

THE SHREWSBURY & NEWPORT CANALS TRUST

(A Company Limited by Guarantee)

Registered Company Number 4075920 (England & Wales)

Registered Charity Number: 1088706

Report of the Trustees

and

Financial Statements

Year ended 30th September 2019

The trustees of the charity, who are also directors of the company, present their report with the financial statements of the charity for the year ended 30th September 2019. The Trustees have adopted the provisions of The Charities (Accounts & Reports) Regulations 2008.

ADMINISTRATIVE DETAILS AND TRUSTEES

Those who held office as directors and trustees during this year and on the date the report was approved are:

Bernard Charles Jones (chairman); Stephen Christopher Bean; Alan Frank Boney; David Peter Crow; Sherrel Gillian Fikeis; Alan David Harding; John Edward Heather; Philip Michael Jones; Steven Hugh Jones; Stephen Andrew Kearney; John Myers; Brian David Nelson; John Metcalfe Stevens; David Ray (from 23rd May 2019) and Keith Vaughan Welch.

The Trust's bankers are:

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent;
Cambridge & Counties Bank, Charnwood Court, 5B New Walk, Leicester; and
NatWest, 217 Dean St, Telford Town Centre, Telford.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is a company limited by guarantee, incorporated on 21st September 2000, registered in England number 4075920. The governing document is the Articles of Association which were adopted 2nd June 2018. The Trust is registered as a charity, number 1088706. The registered office is 4 Arscott, Pontesbury, Shrewsbury, Shropshire.

All activities and expenditure of the Trust are approved by the Board of Trustees. Trustees are elected from within the membership and have overall responsibility for the management of the Trust's affairs and decision-making. Any member can be nominated for election as a Trustee, such election and appointment being made at the Annual General Meeting. One third of Trustees retire by rotation each year and can stand for re-election. Additional Trustees may also be co-opted as and when vacancies arise. Trustees usually meet as a full Board six times per annum. Day to day management of the affairs of the Trust is delegated to individual Trustees and to sub-committees with responsibility for specific aspects and areas of the charity's operations.

The Trustees have identified and reviewed the major risks to which the charity is exposed. A formal Health & Safety Policy document is in place, reviewed and action taken to mitigate exposure and to revise the policy. For events involving access by the public, risk assessment procedures are carried out. Major risks are covered by appropriate insurance to cover both public and employee (volunteers) liabilities. Appropriate financial controls and policies are in place to prevent financial irregularities, and the accounts are subject to independent examination.

The Trust currently has no reserves policy. The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties.

OBJECTIVES, ACTIVITIES & ACHIEVEMENTS

The objectives of the charity are: -

- to promote and undertake the restoration of the Shrewsbury Canal between Shrewsbury and Trench in the county of Shropshire and of the Newport branch of the Shropshire Union Canal, including the Humber Arm, between Wappenshall Junction and Norbury Junction in the county of Staffordshire, by the original route or diversions as necessary (hereinafter together called "the Canals") to good and navigable order and to promote and undertake the maintenance and improvement of the Canals, associated structures and buildings for the benefit of the public.
- to promote the fullest use of the Canals by all forms of waterborne traffic and for all forms of water-related commercial, local amenity, tourist and recreational activity for the public benefit.

- to promote the education of the public in the history and use of the canals and waterways and of the Canals in particular.

Public Benefit Report

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The Trust's main focus has continued to be the restoration, conservation and maintenance of the two fine Grade II listed early 19th century canal warehouses at Wappenshall, which the Trust leases from Telford & Wrekin Council. Following unsuccessful bids to the Heritage Lottery Fund in previous years, during this year renewed planning permission and listed building consent was obtained and work commenced on the restoration and refurbishment of the smaller warehouse, which dates from the time of the establishment of Wappenshall as a canal junction and transshipment centre. The roof has been entirely refurbished and insulated, footings completed for a new toilet block, floor boards replaced and a concrete ground floor installed, as well as much other internal preparatory work completed. It is hoped that this building and a restored basin (for which planning permission has also been obtained) will open to the public within the next year.

Elsewhere along the line of the canal, improvements have been carried out at several sites towards full restoration, and to enhance facilities for public access and enjoyment.

At Berwick, work has continued by Trust volunteers, with assistance from the Waterway Recovery Group, the Canal and River Trust and National Trust volunteers, to enhance the area around the north portal of the tunnel and, to the south of the tunnel, to clear the towpath and waterway of more than half a century's fallen trees, undergrowth and decay.

In Newport regular volunteer work parties have continued to maintain previous years' improvement works, clear Himalayan balsam and plant hedging. In addition, a set of old lock gates have been acquired which will be adapted and fitted at the Town Lock to give the impression of a working lock until full restoration can be carried out.

