



THE SHREWSBURY & NEWPORT CANALS TRUST

(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2021

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The Shrewsbury & Newport Canals Trust
Registered Company Number 4075920 (England & Wales)
Registered Charity Number: 1088706

Website: www.sncanal.org.uk

COMPANY INFORMATION

For the year ended 30 September 2021

Reference and Administrative Information

| | |
|-----------------------------|--|
| Charity Name | The Shrewsbury & Newport Canals Trust |
| Company Registration Number | 4075920 |
| Charity Registration Number | 1088706 |
| Registered Office | 4 Arscott, Pontesbury, Shrewsbury, SY5 0XP |

Directors & Charity Trustees

| | |
|--------------------------|----------------------------|
| Stephen Christopher Bean | Treasurer |
| Alan Frank Boney | Resigned 11 September 2021 |
| David Peter Crow | |
| Sherrel Gillian Fikeis | |
| Alan David Harding | Resigned 11 September 2021 |
| John Edward Heather | Co-Vice Chair |
| Bernard Charles Jones | Chair |
| Philip Michael Jones | |
| Steven Hugh Jones | Co-Vice Chair |
| Stephen Andrew Kearney | |
| John Myers | |
| Brian David Nelson | Resigned 1 February 2021 |
| David Ray | |
| John Metcalfe Stevens | |
| Keith Vaughan Welch | |

Company Secretary

Stephen Christopher Bean

Bankers

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Cambridge & Counties Bank, Charnwood Court, 5B New Walk, Leicester, LE1 6TE

National Westminster Bank plc, 217 Dean St, The Town Centre, Telford, TF3 4BB

Triodos Bank, Dearnery Road, Bristol, BS1 5AS

Independent Examiner

Andrew Mitchell FCA, Castlefields Accountancy Ltd, 23 Benyon Street, Shrewsbury, SY1 2JQ

REPORT OF THE TRUSTEES

For the year ended 30 September 2021

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 September 2021. The Trustees have adopted the provisions of The Charities (Accounts & Reports) Regulations 2008.

Structure, Governance and Management

The Trust is a company limited by guarantee, incorporated on 21 September 2000, registered in England number 4075920. The governing document is the Articles of Association which was adopted on 2 June 2018. The Trust is registered as a charity, number 1088706. The registered office is 4 Arcscott, 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 an 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 Trustees have reserves policy, which is to maintain sufficient reserves to finance the day to day running of the charity for a period of approximately 12 months, to permit the Trust to continue to function in the event of a total absence of income and, if necessary, to wind the company up in a controlled manner. This is set as the total expenditure (excluding expenditure on the Trust's direct objective of restoration, such as materials, contracted services, volunteer work party expenditure) as reported in the previous year's annual accounts. The reserve amount was not varied from that pertaining in the previous year.

Objectives

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 principal 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.

Work parties continued, when permitted by Covid-19 pandemic regulations. When these were not too restrictive, Trust's sterling volunteers worked at times through very difficult conditions of heavy rain, extreme cold and mud; whilst a shortage and rising costs of building materials brought further challenges.

Much of the work related to the recovery of the East Basin. This required over 100 reinforced concrete slabs to be laid over a waterproof membrane to cover the base of the basin, retaining walls to be built and back filled, and mooring rings installed. By the end of the year over half the work to the basin had been completed.

On the buildings themselves, work progressed towards the building of a new toilet block with bricks being reclaimed from other parts of the building; tie-rods and end plates were installed to support the west gable end of the large warehouse; and an owl loft and bat roost constructed to meet planning requirements.

Further Planning and Listed Building Consent applications was made, and approved, for the re-building of the demolished stable block, which will house the wood chip biomass boiler.

At the Shrewsbury end of the canal, work parties were affected by the same problems. But despite the prevailing circumstances, work has continued at a number of sites.

Around Berwick Tunnel further towpath improvements were made and a new temporary bridge installed at the south portal to enable volunteers to get to the offside of the canal more easily.

