

**Company number**

**04553653**

**Registered Charity number**

**1096308**

**CHICHESTER HARBOUR TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' AND TRUSTEES' REPORT AND UNAUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2006**



**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
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**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**COMPANY INFORMATION**

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**Directors and Trustees**

Sir Jeremy Thomas KCMG (Chairman)  
Mr J M Daws-Chew  
Mr C W Doman  
Lady M Gordon Lennox LVO  
Mr P W Green  
Mr P D Henshaw (appointed in year)  
Mr T E James  
Mr B A Peters OBE  
Mr F R Petitgas  
Mr C R Reeves  
Mr D A Rolph MBE  
Mr P J B Taylor MBE  
Mr R S Williscroft

**Secretary**

Mr F J Davis

**Company number**

04553653

**Charity number**

1096308

**Accountants**

Spofforths LLP  
9 Donnington Park  
85 Birdham Road  
Chichester  
West Sussex  
PO20 7AJ

**Bankers**

Abbey National  
Business Banking Centre  
PO Box 126  
Newport  
Gwent  
NP19 7UP

**Registered office**

7 East Pallant  
Chichester  
West Sussex  
PO19 1TR

**Contact address**

PO Box 327  
Chichester  
West Sussex  
PO19 1ZN

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' AND TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2006**

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The directors and trustees present their report together with the unaudited accounts for the period ended 31 March 2006.

The Chichester Harbour Trust was incorporated as a Private Limited Company on 4 October 2002 (Company No: 4553653) and was registered as a charity with the Charity Commission under the Charities Act 1993 (Registered Charity No: 1096308). The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The Directors and Trustees confirm that the accounts comply with current statutory requirements and the charity's governing documents.

**Objects of the Charity and Principal Activities**

The Trust's principal activity and object, as stated in the memorandum and articles of association, is to acquire land, sites and buildings within the Chichester Harbour Area of Outstanding Natural Beauty and its setting of landscape, environmental, recreational or historic value and to promote the conservation, protection and improvement of the natural beauty and the wildlife of the area for the public benefit.

**Development and Land Acquisition**

In 2005/6 the Trustees of the Chichester Harbour Trust have sought to continue the progress made in the charity's first two years. They have made an effort to increase awareness of the Trust within the local community as a credible force for the good of the Harbour. They have raised further funds in order to acquire land in accordance with the Trust's object, and they have been very pleased to accept gifts of land from owners who wish to see the harbour landscape conserved for the public benefit both now and in the future.

Promoting the Trust

The Trustees have continued to promote the Trust through the distribution of publicity material, by addressing a variety of local groups and by seeking coverage of the charity's activities in the local and national press.

Additionally, the Trust has maintained its close links with the four local authorities that have jurisdiction in the area and the main national conservation organisations, all of which have given their support.

The website has continued to be well used by those seeking information about the Trust.

During the course of the year an information and fundraising DVD was commissioned by the charity and is ready for distribution during 2006.

Overall the Trustees are satisfied that the charity is becoming increasingly known in the area and that the benefits it can offer for the conservation of Chichester Harbour and its setting are appreciated.

Fundraising

The Trustees have continued to raise funds in order to fulfil the charity's object when suitable opportunities for land acquisition arise and to maintain and improve those sites once acquired. During the year donations of £83,419 have been received. This represents steady progress towards the agreed target of £1 million.

The Trustees believe that in the longer term legacies will provide an important part of the Trust's income and have emphasised legacies during all public fundraising activity this year.

The charity has been supported by a number of grant making trusts and the National Lottery 'Awards for All' programme.

The Trustees are particularly grateful to the very many private individuals who have given their financial support to the charity over the past year.

**CHICHESTER HARBOUR TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
DIRECTORS' AND TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2006**

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Land Acquisition

During the course of the year a number of important sites have been given to the Trust in order to conserve them for the future.

The Trust is most grateful to Mr and Mrs Charles Dewhurst who have granted the Trust a 999-year lease on Ellanore Spit, a 3-acre area of salt marsh and shingle of significant habitat value. This is an important area both as a wader nesting site and for the plant life it supports. The Spit will be managed by the Chichester Harbour Conservancy on behalf of the Trust.

