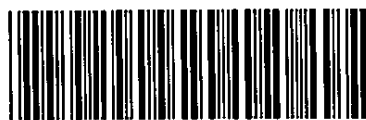


Registered charity number: 1065880  
Registered company number: 3438234

**THE SHEPPEY HERITAGE TRUST LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2007**

TUESDAY



\*ATHL563J\*

A22

30/12/2008

133

COMPANIES HOUSE

# **THE SHEPPEY HERITAGE TRUST LIMITED**

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2007**

### **CONTENTS**

---

	<b>Page</b>
Legal and administrative information	1
Report of the committee of management	2 - 3
Independent auditors' report	4 - 5
Summary income and expenditure account	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 12
Detailed income and expenditure account	Appendix

# **THE SHEPPEY HERITAGE TRUST LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

---

### **Constitution**

The Sheppey Heritage Trust Limited is a company limited by guarantee incorporated on 23 September 1997. It became a registered charity with the Charity Commission on 18 November 1997. According to the Articles of Association each member will contribute an amount not exceeding £10 in the event the charity ceases to operate. Charity number 1065880. Company number 3438234.

### **Appointment of Trustees**

As set out in the Articles of Association, the Trustees retire by rotation one third each year but shall be eligible for re-election. The Articles allow the Board to appoint Trustees during the year, such Trustees shall remain in office only until the next AGM, but shall be eligible for re-election.

### **Registered office**

Stourside Place, Station Road, Ashford, Kent.

### **Independent auditors**

Tenbury Limited, Brenchly Mews, School Road, Charing, Kent.

### **Bankers**

HSBC, 3 Bank House, Broadway, Sheerness, Kent.

### **Trustees**

Ken Ingleton

Mike Brown

William R Bishop (resigned 23/04/2007)

William H Croydon C.B.E.

Alan Easterbrook (resigned 01/10/2008)

K Jonathan Fryer

Martin Hawkins

Brad King

John Stanford

Malcolm Moulton (appointed 14/08/2007)

Hugh Summerfield (appointed 14/08/2007)

Alan Raymond Reed (appointed 21/12/2007)

# THE SHEPPEY HERITAGE TRUST LIMITED

## REPORT OF THE COMMITTEE OF MANAGEMENT YEAR ENDED 30 SEPTEMBER 2007

---

The trustees present herewith their report and audited financial statements for the year ended 30 September 2007

### Review of the year

The main activities of the charity during the year ;

1. The main activity in the year was the preparation of the design of the Flying Start Project, the submission of the design to the Planning Authority and finally the submission for funding to the Big Lottery. Unfortunately the submission to the Big Lottery was not successful and an alternative plan and sources of funding are being investigated.
2. An option to purchase a site at Eastchurch for the project was acquired at a cost of £50,000. Due to lack of funding the option was not taken up.

### Under the Memorandum of Association the stated objective of the Charity is:

"To research, promote and develop the culture and heritage of the Isle of Sheppey."

### The strategies adopted for meeting the Charity's stated objectives:

- a) To work with architects and other professionals to prepare the design for the Flying Start Project and its submission to the Big Lottery for funding.
- b) Obtain funding and other resources to complete the design and submission.
- c) To prepare an alternative plan if the initial submission for funding from the Big Lottery is unsuccessful.

### Results

The income from grants, donation and book sales in the year amounted to £604,336. Bank interest received amounted to £875. The cost of books sold was £750 and administrative expenses amounted to £584,653.

The surplus for the year was £19,808. When this is added to the surplus funds brought forward it gives total funds of £31,118.

### Risk assessment

The trustees have identified the risks to the charity and procedures are in place to identify and control these and new risk as they arise

### Fixed Assets

The movements in fixed assets during the year are set out in note 4 to the financial statements.

### Investment Powers and Policy

Under the Memorandum and Articles of Association the trustees have the power to invest as they feel appropriate.

The Trustees having regard to the requirements of the charity maintain a policy of keeping funds in short term deposit accounts, with interest paid therein.

### Reserves

The trustees maintain reserves at a level they deem sufficient for the needs of the charity.

### Statement of trustees' responsibilities

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted accounting Practice

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to;

# THE SHEPPEY HERITAGE TRUST LIMITED

## REPORT OF THE COMMITTEE OF MANAGEMENT (CONTINUED) YEAR ENDED 30 SEPTEMBER 2007

---

### Statement of trustees' responsibilities - continued

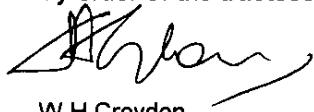
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which 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 1985. They are also responsible for safeguarding the assets of the charity and hence to taking reasonable steps for the prevention of fraud and other irregularities.