At Forton, the completion of works to restore the canal around the aqueduct has unfortunately been unable to progress due to continuing land access issues.

As well as physical work, efforts to ensure the primary objective of restoring the whole canal is not endangered has been made by lobbying and working with Local Authorities to recognise the canal in short-term and long-term planning. A new website has also been launched during the year and enhanced use made of social media to keep members and the public advised of developments.

FINANCIAL REVIEW

The charity's principal funding sources are from membership subscriptions, donations and grants. The Trustees monitor and maintain sufficient funds to meet day to day needs of the charity.

During the year Trustees dedicated funds to the principal projects, the restoration of the Wappenshall site, the work being carried out around Berwick and the completion of the stalled restoration work at Forton. In addition, Trustees have agreed that funds raised or donated for specific purposes will be held in these and other dedicated funds. These funds and movements during the year are shown in these accounts.

The financial results are set out in the statement of accounts for the year. There are no funds in deficit; and no funds were held on behalf of others. All funds are deposited in UK banks.

SMALL COMPANY PROVISIONS

The company has taken advantage of the small companies' exemption in preparing the report above.

The trustees declare that they have approved the trustees' report (including directors' report) above.

Signed on behalf of the Board of Trustees

A handwritten signature in black ink, appearing to read 'S.C. Bean', followed by a period.

STEPHEN CHRISTOPHER BEAN, Director

Date of Approval by the Board: 28th March 2020

INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustees of The Shrewsbury & Newport Canals Trust

I report on the accounts of the company for the year ended 30 September 2019, which are set out on pages 5 to 9.

Responsibilities and Basis of Report

As the charity's trustees of the Company (who are also the directors of the company 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 Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as 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 material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



Andrew Mitchell FCA
Castlefields Accountancy Limited
23 Benyon Street
Shrewsbury

2nd April 2020

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
For the Year ended 30th September 2019

	2019			2018
	£ Unrestricted	£ Restricted	£ Total	£ Total
INCOME				
Income and endowments from:				
Membership Subscriptions & Donations	6,905		6,905	6,960
Other Donations & Grants	38,814	20,000	58,814	26,707
Gift Aid	3,233		3,233	2,163
Sales	1,712		1,712	1,546
Norbury Rally & Festival	3,857		3,857	1,944
Members' Events	224		224	231
Sponsorship & Advertising	2,514		2,514	2,649
	57,259	20,000	77,259	42,200
Other Income:				
Profit on disposal of fixed asset	374		374	-
Investment Income:				
Bank Interest	1,350		1,350	522
TOTAL	58,983	20,000	78,983	42,722
EXPENDITURE				
Costs of generating funds:				
Goods for Resale	254		254	363
Norbury Rally	366		366	501
Bank & Financial Charges	60		60	77
Promotional Costs	581		581	250
	1,261		1,261	1,191
Charitable activities:				
Wappenshall	9,247	20,000	29,247	1,972
Work Parties	2,882		2,882	2,468
Insurance	5,022		5,022	1,067
Stationery, Printing & Postage	1,502		1,502	3,140
Members' Newsletter & Events	968		968	907
Repairs to Equipment & Craft	613		613	201
Depreciation	284		284	231
	20,518	20,000	40,518	9,986
Governance costs:				
Subsistence & Travel Expenses (see Note 8)	7,402		7,402	3,051
General Administration Expenses	1,892		1,892	769
	9,294	-	9,294	3,820
TOTAL	31,073	20,000	51,073	14,997
NET INCOME	27,910	-	27,910	27,725
RECONCILIATION OF FUNDS				
Total funds brought forward	156,896	-	156,896	129,171
TOTAL FUNDS CARRIED FORWARD	184,806	-	184,806	156,896

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

BALANCE SHEET AS AT 30th SEPTEMBER 2019

	Notes	<u>2019</u>		<u>2018</u>	
		£	£	£	£
Fixed Assets	2				
Craft		-		1,126	
Furniture & Fixtures		121		151	
Office Equipment		81		102	
Tools		935		168	
			1,137		1,547
Current assets					
Current Accounts & Cash		5,207		2,694	
Savings Accounts		174,718		152,582	
Debtors	3	3,744		73	
		183,669		155,349	
Creditors: amounts falling due within one year	4	-		-	
Net Current Assets			183,669		155,349
Total Assets less Current Liabilities			184,806		156,896
FUNDS					
Unrestricted Funds:					
Designated Funds	5	136,840			
General Funds		47,966			
			184,806		156,896
TOTAL FUNDS			184,806		156,896

For the financial year ended 30 September 2019, the company was entitled to the exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with Section 476 of the Companies Act 2006;
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS102 SORP.