At Uffington Electricity Sub Station (to the north of the A5) where work to clear scrub on the section of the canal from the Uffington Lane towards the railway line was progressed, to allow the planting of hedging whips to establish a new hedge beside the canal.

At Pelham Road, where the National Trust (NT) owns the line of the canal where it passes alongside the road on the northern edge of their Attingham Park Estate, the Shrewsbury group of volunteers have worked closely with the NT and their volunteers. The NT removed most of the trees and stumps from the canal section, and the Trust worked to inspect a damaged culvert and plan repairs. As repairs proved not to be possible the drain was replaced during a weeklong work camp involving the Waterway Recovery Group of the Inland Waterways Association.

In addition to the above work, all three sites have benefited from the planting of more than a thousand trees gifted by Shropshire Council and the Woodland Trust.

In Newport the canal was dredged by the owners, Telford & Wrekin Council, between Meretown and Town Lock and in liaison with the council a management plan is being agreed that will include protection of the locks. The Trust has also progressed the plan to install dummy gates at Town Lock, with Scheduled Monument Consent and planning Permission obtained; whilst physically gate balance beams have been obtained and the gates cut down to the required size and plans drawn up for their installation. On the Meretown Lock stretch of the canal much time has been committed by volunteers to recover the ravages of nature during the Covid lockdowns; and during the summer attention was turned to removing Himalayan Balsam to the east of Town Bridge, where encouragingly the benefits of previous year's work could be seen in an absence of growth in many areas.

Unfortunately circumstances have meant that it has still not proved possible to progress work at Forton, to which the Trust has committed funding.

Elsewhere, the Trust has liaised with Rodington Parish Council over plans and ecological surveys to establish what works may be possible to tidy up the canal line and open up the towpath. The same Council provided funding for the refurbishment of the wooden Information Panel beside the Permissive Path leading to the Longdon-on-Tern Aqueduct and to put a vandal resistant information panel into it.

Members working on restoration of the historic narrowboats Bainton and Berkhamstead made significant progress when the Covid situation permitted; and plans have been produced to embrace the whole of the project, including funding. Some sponsorship of materials has been agreed; whilst other volunteers have through all weathers raised significant funds at Norbury Junction towards the restorations.

As well as physical work, efforts to ensure the primary objective of restoring the whole canal is not endangered have been made by lobbying and working with Local Authorities to recognise the canal in short-term and long-term planning.

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 current major projects of the Trust (Wappenshall, Shrewsbury/Berwick, Forton, Newport and Narrowboats) each have a dedicated fund, the income to each coming from specifically requested donations, grants, fundraising events etc. as well as amounts allocated by Trustees from General Funds (other than Narrowboats). The movements in funds during the year are shown in these accounts.

Expenditure on the restoration at Wappenshall is capitalised as part of the property restoration costs rather than written off as an annual expense. Some of this fund is restricted, i.e. monies set aside for a particular purpose as a result of designated giving and are permanently restricted to that purpose and cannot be used for other expenses 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 Companies Provisions

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

This report was approved by the Board of Trustees on 17 March 2022.

Signed on behalf of the Board of Trustees

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 2021, which are set out on pages 6 to 10.

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.

Signed:

Andrew Mitchell FCA
Castlefields Accountancy Limited
23 Benyon Street
Shrewsbury

Date: 14 April 2022

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
For the Year ended 30 September 2021**

