

# THE DERBY AND SANDIACRE CANAL TRUST LIMITED

England & Wales · Charity number 1042227

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">02986417</a>
Registered	1994-11-21
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	62 Broadway Duffield Belper DE56 4BU
Phone	07827946444
Email	<a href="mailto:info@derbycanal.org.uk">info@derbycanal.org.uk</a>
Website	<a href="http://www.derbycanal.org.uk">www.derbycanal.org.uk</a>

## Activities

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**Objects:** 1.TO PROMOTE THE RESTORATION TO GOOD AND NAVIGABLE ORDER OF AS MUCH AS IS CONSIDERED POSSIBLE OF THE DERBY AND SANDIACRE CANAL (HEREINAFTER CALLED THE WATERWAY) AND TO MAINTAIN AND IMPROVE THE WATERWAY FOR THE USE AND BENEFIT OF THE PUBLIC AND (NOT BY WAY OF LIMITATION) THE WATERWAY SHALL INCLUDE ALL OTHER LAND, WATERWAYS, BUILDINGS, STRUCTURES AND WORKS ASSOCIATED WITH THE WATERWAY.FOR FURTHER DETAILS PLEASE SEE MEMORANDUM OF ASSOCIATION.

**Activities:** To work with the local community to restore the former Derby Canal as a navigable waterway from Sandiacre to Swarkestone via Derby as close as possible to the original route, creating a cruising ring and reconnecting Derby to the national canal network maximising the sustainable economic, job creation, environmental, nature conservancy, leisure, heritage and educational benefits for all.

## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** The General Public/mankind

## Geography

- **Area of benefit:** IN PRACTICE DERBYSHIRE
- Derbyshire
- Nottinghamshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£97,899	£47,883	-	-
2024-03-31	£139,708	£112,994	-	-
2023-03-31	£75,412	£99,090	-	-
2022-03-31	£335,735	£163,221	-	-
2021-03-31	£355,347	£234,384	-	-

## Trustees

Name	Role	Appointed
CHRISTOPHER WILLIAM JOHN MADGE		
Christopher ReesFitzpatrick		2014-01-22
Christopher Richardson		2023-11-28
Mike Wingfield		2020-09-17
PAUL NICHOLAS HORTON-TURNER		
Robert MICHAEL SNAITH		2012-01-13
William David Savidge		2017-04-19

**THE DERBY AND SANDIACRE CANAL TRUST LIMITED**

England & Wales - Charity number 1042227

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# Accounts

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Company registration number: 02986417

Charity registration number: 1042227

# The Derby & Sandiacre Canal Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# The Derby & Sandiacre Canal Trust Limited

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# The Derby & Sandiacre Canal Trust Limited

## Reference and Administrative Details

<b>Trustees</b>	Christopher Madge, Chairman Christopher Richardson Michael Wingfield Paul Horton-Turner Kevin Miller Christopher ReesFitzPatrick David Savidge Mike Snaith
<b>Charity Registration Number</b>	1042227
<b>Company Registration Number</b>	02986417
<b>Registered Office</b>	62 Broadway, Duffield Belper Derbyshire DE56 4BU
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2025.

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Christopher Madge, Chairman
	Christopher Richardson
	Michael Wingfield
	Paul Horton-Turner
	Kevin Miller
	Christopher ReesFitzPatrick
	David Savidge
	Mike Snaith
	Derek Troughton (deceased 20 July 2024)
	Val Clare (resigned 22 October 2024)

### **Advisory Committee members**

Cllr T Scott nominated by Erewash Borough Council  
Cllr H Dhindsa nominated by Derby City Council  
Cllr M Rawson nominated by Derby City Council (appointed in May 2024)  
Adam Thompson MP (appointed July 2024)  
Stephen Taylor nominated by South Derbyshire District Council (appointed May 2025)  
Darren Muizelaar nominated by Derbyshire County Council (appointed May 2025)  
Maggie Throup MP (stepped down in May 2024)  
Cllr K Morgan-McGeehan nominated by Derby City Council (stepped down in May 2024)  
Cllr P Watson nominated by South Derbyshire District Council (stepped down in May 2025)  
Cllr Hickton nominated by Derbyshire County Council (stepped down in May 2025)

### **Structure, governance and management**

#### ***Nature of governing document***

The Derby and Sandiacre Canal Trust Ltd is a company limited by guarantee and a registered charity. It is operated under the rules of its memorandum and articles of association dated 3/11/1994 which was most recently amended on 10/4/2019. It has no share capital and the liability of each subscriber in the event of winding-up is limited to £1.

