) project is to preserve the Southern end of the fitted rigging house, this being the last major building within the dockyard which has yet to be refurbished, to allow it to be used more productively.

Transfers between funds

Transfers between funds represent the amounts transferred to restricted and designated fixed assets fund, to reflect the net book value of the fixed assets incorporated within these funds.

Notes to the financial statements (continued)

For the year ended 31 March 2024

30 Unrestricted funds

Year ended 31 March 2024	At 1 April 2023 £	Gains/ Transfers 2024 £	Income in 2024 £	Expend- iture in 2024 £	At 31 March 2024 £
Group					
Designated funds					
- Fixed assets	460,949	1,148,321	-	(138,043)	1,471,227
- Maintenance and development	869,710	(611,614)	174,273	-	432,369
Revaluation	246,321	-	-	-	246,321
General	643,901	(530,135)	8,369,810	(8,110,913)	372,663
	<u>2,220,881</u>	<u>6,572</u>	<u>8,544,083</u>	<u>(8,248,956)</u>	<u>2,522,580</u>
Year ended 31 March 2023	At 1 April 2022 £	Gains/ Transfers 2023 £	Income in 2023 £	Expend- iture in 2023 £	At 31 March 2023 £
Group					
Designated funds					
- Fixed assets	386,776	143,104	-	(68,931)	460,949
- Maintenance and development	732,707	92,867	44,136	-	869,710
Revaluation	246,321	-	-	-	246,321
General	780,227	(259,165)	7,399,115	(7,276,276)	643,901
	<u>2,146,031</u>	<u>(23,194)</u>	<u>7,443,251</u>	<u>(7,345,207)</u>	<u>2,220,881</u>
Year ended 31 March 2024	At 1 April 2023 £	Gains/ Transfers 2024 £	Income in 2024 £	Expend- iture in 2024 £	At 31 March 2024 £
Trust					
Designated funds					
- Fixed assets	460,949	1,133,092	-	(138,043)	1,455,998
- Maintenance and development	869,710	(611,614)	174,273	-	432,369
General	623,800	(514,906)	8,369,810	(8,110,911)	367,793
	<u>1,954,459</u>	<u>6,572</u>	<u>8,544,083</u>	<u>(8,248,954)</u>	<u>2,256,160</u>
Year ended 31 March 2023	At 1 April 2022 £	Gains/ Transfers 2023 £	Income in 2023 £	Expend- iture in 2023 £	At 31 March 2023 £
Trust					
Designated funds					
- Fixed assets	386,776	143,104	-	(68,931)	460,949
- Maintenance and development	732,707	92,867	44,136	-	869,710
General	735,125	(259,165)	6,526,925	(6,379,085)	623,800
	<u>1,854,608</u>	<u>(23,194)</u>	<u>6,571,061</u>	<u>(6,448,016)</u>	<u>1,954,459</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

30 Unrestricted funds (continued)

The fixed assets fund presents funds used to acquire fixed assets and which are therefore not available for funding the Trust's day to day activities.

The Maintenance and Development Fund represents sums set aside for planned preventive maintenance and building refurbishment expenditure in future periods.

Transfers between funds

During the year, £100,000 was transferred from general funds to the maintenance and development fund as a contribution to future planned preventative maintenance.

Other transfers between funds represent the amounts transferred to restricted and designated fixed assets fund, to reflect the net book value of the fixed assets incorporated within these funds.

31 Reconciliation of net income to net cash outflow from operating activities

	2024 £	2023 £
Net income/(expenditure)	93,461	1,213,037
Depreciation of property, plant and equipment	388,072	250,152
Depreciation of heritage assets	561,762	555,065
Loss on disposal of tangible fixed assets	13,831	-
Rental income	(13,810)	(15,249)
Net (loss)/gain on investments	(71,842)	23,194
(Increase) in inventories	(26,916)	(55,238)
Decrease / (Increase) in debtors	160,286	(289,656)
(Decrease) / Increase in creditors	(66,339)	312,982
Net cash provided by from operating activities	1,038,505	1,994,287

32 Analysis of net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	2,056,096	(1,431,953)	624,143
Loans	(450,000)	100,000	(350,000)
Net cash inflow from operating activities	1,606,096	(1,331,953)	274,143

Notes to the financial statements (continued)

For the year ended 31 March 2024

33 Operating lease commitments

At 31 March 2024 the Group was committed to making the following payments under non-cancellable operating leases in the coming years

	2024 £	2023 £
Due next year	5,683	2,954
Due in the next 2 to 5 years	12,258	4,431
Due in more than 5 years	1,383	-
	<u>19,324</u>	<u>7,385</u>

34 Related Party Transactions

The Trust has a number of transactions with its subsidiaries. The Trust provides accommodation, management, IT and other services to its subsidiaries, details of these are as follows:

	Chatham Historic Dockyard (Trading) Ltd £	Master Ropemakers Trading Ltd £	Historic Dockyard Property Ltd £	Historic Dockyard Property(2005) Ltd £	Total 2024 £
From the Trust:					
Employment recharges	349,649	38,511	-	-	388,160
Rent	19,000	-	-	-	19,000
Utilities	2,987	-	-	-	2,987
Rope purchases	-	309,873	-	-	309,873
Management fees	-	-	23,875	-	23,875
Finance, insurance and other costs	-	-	6,660	-	6,660
	<u>371,636</u>	<u>348,384</u>	<u>30,535</u>	<u>-</u>	<u>750,555</u>
Amounts owed from/(to):	<u>167,947</u>	<u>97,410</u>	<u>(5)</u>	<u>20,205</u>	<u>285,557</u>

Notes to the financial statements (continued)

For the year ended 31 March 2024

34 Related Party Transactions (continued)

	Chatham Historic Dockyard (Trading) Ltd £	Master Ropemakers Trading Ltd £	Historic Dockyard Property Ltd £	Historic Dockyard Property(2005) Ltd £	Total 2023 £
From the Trust:					
Employment recharges	334,470	33,606	-	-	368,076
Rent	19,000	-	-	-	19,000
Utilities	3,633	-	-	-	3,633
Rope purchases	-	278,870	-	-	278,870
Management fees	-	-	20,833	-	20,833
Finance, insurance and other costs	-	-	5,340	-	5,340
	<u>357,103</u>	<u>312,476</u>	<u>26,173</u>	<u>-</u>	<u>695,752</u>
Amounts owed from/(to):	<u>64,048</u>	<u>30,888</u>	<u>29,245</u>	<u>(3,086)</u>	<u>121,095</u>

The subsidiaries have committed to distribute any profits made, by way of charitable donation, to the Trust on an annual basis (see note 18).

The balances due from the subsidiaries are shown in note 21.

During the year, the Trust paid £4,400 (2023: £5,200) to The True Leader Company Limited, a company which Admiral Sir Trevor Soar (Trustee) is a Director, for staff training.

35 Prior year restatement

The prior year allocation of support costs to education and preservation was incorrect, with £311,478 allocated to preservation activities in error, which should have been allocated to education activities. The net impact on charity funds and net income/(expenditure) is £nil, however notes 10, 11 and the Statement of Financial Activities have been restated.

In 2023, £50,298 was incorrectly classified as Property, plant and equipment, instead of Heritage assets. The net impact on charity funds and net income/(expenditure) is £nil, however notes 15, 16 and the Balance Sheet have been restated.

The prior year allocation of depreciation between funds on the Statement of Financial Activities included £219,672 that was allocated to restricted fixed asset funds, which should have been allocated against the Fitted Rigging House restricted fund. The net impact on charity funds and net income/(expenditure) is £nil, however the comparative Statement of Financial Activities has been restated.