STEPHEN CHRISTOPHER BEAN, Director

Date of Approval by the Board: 28th March 2020

Notes to the Financial Statements for the year ended 30th September 2019**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value.

The accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014;
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Fixed assets

All fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Craft	10% pa on a reducing balance basis
Fixtures & Fittings	20% pa on a reducing balance basis
Office Equipment	20% pa on a reducing balance basis
Tools	20% pa on a reducing balance basis

Incoming resources

Income is generally recognised on a receivable basis where the amount is reasonably certain and where there is adequate certainty of receipt. The specific bases used are as follows:

- Voluntary income includes members subscriptions, donations, legacies and grants receivable.
- Legacies are recognised as income where there is a certainty of entitlement to receipt of funds.
- Fundraising income is accounted for on a receivable basis.
- Investment income is accounted for on a receivable basis.
- Charitable activity income is accounted for when earned. Activity income received in advance is deferred until entitlement to the income has arisen.
- Grants are recognised when entitlement to the grant is confirmed. Grants that provide core funding or are of a general nature provided by the government and charitable foundations are recorded as voluntary income.

Resources expended

Expenditure is recognised when a liability is incurred on the following bases:

- Costs of generating funds includes the costs associated with attracting voluntary income and running fundraising events.
- Charitable expenditure comprises direct expenditure attributable to the Charity's activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources as detailed below.
- Governance costs include those costs incurred in the governance of the Charity's assets and are associated with constitutional and statutory requirements.
- Support costs include the Charity's central functions and have been allocated to activity cost categories on a basis consistent with the total unrestricted costs for each charitable activity as a percentage of the charitable company's total direct costs to reflect the consumption of costs incurred in the furtherance of each of the charitable activities.

Notes to the Financial Statements for the year ended 30th September 2019

1. ACCOUNTING POLICIES (continued)

Funds

Designated funds are unrestricted funds set aside for specific purposes and which otherwise would form part of the Charity's general funds.

Other unrestricted funds are available for the Charity to carry out any of its charitable activities.

Restricted funds are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by the donor.

2. TANGIBLE FIXED ASSETS

	Craft	Tools, furniture & equipment	Total
COST			
As at 1 st October 2018	1,907	4,296	6,203
Additions		1,000	1,000
Disposals	(1,907)	-	(1,907)
As at 30 th September 2019	<u>-</u>	<u>5,296</u>	<u>5,296</u>
DEPRECIATION			
As at 1 st October 2018	781	3,875	4,656
Charge for the year	-	284	284
Disposals	(781)	-	(781)
	<u>-</u>	<u>4,159</u>	<u>4,159</u>
NET BOOK VALUE			
As at 30 th September 2019	<u>-</u>	<u>1,137</u>	<u>1,137</u>
As at 30 th September 2018	<u>1,126</u>	<u>421</u>	<u>1,547</u>

3. DEBTORS

	<u>2019</u>	<u>2018</u>
HMRC - VAT recoverable	511	73
HMRC - Gift Aid	3,233	
	<u>3,744</u>	<u>73</u>

4. CREDITORS: Amounts falling due within one year

	<u>2019</u>	<u>2018</u>
	-	-
	<u>-</u>	<u>-</u>

Notes to the Financial Statements for the year ended 30th September 2019**5. DESIGNATED FUNDS**

During the year Trustees designated from General Funds sums to various projects and agreed to maintain designated accounts for other projects. Grants raised and other donations received with a request that they be used for a particular purpose will be held in designated accounts. The movements for these accounts are:

Fund Name	Designated from general funds (£)	Income (£)	Expenditure (£)	Fund balances carried forward (£)
Berwick Restoration	8,000	1,484	1,441	8,043
Forton Restoration	20,000	-	-	20,000
Newport Improvements	-	1,418	988	430
Wappenshall Development (excluding restricted funds)	100,000	17,020	8,653	108,367
Totals	128,000	19,922	11,082	136,840

6. RESTRICTED FUNDS

The only restricted income during the year was a grant of £20,000 from the Wolfson Foundation which has been applied in full to expenditure on the Wappenshall Development.

7. COMPANY LIMITED BY GUARANTEE

The company has no share capital but is a charitable company limited by guarantee. Under the Memorandum of Association of the company the liability of individual members is restricted to a maximum of £1.

8. TRUSTEES' REMUNERATION

None of the Trustees received any remuneration for their services during the year.

During the year, travel expenses to the value of £5,575 were paid to the Trustees, who subsequently repaid the same amounts as donations (on which appropriate Gift Aid can be claimed) to the charity (2018: £3,051).

9. INDEPENDENT EXAMINER'S FEES

Included in Governance costs are fees of £350 paid to the Independent Examiner (2018: £350).