#### ***Recruitment and appointment of trustees***

In accordance with Article 16 of the new Constitution, a third of all Directors retire at the Annual General Meeting and being eligible, offer themselves for re-election.

New Directors are invited to join the Trustees based on their knowledge and experience of the canal project and their appointments are subject to approval at the Annual General Meeting.

In addition to the Directors, Advisory Committee Members are appointed by the Four Local Authorities on an annual renewable basis being drawn from Councillors and/or Senior members of staff, or by the membership of Restoration Partners or Stakeholders.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### ***Major risks and management of those risks***

#### ***Risk management***

Major risks to the Trust have been reviewed and systems and procedures with comprehensive insurance put into place to manage those risks, including regular review at Board meetings. Major changes are communicated to the Board at monthly meetings and to the Advisory Committee quarterly.

A key risk is that two sections of the canal line owned by the Trust are in water and the Trust is aware of its land drainage responsibilities to avoid flooding of neighbours. The risk is managed by periodic inspection and clearance of drainage channels and will be eliminated by the completion of the full restoration.

In view of the increasing complexity in operations the Trust continues to seek external financial, legal and engineering expertise to mitigate risks. The Trust is also actively seeking and finding additional volunteer expertise to ensure its work and use of funds is effective and undertaken with minimum risk.

### **Financial review**

The Statement of Financial Activities for the year is set out within the financial statements. A summary of the financial results and the work of the Charity is set out below.

#### ***Policy on reserves***

The Trust general reserves currently stand at £190K with further restricted reserves of £260K. The Trustees have reviewed the position and are comfortable that a general reserve of cash of around £30,000 is sufficient to deal with unforeseen events, particularly in light of the current rental income stream. The reserves are set to ensure that we can meet possible liabilities when they fall due, maintain our equipment and provide a funding buffer to allow the Trust to take advantage of small unforeseen opportunities as they occur.

The Trust has successfully agreed the extension of supporters' loans to fund the Cottages development. Loans of £595,000 were due to be called on 28th June 2026, but this has now been rolled forward by three years. In the course of this £90,000 will be repaid in 2025, which has been partially replaced by £43,000 of new loans. This means that a net £47,000 of loans will be repaid in 2025. The Trustees have also made provision for progressive future repayments from surplus rents as cash flow allows.

### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust 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.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### **Objectives and activities**

#### ***Objects and aims***

The objective of the Trust is to restore the former Derby Canal waterway from the Erewash Canal at Sandiacre to the Trent and Mersey Canal at Swarkestone via central Derby, as close as possible to the original route, thereby connecting Derby to the national canal network. In completing this objective, the Trust and its partners will seek to maximise the impact on the community's quality of life, primarily by encouraging active use of the waterway by individuals and clubs and creating and maintaining a water based environment that will support and encourage wildlife and the wider environment. This will also generate sustainable economic development, job creation through tourism and sports, and educational, heritage and leisure benefits for the City of Derby, the Borough of Erewash, South Derbyshire District and the East Midlands region generally.

The Trust seeks to be the catalyst, not only for the canal restoration but also for the enhancement of the neighbouring land corridor, in partnership with local authorities, landowners, community and volunteer groups, developers and all neighbours and residents.

### **Achievements and Performance**

Progress has been focussed on the west-east leg of the restoration over the last year, while the Trust awaits progress with developers at Chellaston with the 5,000 homes garden village development alongside the canal.

The Trust has acquired two parcels of land between Draycott and Breaston and has agreed in principle to acquire the last significant stretch between Sandiacre and Draycott. Work has been undertaken to assess, improve and make safe the sections acquired. Plans are being developed to use these land parcels for flood attenuation in the Draycott winding hole and for tree planting elsewhere as part of the eventual canal restoration.

Our volunteer civil engineer has further developed plans to use canals for water movement and flood prevention in concert with other interested parties. We await a major hydrological study's findings, due in late summer, to inform those plans. We have continued to devote substantial effort in preparing to restore the Golden Mile in Draycott, but given the size of the project delivery timescales are dependent on our partners. We have the support of local authorities for these plans. Work has been undertaken to keep the canal line on the Golden Mile clear of obstructions, including demolishing the access bridge across the line.

