

Registered number: 02100358
Charity number: 296236

The New Medway Steam Packet Company Limited
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

for the year ended 31 March 2022

The New Medway Steam Packet Company Limited
(A company limited by guarantee)

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The New Medway Steam Packet Company Limited
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Reference and administrative details of the Charity, its Trustees and advisers
for the year ended 31 March 2022

Trustees

P Bathurst
J F Kempton, Chairman
R J Stokes
R P Halton
M Bathurst

Company registered number

02100358

Charity registered number

296236

Registered office

Pier Approach Road
Gillingham
Kent
ME71RX

Accountants

Kreston Reeves LLP
Chartered Accountants
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

The New Medway Steam Packet Company Limited
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers (continued)
for the year ended 31 March 2022

Bankers

CAF Bank Limited
25 Kings Hill Avenue
West Malling
Kent
ME19 4TA

Solicitors

Martin Tolhurst Partnership
7 Wrotham Road
Gravesend
Kent
DA11 0PD

Patrons

Marianna, Viscountess Monckton of Brenchley (deceased 2022)
Sir Mick Jagger

President

Admiral Lord West of Spithead, GCB, DSC, PC

Vice-Presidents

Noreen Chambers
Robert Barnes
Brian Burton

The New Medway Steam Packet Company Limited
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Trustees' report
for the year ended 31 March 2022

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The principal objective of the Charity is to advance public education on the maritime history of Great Britain in particular by the restoration and preservation of the Paddle Steamer Medway Queen.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Volunteers

We rely on volunteers for the restoration of the Medway Queen, contracting out to professionals where appropriate and affordable. At 31 March 2022, we estimate we had to the order of 30 plus active volunteers, directly involved in restoration work or carrying out administrative or educational work. We are always looking for additional help from skilled volunteers with a range of practical skills; including the electrical, mechanical, welding, carpentry, plumbing, painting trades and accounting and administrative experience.

c. Main activities undertaken to further the Charity's purposes for the public benefit

In shaping our objectives the Trustees have considered the Charity Commission's guidance on public benefit.

Our place in the broader community

We take our place in the local community very seriously and one of the Trustee Board members has specific responsibility for working with the mainly local media. Communications include regular coverage of our activities in the local press and radio. We have a high profile within the heritage publications sector with regular appearance of news stories and feature articles. Several volunteers hold talks about the Medway Queen for local schools and clubs and societies across the South and South East, which are well received and a source of donations. We are a member of the Association of Independent Museums and use our membership to learn how some of the smaller historical sites have become successful. We also are active with our own Facebook page Medway Queen Preservation Society, and an active web page www.medwayqueen.co.uk.

Achievements and performance

a. Background

The Medway Queen has a long and varied history but sadly her hull was in a very poor state of repair when she arrived back in Kent in 1984. The rate of decay was slowed and the ship was kept afloat but gradually the corrosion spread and the effort needed to keep her afloat increased.

The New Medway Steam Packet Company Limited
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Trustees' report (continued)
for the year ended 31 March 2022

Achievements and performance (continued)

Having achieved grant funding, primarily from the Heritage Lottery Fund, the hull has now been re built in Bristol to the 1924 specification, with some concessions to current requirements. She returned to the Medway on 19 November 2013 to much local acclaim and is berthed at Gillingham Pier. Alongside the berth is a workshop and visitor centre formed from existing buildings on the site.

The main purpose of the Gillingham workshops now is to complete the restoration of the ship to a public venue, with the long term view of returning to steam.

b. Review of activities

Ensuring access to our activities

We actively encourage new membership and have a steady number of renewals, especially following the publication and distribution of the Full Ahead member's magazine. Over the year, we enjoyed a steady stream of visitors, who are asked to give £5 for a tour of the ship, and who also have spent in our visitor centre shop, providing a good but variable income source. We are currently open on a Saturday, from 11:00 hours to last admission 15:00 hours, manned by our volunteers, but also other times by appointment and arrangement.

We have an active outreach programme which includes the Visitor Centre, social events and presentations to various groups across mainly, but not exclusively, the South East and visits to the vessel itself. We have two remotely based "Support Groups": the Reading Support Group and the London & South of England Support Group based in Swanage. Both are informally organised and attend external events of all types to promote the Society's restoration activities, recruit new members and to raise funds towards the restoration costs. In addition to event attendance, the Reading Group commissions and supports merchandising projects for niche markets complementary to those of the Society's central sales team.

