

# **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 30<sup>th</sup> September 2017**

**REPORT OF THE TRUSTEES' FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2017.**

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 30<sup>th</sup> September 2017. 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 (from 3 June 2017); David Peter Crow; Sherrel Gillian Fikeis; John Mitchell Freeman; Alan David Harding; John Edward Heather; Philip Michael Jones (from 3 June 2017); Steven Hugh Jones; John Myers; Brian David Nelson; John Metcalfe Stevens; Kevin Taylor (from 3 June 2017) and Keith Vaughan Welch (from 3 June 2017).

Eric Anthony Forrester; Julie Marie Harris; Leon Albert Murray and Alistair John Price were also directors and trustees until 3 June 2017.

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 21<sup>st</sup> September 2000, registered in England number 4075920. The governing documents are the Memorandum and Articles of Association dated 31<sup>st</sup> August 2000, and as subsequently amended. 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 of Trustees with responsibility for specific aspects of the charity's operations.

The Trustees have identified and reviewed the major risks to which the charity is exposed. For events involving access by the public, risk assessment procedures are carried out. Appropriate financial controls and policies are in place to prevent financial irregularities, and the accounts are subject to independent examination. Work-party safety issues have been considered, with a safety policy in place. Major risks are covered by appropriate insurance.

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: -

- promoting and undertaking the restoration of the Shrewsbury Canal and the Newport branch of the Shropshire Union Canal to good and navigable order, including 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.

**REPORT OF THE TRUSTEES' FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2017.**

- 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 throughout the year continued to be to raise the funding for the restoration, conservation and maintenance of two fine Grade II listed early 19<sup>th</sup> century canal warehouses at Wappenshall, which the Trust leases from Telford & Wrekin Council. This will create a visitor attraction, focused on the life and works of Thomas Telford, and a community 'hub'. In June a round 2 bid to the Heritage Lottery Fund (HLF) for the majority of the funding was unsuccessful but as much of the other funding required has been secured or pledged the decision was made to reapply with a round 1 bid to the HLF in 2017/18.

Throughout the year work has continued at various points along the canal to clear, improve and restore sections, much of the work carried out with assistance of the Waterway Recovery Group. Major work at Forton to re-water a section of canal has progressed, although this has been hindered by a land ownership issue. Significant clearance work has also been undertaken between the north portal of Berwick Tunnel and the A5 trunk road, with support from the Canal & River Trust. Further information panels have been installed to inform the public about the canals and the work of the Trust.

In connection with new housing, Telford & Wrekin secured a section 106 agreement to restore some of the unique guillotine-gated locks on the Trench Arm of the Shrewsbury canal. The Trust has provided expertise in the planning of this work and our volunteers have supported it.

As well as physical work, efforts to ensure the primary objective of restoring the whole canal is not endangered has been made by ensuring that the canal and its restoration is acknowledged and safeguarded in the Shropshire Council's Local Plan to 2036 and Telford & Wrekin Council's Local Plan to 2031.

The sterling work of the Trust's many volunteers was recognised in June by the receipt of the Queen's Award for Voluntary Service (QAVS). A formal presentation by the Lord Lieutenant of Shropshire was made in August.

**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.

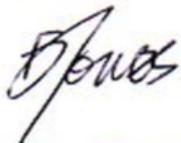
The financial results are set out in the statement of accounts for the year. There are no funds in deficit; and no funds were held on behalf of others. All funds are deposited in UK banks.

**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



BERNARD CHARLES JONES, Director

Date of Approval by the Board: 18 January 2018

## INDEPENDENT EXAMINER'S REPORT

### Independent Examiner's Report to The Shrewsbury & Newport Canals Trust

I report on the accounts of the company for the year ended 30 September 2017, which are set out on pages 4 to 8.

#### Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act
- to state whether particular matters have come to my attention

#### Basis of independent examiner's report

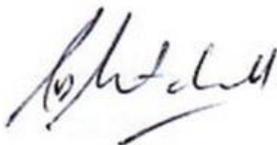
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me cause to believe that in, any material respect:

- 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 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

24<sup>th</sup> January 2018

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT)  
For the Year ended 30<sup>th</sup> September 2017**

	2017		2016	
	£	£	£	£
<b>INCOME</b>				
Income and endowments from:				
Membership Subscriptions & Donations	7,680		8,021	
Other Donations & Grants	39,025		14,549	
Gift Aid	6,536		3,765	
Sales	1,539		987	
Norbury Rally & Festival	-		1,925	
Members' Events	165		3,442	
Sponsorship & Advertising	2,500		2,895	
		<u>57,445</u>		<u>35,584</u>
Investment Income				
Bank interest		33		135
<b>TOTAL</b>		<u>57,478</u>		<u>35,719</u>
<b>EXPENDITURE</b>				
Costs of generating funds:				
Goods for Resale	349		430	
Members' Events	-		962	
Norbury Rally	228		291	
Bank & Financial Charges	71		-	
Promotional Costs	948		925	
		<u>1,596</u>		<u>2,608</u>
Charitable activities				
Wappenshall	1,857		1,461	
Work Parties	3,625		5,377	
Insurance	820		814	
Stationery, Printing & Postage	1,307		2,297	
Members' Newsletter	1,003		815	
Repairs to Equipment & Craft	1,124		1,432	
Depreciation	271		319	
		<u>10,007</u>		<u>12,515</u>
Governance costs				
Subsistence & Travel Expenses (see Note 6)	15,304		-	
General Administration Expenses	806		703	
		<u>16,110</u>		<u>703</u>
<b>TOTAL</b>		<u>27,713</u>		<u>15,826</u>
<b>NET INCOME</b>		<u>29,765</u>		<u>19,893</u>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>		<u>99,406</u>		<u>79,513</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>129,171</u>		<u>99,406</u>

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 incoming and outgoing resources relate to unrestricted funds.

All of the above amounts relate to continuing activities.

BALANCE SHEET AS AT 30<sup>th</sup> SEPTEMBER 2017

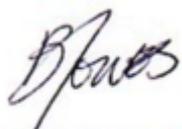
	Notes	2017		2016	
		£	£	£	£
<b>Fixed Assets</b>	2				
Craft		1,251		1,390	
Furniture & Fixtures		189		236	
Office Equipment		127		159	
Tools		211		264	
			1,778		2,049
<b>Current assets</b>					
Current Accounts & Cash		6,926		23,786	
Savings Accounts		120,503		52,027	
Debtors	3	-		21,544	
		127,429		97,357	
<b>Creditors: amounts falling due within one year</b>	4	36		-	
<b>Net Current Assets</b>			127,393		97,357
<b>Total Assets less Current Liabilities</b>			129,171		99,406
<b>FUNDS</b>					
Unrestricted Funds			129,171		99,406
<b>TOTAL FUNDS</b>			129,171		99,406

For the financial year ended 30 September 2017, 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.



BERNARD CHARLES JONES, Director

Date of Approval by the Board: 18 January 2018

**Notes to the Financial Statements for the year ended 30<sup>th</sup> September 2017****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 30<sup>th</sup> September 2017

## 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
<b>COST</b>			
As at 1 <sup>st</sup> October 2016	1,907	4,296	6,203
	<hr/>	<hr/>	<hr/>
As at 30 <sup>th</sup> September 2017	1,907	4,296	6,203
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>DEPRECIATION</b>			
As at 1 <sup>st</sup> October 2016	517	3,637	4,154
Charge for the year	139	132	271
	<hr/>	<hr/>	<hr/>
As at 30 <sup>th</sup> September 2017	656	3,769	4,425
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>NET BOOK VALUE</b>			
As at 30 <sup>th</sup> September 2017	1,251	527	1,778
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
As at 1 <sup>st</sup> October 2016	1,390	659	2,049
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>3. DEBTORS</b>		<b>2017</b>	2016
VAT recoverable		-	74
Telford Support Group match funding		-	21,470
		<hr/>	<hr/>
		-	21,544
		<hr/> <hr/>	<hr/> <hr/>
<b>4. CREDITORS: Amounts falling due within one year</b>		<b>2017</b>	2016
VAT Due		<b>36</b>	-
		<hr/> <hr/>	<hr/> <hr/>

## 5. 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.

**Notes to the Financial Statements for the year ended 30<sup>th</sup> September 2017**

**6. TRUSTEES' REMUNERATION**

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

During the year, travel expenses to the value of £15,304 were paid to the Trustees, who subsequently repaid the same amounts as donations (on which appropriate Gift Aid can be claimed) to the charity (2016: nil).

**7. INDEPENDENT EXAMINER'S FEES**

Included in Governance costs are fees of £350 paid to the Independent Examiner (2016: £350).