The Derby Riverboat has continued to be a success during the past year with increased recognition and passengers in 2024 over 2023. There is however a risk that the service will be interrupted by the building of the city's flood management walls adjacent to our base. Contractors' works will effectively stop activity for summer/autumn 2025 by preventing safe passenger access. It also calls into question the ability to build the currently planned pontoon as the flood wall will prevent access by heavy plant. The Trust has been working actively to find an alternative solution and, with the support of the city council, we are working to gain permission for an alternative site by the Silk Mill (Museum of Making). We already have a design and agreement to use the balance of city council funding already allocated. There are a number of obstacles and risks involved, but Trustees are optimistic that this challenge may break the previous impasse and lack of progress. The design will incorporate resilience to flooding and full disabled access, of course. We aim to deliver this as quickly as possible.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

We continue to press on with proposals for Derby city centre developments and are discussing with other interested parties how to integrate our own proposals in the city with the flood defences programme. In particular we are looking at Erasmus Darwin Gardens and the stakeholder groups have made good progress in providing options that meet the city council objectives and provide more river traffic and activity. Again, the council are supportive of our aims and opportunities.

Sandiacre lock has made little progress in defining detailed designs and prices, but we have been notified we will receive a further S106 award of £97,000 from Erewash Borough Council.

The Trust has continued to be active in maintaining its assets including the owned sections of canal path at Spondon, Borrowash, Draycott, Breaston and Sandiacre. In particular, sections of canal wall by volunteers at Borrowash are nearing completion.

During the last year we have also been able to promote our works more actively in the community by attending local shows and describing the challenges and successes of the project overall and section by section. We have received growing support from the public, local authorities and corporates for our work.

The Trust continues to be indebted to the army of volunteers who have attended working parties, or dealt with administration, fundraising, organising meetings, negotiating with suppliers, planners, council officers, etc. etc. Without these people the Trust simply could not function effectively.

### **Statement of Responsibilities**

The trustees (who are also the directors of The Derby & Sandiacre Canal Trust Limited 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

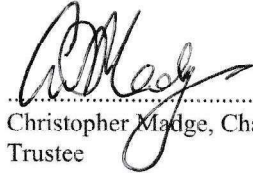
The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**The Derby & Sandiacre Canal Trust Limited**

**Trustees' Report**

The annual report was approved by the trustees of the charity on 28/10/25 and signed on its behalf by:



.....  
Christopher Madge, Chairman  
Trustee

## The Derby & Sandiacre Canal Trust Limited

### Independent Examiner's Report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

#### Independent examiner's report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2025.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also 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').

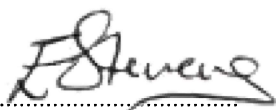
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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 matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company 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.



Eva Stevens, BSc, CPFA, employee of Community Accounting Plus  
member of the Chartered Institute of Public Finance and Accountancy (CIPFA)

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date: 29/10/2025

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	7,261	-	7,261	3,407
Charitable activities	3	30,752	607	31,359	77,276
Investment income	5	11,308	-	11,308	8,860
Other income	6	47,971	-	47,971	50,165
<b>Total Income</b>		<u>97,292</u>	<u>607</u>	<u>97,899</u>	<u>139,708</u>
<b>Expenditure on:</b>					
Charitable activities	7	(44,551)	(5,465)	(50,016)	(112,994)
<b>Total Expenditure</b>		<u>(44,551)</u>	<u>(5,465)</u>	<u>(50,016)</u>	<u>(112,994)</u>
Net income/(expenditure)		52,741	(4,858)	47,883	26,714
Transfers between funds		15,000	(15,000)	-	-
Net movement in funds		67,741	(19,858)	47,883	26,714
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>279,590</u>	<u>279,982</u>	<u>559,572</u>	<u>532,858</u>
Total funds carried forward	13	<u>347,331</u>	<u>260,124</u>	<u>607,455</u>	<u>559,572</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for the period is shown in note 13.

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	3,407	-	3,407
Charitable activities	3	74,293	2,983	77,276
Investment income	5	8,860	-	8,860
Other income	6	50,165	-	50,165
Total income		<u>136,725</u>	<u>2,983</u>	<u>139,708</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(73,135)</u>	<u>(39,859)</u>	<u>(112,994)</u>
Total expenditure		<u>(73,135)</u>	<u>(39,859)</u>	<u>(112,994)</u>
Net income/(expenditure)		<u>63,590</u>	<u>(36,876)</u>	<u>26,714</u>
Net movement in funds		63,590	(36,876)	26,714
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>216,000</u>	<u>316,858</u>	<u>532,858</u>
Total funds carried forward	13	<u><u>279,590</u></u>	<u><u>279,982</u></u>	<u><u>559,572</u></u>

The notes on pages 11 to 21 form an integral part of these financial statements.