Part of our broader outreach approach involves the use of book and other media publication to bring our story to a wider audience.

Communications

Our primary method of contact with our members and, with other interested parties, is via our magazine, "Full Ahead", which is published quarterly and our website, and a Facebook page.

Slipping/Drydocking of the ship 2021/2022

In June of 2021 the ship was towed to Ramsgate slipway for hull re painting and other works, this was the first slipping out of the water since she left dry dock in Bristol in 2013. The works were completed and the ship returned to Gillingham in January 2021 following delays due to mechanical issues with the slipway mechanism. These works entailed considerable expense and in fact over ran our budget, despite close scrutiny by our appointed works coordinators. The society did dispute the costs, but in the end felt there was no option but to pay the presented final invoice, as further action and dispute, would not have been successful or beneficial to the society. Since that time, we have regained financial stability with donations and income, and the loan of £16,000 from two of the board trustees. These are being repaid on a monthly basis.

c. Fundraising activities and income generation

Over the first twenty years of existence of the Charity the main objective was to secure funds for restoration of the Medway Queen.

The New Medway Steam Packet Company Limited
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Trustees' report (continued)
for the year ended 31 March 2022

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Charity has to maintain cash reserves to cover the Medway Queen's share of the costs of any further restoration work. As at 31 March 2022, there is insufficient funding to undertake the full refit and budgets are being amended accordingly, until such time that further substantial funding is obtained. At this point we consider no specific reserve is necessary.

The Trustees believe that there are currently sufficient reserves, subject to the points detailed above. At 31 March 2022, total free reserves amounted to £40,093 (2021: £196,361).

c. Principal risks and uncertainties

We recognise that current best practice suggests that the Trustees and Officers should give thought regularly to the risks being run by renovating the Medway Queen and should identify risk management options. This activity has been in place for some time; however we are reviewing risks by way of a structured process as a matter of course on a regular basis and to try to identify emerging challenges or areas where the risk is emerging, increasing or reducing.

One of our primary risks is financial, being able to finance the rest of the restoration of the Medway Queen.

This is receiving much attention from the Trustees. We have documented a number of other risks and have identified a range of mitigation techniques which include having access to skilled volunteers, using strong and effective controls and using insurance where appropriate. We are also alert to the threat of fraud.

One example of this active risk management approach is the way in which we manage our insurance covers with our brokers and insurers.

We are continuing a process of updating and formal documentation of much of our existing governance procedures, including policies, systems, procedures and controls. This is a significant piece of work and has strong links to the project supported by Heritage Lottery Fund transition funding. We have adopted a new 'best of breed' constitution and are working on the supporting governance processes.

The HLF supported project included a formal review of our business plans, with growing competition for grant funding meaning that having clear and phased plans, including contingency plans, are vital.

Our plans will include ensuring that her history and heritage are maintained and celebrated and widening her appeal, whilst developing strong strategies for her future financial stability.

d. Principal funding

We applied for, and were successful in achieving, transition funding from the Heritage Lottery Fund (HLF).

This has enabled the Charity to begin modernising and to be financed during the early stages of preparing credible application for further restoration funding.

The New Medway Steam Packet Company Limited
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Trustees' report (continued)
for the year ended 31 March 2022

Structure, governance and management

a. Constitution

The Charity is registered as a charitable company, limited by guarantee, and was set up by a Memorandum of Association. The Company is a registered charity number 296236.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

Trustees may be directly elected by members or appointed by the Trustee Board until the next Annual General Meeting and they are made aware, on their appointment, of their responsibilities under Charities legislation.

The Trustee Board has overall responsibility for managing the affairs of the Charity and the Medway Queen Preservation Society and each Trustee is elected for a three year term by the registered membership at the Annual General Meeting. Special interim arrangements are in place to allow for existing Trustees to be elected over a three year period. The Trustee Board has the power to fill any vacancies arising during the year, up to the maximum set out in the Articles of Association, between Annual General Meetings by co option.

c. Organisational structure and decision-making policies

On 28 March 2015, an Extraordinary General Meeting of the Charity approved the adoption of new Articles of Association, in accordance with the template for charitable companies published by the Charity Commission on their website.

Trustees are now appointed for a three year term with transitional arrangements in place to avoid the need for election of the Trustee Board en masse every three years.