### Auditors

In accordance with section 384 of the Companies Act 1985, a resolution proposing the appointment of Tenbury Limited as auditors to the charity will be put to the annual general meeting

### By order of the trustees



W H Croydon

Date 29 December 2008

# **THE SHEPPEY HERITAGE TRUST LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SHEPPEY HERITAGE TRUST**

---

We have audited the financial statements of The Sheppey Heritage Trust Limited on pages 6 to 11 for the year ended 30 September 2007. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the trustees and auditors**

As described in the statement of trustees' responsibilities on pages 2 and 3, the company's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees report is consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the trustees report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# **THE SHEPPEY HERITAGE TRUST**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SHEPPEY HERITAGE TRUST LIMITED**

---

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 30 September 2007 and of the charity's incoming resources and application of resources, including the charity's income and expenditure, in the year then ended;
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.



**Tenbury Limited  
Chartered Accountants  
Registered Auditors**

Date 29 December 2008

# THE SHEPPEY HERITAGE TRUST LIMITED

## SUMMARY INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 30 SEPTEMBER 2007

---

	Notes	2007 £	2006 £
<b>Incoming Resources</b>			
Donations, grants & book sales	2	604,336	42,787
Bank interest received		875	11
		<u>605,211</u>	<u>42,798</u>
<b>Resources Expended</b>			
Cost of Books Sold		(750)	(410)
Administration expenses	3	<u>(584,653)</u>	<u>(41,316)</u>
Net Surplus on ordinary activities		19,808	1,072
Fund balance at 1 October 2006		11,310	10,238
Balance carried forward		<u><u>31,118</u></u>	<u><u>11,310</u></u>



# THE SHEPPEY HERITAGE TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 30 SEPTEMBER 2007

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2007 £	Total funds 2006 £
<b>Incoming resources</b>	<b>2</b>				
Donations, grants & book sales		604,336		604,336	42,787
Bank interest received	<b>3</b>	875		875	11
		<u>605,211</u>		<u>605,211</u>	<u>42,798</u>
<b>Resources Expended</b>					
Cost of Books Sold		(750)		(750)	(410)
Administration expenses		<u>(584,653)</u>		<u>(584,653)</u>	<u>(41,316)</u>
<b>Net movement in funds</b>		19,808	-	19,808	1,072
<b>Fund balances at 1 October 2006</b>		11,310		11,310	10,238
<b>Fund balances at 30 September 2007</b>		<u>31,118</u>	<u>-</u>	<u>31,118</u>	<u>11,310</u>

# THE SHEPPEY HERITAGE TRUST LIMITED

## BALANCE SHEET AS AT 30 SEPTEMBER 2007

	Notes	£	2007 £	£	2006 £	£
<b>Fixed assets</b>						
Tangible assets	4		4,372		1,536	
Investment	5		<u>10</u>		<u>-</u>	
			4,382		1,536	
<b>Current assets</b>						
Stock		3,250		4,000		
Debtors	7	38,282				
Cash at bank and in hand	6	<u>159,807</u>		<u>5,774</u>		
		201,339		9,774		
<b>Creditors</b>						
Loan	8	34,603		-		
	9	<u>140,000</u>		<u>-</u>		
		174,603		-		
<b>Net current (liabilities)</b>			26,736		9,774	
<b>Total assets less current liabilities</b>			<u>31,118</u>		<u>11,310</u>	
<b>Capital and reserves</b>						
Unrestricted funds			31,118		11,310	
Restricted funds			-		-	
			<u>31,118</u>		<u>11,310</u>	

Approved and authorised for issue by the trustees on 29 December 2008

H J E Summerfield  
Trustee

# THE SHEPPEY HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2007

---

### 1 Accounting policies

#### 1.1 Accounting convention

The Financial Statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities, the Companies Act 1985 and following the recommendations in 'Accounting and Reporting by Charities (SORP2005).

#### 1.2 Cash Flow Statement

The Charity qualifies as a small company under the Companies Act 1985. The Trustees have elected to take advantage under FRS1 not to prepare a cash flow statement.

#### 1.3 Investments and investment income

Fixed asset investments are stated at cost. The investment is shares in a wholly owned subsidiary company which has been dormant since it was formed. Income from cash deposits is taken to revenue in the year in which the income is received.

#### 1.4 Depreciation of tangible assets

Provision is made for depreciation of tangible assets at rates calculated to write off their costs, less residual values, over their estimated useful lives. The rates used for this purpose are:

Fixtures and equipment                      25% pa on original cost

#### 1.5 Stocks

Stocks are valued at the lower of cost and net realisable value

#### 1.6 Accrued Income

Income due at 30 September 2007 but not received has been include as income and shown in debtors.

#### 1.7 Funds

Funds held by the charity are unrestricted general funds which are used in accordance with the charitable objects at the discretion of the trustees,

#### 1.8 Incoming Resources

These are included in the Statement of Financial Activities when receivable.

	2007 £	2006 £
Grants and Donations	603,216	41,937
Book Sales	1,120	850
	<u>604,336</u>	<u>42,787</u>

#### 1.9 Resources Expended

These are recognised in the period in which they are incurred.