| | 2021 | | | 2020 |
|--|----------------------------|--------------------------|---------------------|---------------------|
| | Unrestricted Funds £ | Restricted Funds £ | Total Funds £ | Total Funds £ |
| INCOME | | | | |
| Income and endowments from: | | | | |
| Membership Subscriptions & Donations | 7,368 | - | 7,368 | 7,672 |
| Other Donations & Grants | 66,284 | - | 66,284 | 87,044 |
| Gift Aid | 5,550 | - | 5,550 | 1,971 |
| Sales | 3,696 | - | 3,696 | 2,863 |
| Sponsorship & Advertising | 2,400 | - | 2,400 | 2,400 |
| | 85,298 | - | 85,298 | 101,950 |
| Income from Investments: | | | | |
| Bank Interest | 914 | - | 914 | 1,283 |
| TOTAL INCOME | 86,212 | - | 86,212 | 103,233 |
| EXPENDITURE | | | | |
| Costs of generating funds: | | | | |
| Goods for Resale | 197 | - | 197 | 260 |
| Norbury Rally | - | - | - | 196 |
| Bank & Financial Charges | 89 | - | 89 | 195 |
| | 286 | - | 286 | 651 |
| Charitable activities: | | | | |
| Wappenshall | 1,589 | - | 1,589 | 2,322 |
| Narrowboats Restoration | 625 | - | 625 | |
| Work Parties | 2,393 | - | 2,393 | 1,392 |
| Health & Safety | 1,111 | - | 1,111 | |
| Insurance | 5,159 | - | 5,159 | 4,980 |
| Stationery, Printing & Postage | 2,100 | - | 2,100 | 1,520 |
| Members' Newsletter & Events | 777 | - | 777 | 787 |
| Repairs to Equipment | 484 | - | 484 | 396 |
| Loss(Profit) on Disposals of Fixed Assets | - | - | - | 57 |
| Depreciation | 1,302 | - | 1,302 | 936 |
| | 15,540 | - | 15,540 | 12,390 |
| Governance costs: | | | | |
| Subsistence & Travel Expenses (see Note 8) | 3,413 | - | 3,413 | 3,229 |
| General Administration Expenses | 744 | - | 744 | 1,083 |
| | 4,157 | - | 4,157 | 4,312 |
| TOTAL EXPENDITURE | 19,983 | - | 19,983 | 17,353 |
| NET INCOME | 66,229 | - | 66,229 | 85,880 |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | 258,552 | 40,493 | 299,045 | 213,165 |
| TOTAL FUNDS CARRIED FORWARD | 324,781 | 40,493 | 365,274 | 299,045 |

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 30 SEPTEMBER 2021**

| | Note | 2021 | | | 2020 |
|---|------|----------------|---------------|----------------|----------------|
| | | £ | £ | £ | £ |
| | | Unrestricted | Restricted | Total | Total |
| Fixed Assets | 2 | | | | |
| Wappenshall Improvements | | 64,660 | 40,493 | 105,153 | 77,057 |
| Boats | | 25,000 | - | 25,000 | 25,000 |
| Office Equipment, Furniture & Fixtures | | 68 | - | 68 | 104 |
| Plant & Tools | | 5,134 | - | 5,134 | 3,640 |
| | | 94,862 | 40,493 | 135,355 | 105,801 |
| Current assets | | | | | |
| Banks - Current Accounts | | 11,994 | - | 11,994 | 20,147 |
| Banks - Savings Accounts | | 217,008 | - | 217,008 | 171,794 |
| Debtors | 3 | 1,530 | - | 1,530 | 2,064 |
| | | 230,532 | - | 230,532 | 194,005 |
| Creditors: amounts falling due within one year | 4 | 613 | - | 613 | 761 |
| Net Current Assets | | 229,919 | - | 229,919 | 193,244 |
| Total Assets less Current Liabilities | | 324,781 | 40,493 | 365,274 | 299,045 |
| FUNDS | | | | | |
| Restricted Funds | | - | 40,493 | 40,493 | 40,493 |
| Unrestricted Funds: | | | | | |
| Designated Funds | 5 | 240,882 | - | 240,882 | 178,746 |
| Reserve Fund | | 11,000 | - | 11,000 | 11,000 |
| General Funds | | 72,899 | - | 72,899 | 68,806 |
| | | 324,781 | - | 324,781 | 258,552 |
| TOTAL FUNDS | | 324,781 | 40,493 | 365,274 | 299,045 |

For the financial year ended 30 September 2021, 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.