The President and Vice Presidents had the right to attend Committee of Management meetings and receive the minutes. The new constitution clarifies these honorary positions to which is made at the discretion of the Trustee Board and which no longer carry attendance or copy minute rights.

Trustees may be directly elected by members or appointed by the Trustee Board until the next Annual General Meeting and they are made aware, on their appointment, of their responsibilities under Charities legislation.

The Trustee Board has overall responsibility for managing the affairs of the Charity and the Medway Queen Preservation Society and each Trustee is elected for a three year term by the registered membership at the Annual General Meeting. Special interim arrangements are in place to allow for existing Trustees to be elected over a three year period. The Trustee Board has the power to fill any vacancies arising during the year, up to the maximum set out in the Articles of Association, between Annual General Meetings by co option.

The Trustee Board meets formally each month to discuss and consider a range of topics against a formal agenda. This includes progress and plans for the restoration of the Medway Queen financial plans and performance and governance. All meetings are formally minuted. Ad hoc meetings are convened as required.

Sub committees are formed and meet as necessary, usually to work on specific items of work which may require specialist skills. Reports are made to the Trustee Board following any subcommittee meetings.

The Trustee Board considers that it has a good range of qualifications, skills and experience for this stage of the restoration project. It recognises that new skills will need to be added to the team in anticipation of the completion of the next stage of restoration and the Medway Queen becoming financially self sustaining and taking its place in the community and will be active in seeking new members and/or volunteers to assist with this development.

The New Medway Steam Packet Company Limited
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Trustees' report (continued)
for the year ended 31 March 2022

Structure, governance and management (continued)

d. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The objective of the project was to bring the Medway Queen back to Gillingham as soon as possible, where she would be open to visitors as far as possible while restoration and fit out activities continue. This has been achieved. In the long term the ship will be developed as a visitor attraction and function venue, whilst retaining the capability to go to sea under her own steam for special charters and visits to other ports.

We are reviewing our existing detailed plans on the future of the Medway Queen once restored, with the objective of maximising outreach across as wide a demographic as possible whilst maintaining the integrity of the vessel's history and working toward financial sustainability. We are also looking to work with Medway Council and other partners to map out a clearer role for the Medway Queen in local plans, including tourism.

Specific targets, not listed in priority, for the coming financial year include:

- Increasing the range and scale of funding including large scale project funding,
- Further restoring the Medway Queen.
- Further improving governance.

Members' liability

The Company is a company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The New Medway Steam Packet Company Limited
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Trustees' report (continued)
for the year ended 31 March 2022

Approved by order of the members of the Board of Trustees on
their behalf by:

and signed on

J F Kempton
Chairman

The New Medway Steam Packet Company Limited
(A company limited by guarantee)

Independent examiner's report
for the year ended 31 March 2022

Independent examiner's report to the Trustees of The New Medway Steam Packet Company Limited ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the Charity (and its Directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

S Robinson

BA FCA FCIE DChA MCMI

Kreston Reeves LLP

Chartered Accountants

Chatham Maritime

The New Medway Steam Packet Company Limited
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Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	3	80,239	80,239	111,009
Other trading activities	4	7,125	7,125	4,379
Investments	5	6	6	29
Total income		87,370	87,370	115,417
Expenditure on:				
Raising funds	6	4,477	4,477	3,936
Charitable activities	7	76,816	76,816	39,811
Total expenditure		81,293	81,293	43,747
Net movement in funds		6,077	6,077	71,670
Reconciliation of funds:				
Total funds brought forward		3,474,849	3,474,849	3,403,179
Net movement in funds		6,077	6,077	71,670
Total funds carried forward		3,480,926	3,480,926	3,474,849

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 25 form part of these financial statements.

The New Medway Steam Packet Company Limited
(A company limited by guarantee)
Registered number: 02100358

Balance sheet
as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	546	728
Heritage assets	10	3,440,287	3,277,760
		<u>3,440,833</u>	<u>3,278,488</u>
Current assets			
Stocks	11	6,271	6,314
Debtors	12	9,974	8,357
Cash at bank and in hand		28,146	190,099
		<u>44,391</u>	<u>204,770</u>
Creditors: amounts falling due within one year	13	(4,298)	(8,409)
		<u>40,093</u>	<u>196,361</u>
Net current assets		<u>40,093</u>	<u>196,361</u>
Total net assets		<u>3,480,926</u>	<u>3,474,849</u>
Charity funds			
Unrestricted funds	14	3,480,926	3,474,849
Total funds		<u>3,480,926</u>	<u>3,474,849</u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on _____ and signed on their behalf by:

J F Kempton
Chairman

The notes on pages 12 to 25 form part of these financial statements.