The Trust is similarly grateful to Chichester District Council for granting the charity a 125-year lease on a 1.3-acre site known as The Dell at Chidham. This small area of woodland with a stream running through it lies just one field away from the harbour's edge. The Conservancy is managing the site on behalf of the Trust in consultation with the local community. The Trust is delighted to be given stewardship of this plot of rare woodland. With the help of local householders accessibility has been improved and the site is being used in the education programmes of both the Conservancy and the local school. The Dell shows how the charity, by acquiring a site, can increase its value as an asset to the community.

During the year West Sussex County Council agreed in principle to grant to the Trust a very long lease on Eames Farm, Thorney Island. The farm is 177 acres of reedbed, meadow and grazing land lying in the centre of the harbour area and of great importance as a wildlife habitat. It is hoped that the transfer will take place during 2006.

In the Trustees' opinion it is not possible to determine a monetary value that can be attributed to these gifts and so they have not been reflected in the Statement of Financial Activities.

Thorney Island

During the past year the Trust has played a leading role in establishing a contingency plan to acquire the undeveloped part of Thorney Island should the Ministry of Defence ever decide to withdraw. If that 1,000-acre area of low-lying farmland, woods and coastal habitat at the heart of the harbour were ever built on, it would change the whole character of the estuary landscape.

With the support of the County and District authorities, and the Conservancy, the Trust has been in consultation with the Ministry of Defence and English Nature and obtained agreement that should this area ever be offered for sale (although the MOD has no intention at present of moving out), then the Trust would be recommended by English Nature as an appropriate potential purchaser.

The National Trust and RSPB have also given their full support to this contingency plan.

**CHICHESTER HARBOUR TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
DIRECTORS' AND TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2006**

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**Directors and Trustees**

There are currently 13 Trustees who set policy and decide the strategy of the Trust at regular meetings.

New Trustees will be appointed as required by the Board on the recommendation of individual Trustees and other members, advertising for volunteers if necessary, and having regard for the need for an appropriate spread of experience and skill among members of the Board.

The Trustees are assisted in the day-to-day running of the charity by one employed administrator.

The Directors and Trustees who served during the year were as follows:

Sir Jeremy Thomas KCMG (Chairman)	Mr B A Peters OBE
Mr J M Daws-Chew	Mr F R Petitgas
Mr C W Doman	Mr C R Reeves
Lady M Gordon Lennox LVO	Mr D A Rolph MBE
Mr P W Green	Mr P J B Taylor MBE
Mr P D Henshaw (appointed in year)	Mr R S Williscroft
Mr T E James	

The Trust is a Company Limited by Guarantee and hence has no share capital.

**Transactions and Financial Position**

It is pleasing to once again record that all the areas of land so far acquired or in the process of acquisition are passing to the Trust either as donations or on very long leases at minimal rent. There has therefore been no requirement this year for capital outlay on land.

The largest cost to the Trust has, again, been the employment of a part-time administrator. This expense has been reviewed by the trustees but they continue to believe that the proper administration of the charity, its assets and its fundraising are important and the Trust must be seen to be well run and undertake its charitable activity in a businesslike way.

The charity continues to benefit from low-cost office accommodation from West Sussex County Council.

Overall, the charity has continued to build up funds to allow it to fulfil its object when suitable opportunities for land acquisition arise.

**Reserves and Investment Policy**

The balance of unrestricted funds has continued to grow. Trustees have invested £80,000 through West Sussex County Council, to achieve 'money market' rates of interest. The remainder of funds are deposited in an interest-bearing account with Abbey National plc.

The Trustees have reviewed the position with regard to reserves and believe that it remains appropriate to retain a minimum of £30,000, the equivalent of six months running costs, as a reserve.

**Risk Assessment**

The Trustees have reviewed the charity's risk register that prioritises the perceived risks to the Trust by probability and impact and they are satisfied that the various controls and procedures in place adequately minimise the risks that have been identified.

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' AND TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2006**

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**Directors' and Trustees' Responsibilities**

The directors and trustees are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

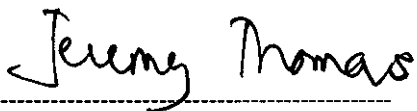
Company law requires the directors and trustees to prepare accounts for each financial year which gave a true and fair view of the state of the financial activities of the charity and of its financial position at the end of the year. In preparing these accounts the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statement of recommended practice, subject to any material departures disclosed and explained in the financial statements.
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors and 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 accounts comply with the Companies Act 1985, the Charities Act 1993 and the regulations there under. 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.