Signed

Date of Approval by the Board: 17 March 2022

Notes to the Financial Statements for the year ended 30th September 2021

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

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:

| | |
|---------------------|------------------------------------|
| Fixtures & Fittings | 20% pa on a reducing balance basis |
| Office Equipment | 20% pa on a reducing balance basis |
| Tools & Plant | 20% pa on a reducing balance basis |

The narrowboats are not depreciated whilst they are undergoing restoration, and will be revalued upon the completion of the work.

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 2021

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

| | Wappenshall Improvements | Boats | Plant & Tools | Office Equipment, Furniture & Fixtures | Total |
|-------------------------|-----------------------------|--------|------------------|---|---------|
| COST | | | | | |
| As at 1 October 2020 | 77,057 | 25,000 | 4,950 | 2,031 | 109,038 |
| Additions | 28,096 | - | 2,760 | - | 30,856 |
| As at 30 September 2021 | 105,153 | 25,000 | 7,710 | 2,031 | 139,894 |
| DEPRECIATION | | | | | |
| As at 1 October 2020 | - | - | 1,310 | 1,927 | 3,237 |
| Charge for the year | - | - | 1,266 | 36 | 1,302 |
| As at 30 September 2021 | - | - | 2,576 | 1,963 | 4,539 |
| NET BOOK VALUE | | | | | |
| As at 30 September 2021 | 105,153 | 25,000 | 5,134 | 68 | 135,355 |
| As at 30 September 2020 | 77,057 | 25,000 | 3,640 | 104 | 105,801 |

3. DEBTORS

| | <u>2021</u> | <u>2020</u> |
|------------|--------------|--------------|
| HMRC - VAT | 1,530 | 2,064 |
| | <u>1,530</u> | <u>2,064</u> |

4. CREDITORS: Amounts falling due within one year

| | <u>2021</u> | <u>2020</u> |
|------------------------------------|-------------|-------------|
| Norbury Canal Festival Prepayments | 613 | 762 |
| | <u>613</u> | <u>762</u> |

Notes to the Financial Statements for the year ended 30th September 2021**5. SUMMARY OF FUNDS**

Trustees have designated from General Funds sums to various projects and agreed to maintain designated accounts for other projects. Unrestricted grants raised and other donations received with a request that they be used for a particular purpose will be held in designated accounts. With the acquisition of two narrowboats a further fund was set up during the year to hold funds for their restoration. The movements for these accounts are:

| Fund Name | Balance brought forward | Income | Expenditure | Transfer | Balances carried forward |
|--|--------------------------------|---------------|--------------------|-----------------|---------------------------------|
| Boats Restoration | 453 | 5,062 | 625 | - | 4,890 |
| Forton Project | 20,000 | - | - | - | 20,000 |
| Newport Projects | 4,906 | 395 | 23 | - | 5,278 |
| Shrewsbury (Berwick) Projects | 15,168 | 6,233 | 1,633 | - | 19,768 |
| Wappenshall Development (excluding restricted funds) | 138,219 | 52,727 | - | - | 190,946 |
| Total Designated Funds | 178,746 | 64,417 | 2,281 | | 240,882 |
| Reserve | 11,000 | - | - | - | 11,000 |
| General Funds | 68,806 | 21,795 | 17,702 | - | 72,899 |
| Total Unrestricted Funds | 258,552 | 86,212 | 19,983 | - | 324,781 |
| Restricted Funds | | | | | |
| Wappenshall Development | 40,493 | - | - | - | 40,493 |
| | 299,045 | 86,212 | 19,983 | - | 365,274 |

6. RESTRICTED FUNDS

There was no restricted income during the year. The restricted income that was unspent in the due to Covid-19 restrictions delaying carrying out the associated work was spent on the works carried out at Wappenshall during the year.

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 £1,777 were paid to Trustees, who subsequently repaid the same amounts as donations (on which appropriate Gift Aid can be claimed) to the charity (2020: £971).

9. INDEPENDENT EXAMINER'S FEES

Included in Governance costs are fees of £350 paid to the Independent Examiner (2020: £350).