The New Medway Steam Packet Company Limited
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Notes to the financial statements
for the year ended 31 March 2022

1. General information

The New Medway Steam Packet Company Limited is a charitable company and an exempt charity incorporated in England and Wales, with charity registration number 296236 and company registration number 02100358. The registered office is Pier Approach Road, Gillingham, Kent, ME7 1RX. The principal activities of the Charity are as set out in the Trustees Report on page 3.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The New Medway Steam Packet Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The Company is a company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company.

2.3 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The New Medway Steam Packet Company Limited
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Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases:

Plant and machinery	- 3 years straight line
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2.9 Heritage assets

As stated in the Trustees' report the Paddle Steamer Medway Queen is under reconstruction and all costs connected with the reconstruction have been capitalised. In the opinion of the Trustees no depreciation is required as the asset is under reconstruction.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.14 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.

2.15 Fund accounting

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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

The New Medway Steam Packet Company Limited
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Notes to the financial statements
for the year ended 31 March 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	36,030	36,030	87,687
Legacies	3,905	3,905	-
Grants	33,072	33,072	14,297
Subscriptions	7,232	7,232	9,025
	<u>80,239</u>	<u>80,239</u>	<u>111,009</u>
Total 2021	<u>111,009</u>	<u>111,009</u>	

4. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	7,125	7,125	4,379
	<u>4,379</u>	<u>4,379</u>	
Total 2021	<u>4,379</u>	<u>4,379</u>	

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Notes to the financial statements
for the year ended 31 March 2022

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Interest received	6	6	29
	<u>6</u>	<u>6</u>	
Total 2021	29	29	
	<u>29</u>	<u>29</u>	

6. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Shop purchases	4,040	4,040	3,583
General publicity and newsletters	437	437	353
	<u>4,477</u>	<u>4,477</u>	<u>3,936</u>
Total 2021	3,936	3,936	
	<u>3,936</u>	<u>3,936</u>	

The New Medway Steam Packet Company Limited
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Notes to the financial statements
for the year ended 31 March 2022

7. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	62,948	13,868	76,816	39,811
Total 2021	<u>23,133</u>	<u>16,678</u>	<u>39,811</u>	

Analysis of direct costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Depreciation	182	182	243
Preservation and reservation	54,215	54,215	18,340
Marine insurance	8,551	8,551	4,550
	<u>62,948</u>	<u>62,948</u>	<u>23,133</u>
Total 2021	<u>23,133</u>	<u>23,133</u>	

Analysis of support costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Office expenses	3,018	3,018	5,891
Telephone	2,292	2,292	2,828
Printing, postage and stationery	3,387	3,387	3,701
Bank charges	334	334	217
Professional fees	2,417	2,417	2,154
Loss on disposal of fixed assets	-	-	227
Independent examination fees	2,420	2,420	1,660
	<u>13,868</u>	<u>13,868</u>	<u>16,678</u>
Total 2021	<u>16,678</u>	<u>16,678</u>	

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8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, 3 Trustees received reimbursement of expenses amounting to £1,621 (2021: 2 Trustees received reimbursement of expenses amounting to £528).

9. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 April 2021	8,769
At 31 March 2022	<u>8,769</u>
Depreciation	
At 1 April 2021	8,041
Charge for the year	182
At 31 March 2022	<u>8,223</u>
Net book value	
At 31 March 2022	<u>546</u>
At 31 March 2021	<u>728</u>

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10. Heritage assets

Assets recognised at cost

	'Medway Queen' 2022 £	Total 2022 £
Carrying value at 1 April 2021	3,277,760	3,277,760
Additions	162,527	162,527
	<u>3,440,287</u>	<u>3,440,287</u>

The Paddle Steamer 'Medway Queen' is the last estuary pleasure steamer surviving in the United Kingdom. She was built in 1924, on the River Clyde in Scotland, but sailed in the estuary waters of the River Thames and River Medway. In WWII she was requisitioned and converted to a minesweeper. Her finest moment came in 1940 when she made seven crossings to the beaches of Dunkirk, rescuing 7,000 men. After the war the 'Medway Queen' returned to pleasure steaming on the River Medway and Thames, under her original owners, until withdrawal in 1963. From 1966 the ship served as a marina club house and night club at Island Harbour on the Isle of Wight. In 1984 the Medway Queen was salvaged from the River Medina and towed on a salvage barge back to her home river in Chatham.