This report was approved by the Board of Trustees on

*14 June 2006*



Sir Jeremy Thomas KCMG (Chairman)  
Chairman

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2006**

	Note	Unrestricted Funds	Restricted Fund	2005	2004
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	3	100,419	18,291	<b>118,710</b>	74,991
Investment income	4	6,485	-	<b>6,485</b>	4,776
<b>Total incoming resources</b>		<b>106,904</b>	<b>18,291</b>	<b>125,195</b>	79,767
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds:</b>					
Cost of generating voluntary income		161	34,303	<b>34,464</b>	2,631
<b>Charitable activities</b>	5	37,931	-	<b>37,931</b>	29,585
<b>Governance costs</b>	7	1,168	-	<b>1,168</b>	3,549
<b>Total resources expended</b>		<b>39,260</b>	<b>34,303</b>	<b>73,563</b>	35,765
<b>Net incoming/ (outgoing) resources</b>	8	<b>67,644</b>	<b>(16,012)</b>	<b>51,632</b>	44,002
Transfer between funds		(5,000)	5,000	-	-
Net movement in funds for the financial year		62,644	(11,012)	<b>51,632</b>	44,002
Total funds brought forward		121,617	14,841	<b>136,458</b>	92,456
Total funds carried forward		184,261	3,829	<b>188,090</b>	136,458

The annexed notes form an integral part of these accounts  
All amounts derive from continuing activities



**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**

**AS AT 31 MARCH 2006**

	Notes	2006	2005
		£	£
<b>Fixed assets</b>			
Tangible assets	9	-	-
<b>Current assets</b>			
Debtors	10	3,123	3,449
Investments held as current assets	11	82,230	78,462
Cash at bank and in hand		<u>119,085</u>	<u>66,846</u>
		<b>204,438</b>	<b>148,757</b>
<b>Creditors: amounts falling due within one year</b>	12	<u>(16,348)</u>	<u>(12,299)</u>
<b>Net current assets</b>		<b>188,090</b>	<b>136,458</b>
		<u><b>188,090</b></u>	<u><b>136,458</b></u>
<b>Unrestricted funds:</b>			
General funds	13	<b>184,261</b>	<b>121,617</b>
<b>Restricted funds</b>	13	<u><b>3,829</b></u>	<u><b>14,841</b></u>
<b>Total funds</b>		<u><b>188,090</b></u>	<u><b>136,458</b></u>

The directors are satisfied that the company is entitled to exemption under section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985;

and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

*Jeremy Thomas*

Approved by the board on

*14 June 2006.*

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2006**

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**1 Principal accounting policies**

The financial statements have been prepared under the historical cost convention and the principle accounting policies as set out below and in accordance with the Statement of Recommended Practice (SORP 2005), Accounting and Reporting by Charities and the Financial Reporting Standard for Smaller Entities (effective June 2005) subject to the departure mentioned below.

- a Income from donations and grants is accounted for on a receipts basis. Tax reclaims from Gift Aid and interest receivable are accounted for on an accruals basis.

Legacies are brought into account when there is a reasonable degree of certainty as to amounts receivable.

Donations in kind of land, and rights to land, are included in the financial statements where they can be quantified; where it is impractical to ascertain their value, the Trustees mention the donations in the Directors' and Trustees' Report.

No incoming resources have been deferred either this year or last year.

- b General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. The restricted fund is for the production of a DVD in furtherance of the charity's objectives as mentioned in the Trustees report. The Trustees decided to contribute £5,000 of unrestricted funds to this project.
- c Land purchased by the Trust is capitalised and included at cost including any incidental expenses of acquisition, provided that there has been no permanent diminution in value.
- d Resources expended are brought into the accounts on an accruals basis and allocated to the appropriate heading in the accounts. Management and administration costs are those incurred in connection with the day to day administration of the charity. Governance costs are those incurred with the governance and strategic arrangements of the charity.
- e Fixed assets of the charity consists of heritage assets in the form of donated land for conservation and preservation purposes in line with the charities objectives, which is not depreciated in accordance with relevant accounting standards.

**2 Legal status of charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3 Donations and gifts**

During the period the Trust received donations in kind of the rights to environmentally sensitive sites. No amount has been included in the accounts as no monetary value can be attributed to the donation.