### 2 Employees

	2007	2006
The average weekly number of employees was as follows:	1	0

---

# THE SHEPPEY HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2007

### 3 Administrative Expenses

	2007	2006
	£	£
Land Option	50,000	-
Professional Fees	458,068	40,000
Salaries and NIC	40,062	-
Rent	7,330	-
Website Design	5,700	380
Repairs	468	-
Subscription	35	-
Insurance	295	-
Postage and stationery	6,352	-
Telephone	442	-
Travel and subsistence	3,817	183
Legal Expenses	2,000	-
Audit Fee	2,000	-
Accountancy	5,000	-
Bank Interest & Charges	53	-
Sundry expenses	1,574	241
Depreciation of fixtures and fittings	1,457	512
	<u>584,653</u>	<u>41,316</u>

### 4 Tangible fixed assets

	Fixtures and Equipment £
<b>4.1 Cost</b>	
At 1 October 2006	4,131
Additions in year	<u>4,293</u>
At 30 September 2007	<u>8,424</u>
<b>4.2 Depreciation</b>	
At 1 October 2006	2,595
Charge for the year	<u>1,457</u>
At 30 September 2007	<u>4,052</u>
<b>4.3 Net book value</b>	
At 30 September 2007	<u>4,372</u>
At 30 September 2006	<u>1,536</u>

# THE SHEPPEY HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2007

<b>5</b>	<b>Fixed assets</b>		
<b>5.1</b>	<b>Investments</b>	<b>2007</b>	<b>2006</b>
		£	£
	Shares at cost in Flying Start Project Limited Company no. 6279493 registered in England.	<u>10</u>	<u>-</u>
<b>6</b>	<b>Cash</b>	<b>2007</b>	<b>2006</b>
		£	£
	At 30 September 2007	<u>159,807</u>	<u>5,774</u>
<b>7</b>	<b>Debtors</b>	<b>2007</b>	<b>2006</b>
		£	£
	Other debtors	8,199	-
	Accrued Income	29,669	-
	Prepayments	414	-
		<u>38,282</u>	<u>-</u>
<b>8</b>	<b>Creditors: Amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
		£	£
	Other Creditors	10	-
	Accruals and deferred income	34,593	-
		<u>34,603</u>	<u>-</u>
<b>9</b>	<b>Loan</b>	<b>2007</b>	<b>2006</b>
	Swale Borough Council	<u>£140,000</u>	<u>-</u>
	The interest free loan was made by Swale Borough Council on 27 February 2007 in order to assist with the Trust's expenditure prior to the receipt of the grant income. On 7 November 2008 £120,000 was repaid leaving £20,000 owing to Swale Borough Council.		
<b>10</b>	<b>Capital</b>		
	The charity is a company limited by guarantee and does not have a share capital. Every member of the charity undertakes to contribute in winding up a sum not exceeding £10 whilst a member or within one year of ceasing to be a member. Number of Members 11(2006 9)		
<b>11</b>	<b>Trustees' Remuneration</b>		
	The following amount was paid to a Trustee in respect of achieving the objects of the charity:		
			<b>Travel and subsistanc £</b>
	W H Croydon		<u>361</u>

# THE SHEPPEY HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 30 SEPTEMBER 2007**

---

**12 Related Parties**

During the year W K Finn-Kelcey ( formerly Finn-Kelcey & Chapman) have acted as accountants to the charity. H J E Summerfield who is a Trustee is also a partner in W K Finn-Kelcey. During the year W K Finn-Kelcey received £5,000 from the charity for accountancy services.

**13 Post Balance Sheet Events**

The Trustees were informed in December 2007 that the application to the Big Lottery for funding had not been successful. An alternative plan is being drawn up for a more modest centre dedicated to the part Sheppey played in the aviation history of Britain. Alternative sources of funding are being investigated.

# THE SHEPPEY HERITAGE TRUST LIMITED

## INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 30 SEPTEMBER 2007

	£	2007 £	£	2006 £
<b>Incoming resources</b>				
Grants & Donations		603,216		41,937
Interest on cash deposits		875		11
Book Sales		1,120		850
		<u>605,211</u>		<u>42,798</u>
 Cost of Books Sold		 (750)		 (410)
 <b>Gross income</b>		 <u>604,461</u>		 <u>42,388</u>
<b>Administrative expenses</b>				
Land Option	50,000			
Professional Fees	458,068		40,000	
Salaries and NIC	40,062		-	
Rent	7,330		-	
Website Design	5,700		380	
Repairs	468		-	
Subscription	35		-	
Insurance	295		-	
Postage and Stationery	6,352		-	
Telephone	442		-	
Travel and Subsistance	3,817		183	
Legal Expenses	2,000		-	
Accountancy	5,000		-	
Audit Fee	2,000		-	
Bank Interest & Charges	53		-	
Sundry Expenses	1,574		241	
Depreciation of fixtures and fittings	<u>1,457</u>	<u>(584,653)</u>	<u>512</u>	<u>(41,316)</u>
 <b>Surplus for the year</b>		 <u>19,808</u>		 <u>1,072</u>