After a prolonged period of attempts to restore the 'Medway Queen' funding was raised to restore her hull, which was carried out in Bristol. Following the restoration of her hull, she returned to a berth in her home port on the River Medway in December 2013.

Analysis of heritage asset transactions

	2022 £	2021 £	2020 £	2019 £	2018 £
Purchases					
'Medway Queen'	162,527	14,023	20,425	25,501	-
Total additions	<u>162,527</u>	<u>14,023</u>	<u>20,425</u>	<u>25,501</u>	<u>-</u>

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11. Stocks

	2022	2021
	£	£
Stocks	6,271	6,314

12. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	540	62
Prepayments and accrued income	278	7,671
VAT recoverable	9,156	624
	9,974	8,357

13. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	1,429	5,341
Accruals and deferred income	2,869	3,068
	4,298	8,409

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14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Paddle Steamer 'Medway Queen'	3,277,760	-	-	162,527	3,440,287
Fixed Asset Fund	728	-	(182)	-	546
	<u>3,278,488</u>	<u>-</u>	<u>(182)</u>	<u>162,527</u>	<u>3,440,833</u>
General funds					
General Funds	196,361	87,370	(81,111)	(162,527)	40,093
	<u>196,361</u>	<u>87,370</u>	<u>(81,111)</u>	<u>(162,527)</u>	<u>40,093</u>
Total Unrestricted funds	<u><u>3,474,849</u></u>	<u><u>87,370</u></u>	<u><u>(81,293)</u></u>	<u><u>-</u></u>	<u><u>3,480,926</u></u>

Designated funds

Paddle Steamer 'Medway Queen'

The Paddle Steamer 'Medway Queen' fund has been established following the completion of the hull and the main restoration as a result of funding from the Heritage Lottery Fund and Interreg IVA 2 Seas Heroes 2C. The balance of this fund reflects the closing value of the Charity's heritage assets as at 31 March 2022.

Fixed Asset Fund

The designated fixed asset fund is comprised of the Charity's fixed assets. The transfer in to the fund this year corresponds to the fixed asset additions made during the financial year. The depreciation charge for the year, of £182, has then been allocated against the fund, with the closing balance of the fund representing the closing net book value of these fixed assets as at 31 March 2022.

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Notes to the financial statements
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14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Paddle Steamer 'Medway Queen'	3,263,737	-	-	14,023	3,277,760
Fixed Asset Fund	1,198	-	(243)	(227)	728
	<u>3,264,935</u>	<u>-</u>	<u>(243)</u>	<u>13,796</u>	<u>3,278,488</u>
General funds					
General Funds	138,244	115,417	(43,504)	(13,796)	196,361
	<u>3,403,179</u>	<u>115,417</u>	<u>(43,747)</u>	<u>-</u>	<u>3,474,849</u>

15. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	3,278,488	-	(182)	162,527	3,440,833
General funds	196,361	87,370	(81,111)	(162,527)	40,093
	<u>3,474,849</u>	<u>87,370</u>	<u>(81,293)</u>	<u>-</u>	<u>3,480,926</u>

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15. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	3,264,935	-	(243)	13,796	3,278,488
General funds	138,244	115,417	(43,504)	(13,796)	196,361
	<u>3,403,179</u>	<u>115,417</u>	<u>(43,747)</u>	<u>-</u>	<u>3,474,849</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	546	546
Heritage assets	3,440,287	3,440,287
Current assets	44,391	44,391
Creditors due within one year	(4,298)	(4,298)
Total	<u>3,480,926</u>	<u>3,480,926</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	728	728
Heritage assets	3,277,760	3,277,760
Current assets	204,770	204,770
Creditors due within one year	(8,409)	(8,409)
Total	<u>3,474,849</u>	<u>3,474,849</u>

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17. Capital commitments

	2022	2021
	£	£
Contracted for but not provided in these financial statements	30,710	-

18. Related party transactions

During the financial year the Trustees made cumulative donations to the Charity amounting to £560 (2021: £Nil).

There were no transactions with any related parties of the Charity (2021: £Nil) and there are no balances in existence with them at the Balance sheet date (2021: £Nil).