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2006**

<b>4 Investment income and interest</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Investment income	<b>3,768</b>	3,462
Interest	<b>2,717</b>	1,314
	<b><u>6,485</u></b>	<u>4,776</u>

<b>5 Charitable activities</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>29,511</b>	28,746
Office rent	<b>3,000</b>	(146)
Office costs	<b>940</b>	809
Advertising and PR costs	<b>962</b>	-
Land acquisition costs	<b>3,518</b>	176
	<b><u>37,931</u></b>	<u>29,585</u>

<b>6 Staff costs</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>26,718</b>	26,022
National insurance contributions	<b>2,793</b>	2,724
	<b><u>29,511</u></b>	<u>28,746</u>

The average monthly number of employees during the year were as follows:

	<b>2006</b>	<b>2005</b>
	<b>Number</b>	<b>Number</b>
Administration	<b><u>1</u></b>	<u>1</u>

No employee earned more than £50,000 per annum.

None of the trustees received any remuneration for their services in the period.

Trustees were reimbursed expenses totalling £150 for fund raising and travel costs (2005: £2,238).

<b>7 Governance costs</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Professional costs	<b>30</b>	1,199
Auditors' remuneration	<b>88</b>	2,350
Accountancy fee	<b>1,050</b>	-
	<b><u>1,168</u></b>	<u>3,549</u>

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2006**

<b>8 Movement in total funds in the period</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditors' remuneration:		
Audit fees	<b>88</b>	<b>2,350</b>

**9 Tangible fixed assets**

The Charity holds plots of donated land identified as environmentally sensitive sites as heritage assets. There has been no value attributed to these as mentioned in note 3 and the Directors' and Trustees report.

<b>10 Debtors</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Gift Aid	<b>2,819</b>	<b>3,303</b>
Accrued interest	<b>304</b>	<b>146</b>
	<b>3,123</b>	<b>3,449</b>

<b>11 Investments held as current assets</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Unlisted investments	<b>82,230</b>	<b>78,462</b>

Funds invested on behalf of the charity by West Sussex County Council.

<b>12 Creditors: amounts falling due within one year</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Accruals	<b>16,348</b>	<b>12,299</b>

**CHICHESTER HARBOUR TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2006**

<b>13 Statement of funds</b>	<b>Balance as at 1 April 2005 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Balance as at 31 March 2006 £</b>
<b>General reserve (unrestricted)</b>	<b>121,617</b>	<b>106,904</b>	<b>(44,260)</b>	<b>184,261</b>
<b>Restricted funds:</b>				
Video fund	<u>14,841</u>	<u>23,291</u>	<u>(34,303)</u>	<u>3,829</u>
	<u><b>136,458</b></u>	<u><b>130,195</b></u>	<u><b>(78,563)</b></u>	<u><b>188,090</b></u>

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Video fund has been established to produce a video for educating the local community in the objectives of the charity and further fund raising opportunities.

A transfer occurred in the year for the sum of £5,000 from the unrestricted fund to the restricted video fund. This has been amalgamated into the above figures.

**14 Analysis of net assets**

	<b>Current Assets £</b>	<b>Current Liabilities £</b>	<b>Total £</b>
<b>Restricted</b>	<b>3,829</b>	<b>-</b>	<b>3,829</b>
<b>Unrestricted</b>	<u><b>200,609</b></u>	<u><b>(16,348)</b></u>	<u><b>184,261</b></u>
	<u><b>204,438</b></u>	<u><b>(16,348)</b></u>	<u><b>188,090</b></u>

# **ACCOUNTANT'S REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF CHICHESTER HARBOUR TRUST**

## **FOR THE YEAR ENDED 31 MARCH 2006**

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We report on the accounts for the year ended 31 March 2006 as set out on pages 6 to 11.

### **Respective responsibilities of directors and reporting accountants**

As described on pages 2 to 5 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report on our opinion.

### **Basis of opinion**

Our work is conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

### **Opinion**

In our opinion:

(a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;

(b) having regard only to, and on the basis of, the information contained in those accounting records:

- (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
- (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)

*Spofforths LLP*

**Spofforths LLP**  
**Chartered Accountants and Registered Auditors**  
**9 Donnington Park**  
**85 Birdham Road**  
**Chichester**  
**West Sussex**  
**PO20 7AJ**

**Date:** 15 June 2006