**The Derby & Sandiacre Canal Trust Limited**

**(Registration number: 02986417)  
Balance Sheet as at 31 March 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	8	774,026	692,493
<b>Current assets</b>			
Debtors	9	90,304	95,921
Investments	10	100	100
Cash at bank and in hand		<u>372,844</u>	<u>416,205</u>
		463,248	512,226
<b>Creditors: Amounts falling due within one year</b>	11	<u>(12,925)</u>	<u>(21,824)</u>
<b>Net current assets</b>		<u>450,323</u>	<u>490,402</u>
<b>Total assets less current liabilities</b>		1,224,349	1,182,895
<b>Creditors: Amounts falling due after more than one year</b>	12	<u>(616,894)</u>	<u>(623,323)</u>
<b>Net assets</b>		<u>607,455</u>	<u>559,572</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	260,124	279,982
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>347,331</u>	<u>279,590</u>
<b>Total funds</b>	13	<u>607,455</u>	<u>559,572</u>

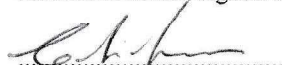
For the financial year ending 31 March 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on ~~28.10.2025~~ and signed on their behalf by:

  
.....  
Christopher Richardson  
Trustee

The notes on pages 11 to 21 form an integral part of these financial statements.

# **The Derby & Sandiacre Canal Trust Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2025**

### **1 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

The Derby & Sandiacre Canal Trust 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 notes.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

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 one year from the date of approval of the financial statements.

#### **Exemption from preparing a cash flow statement**

Under the exemption available to smaller charities the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

#### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Investment income**

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### 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.

#### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Land & Buildings	Not depreciated

#### Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from donations and legacies

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Donations			
Donations from individuals	5,520	5,520	1,870
Gift aid reclaimed	1,741	1,741	1,537
	<u>7,261</u>	<u>7,261</u>	<u>3,407</u>

**The Derby & Sandiacre Canal Trust Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2025**

**3 Income from charitable activities**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Grants & donations	-	607	607	-
Memberships	6,260	-	6,260	7,008
Contract Work	1,350	-	1,350	1,700
Fundraising	757	-	757	770
Sales	922	-	922	165
Social events	268	-	268	-
Sundry income	415	-	415	-
Compensation	20,780	-	20,780	-
Insurance claims	-	-	-	67,633
	<u>30,752</u>	<u>607</u>	<u>31,359</u>	<u>77,276</u>

**4 Grants & donations**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Gift Aid	1,741	-	1,741
Other donations	5,520	607	6,127
	<u>7,261</u>	<u>607</u>	<u>7,868</u>

**5 Investment income**

	<b>Unrestricted funds General £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Interest receivable and similar income; Interest receivable on bank deposits	11,308	11,308	8,860

**6 Other income**

	<b>Unrestricted funds General £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Rental income	47,971	47,971	50,165

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Administrative costs	628	-	628	914
Bank charges	45	-	45	106
Depreciation	967	-	967	1,290
Rent and rates	805	-	805	554
Loan maintenance costs	18,966	-	18,966	17,687
Legal and professional	6,746	-	6,746	20,786
Equipment replacement	-	-	-	2,615
Utilities	48	-	48	1,239
Marketing & publicity	752	-	752	1,069
Draycott Golden Mile costs	-	2,070	2,070	16,849
Training	120	-	120	400
Insurance	6,434	-	6,434	6,467
Licence and permits	1,045	-	1,045	115
Subscriptions	573	-	573	573
Planning costs	200	-	200	250
Cottages renovation costs	-	-	-	120
Property maintenance	999	53	1,052	3,425
Flood expenses	1,501	-	1,501	31,475
Social events	-	40	40	386
Monthly draw prizes	404	-	404	354
Packet production costs	442	-	442	861
Sundry expenses	176	-	176	-
Show festival costs	16	-	16	-
Property rental expenses	1,250	-	1,250	1,087
Canal maintenance	2,434	3,302	5,736	4,372
	<u>44,551</u>	<u>5,465</u>	<u>50,016</u>	<u>112,994</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 8 Tangible fixed assets

	Land and buildings £	Plant & machinery £	Total £
<b>Cost</b>			
At 1 April 2024	708,624	20,426	729,050
Additions	82,500	-	82,500
At 31 March 2025	791,124	20,426	811,550
<b>Depreciation</b>			
At 1 April 2024	20,000	16,557	36,557
Charge for the year	-	967	967
At 31 March 2025	20,000	17,524	37,524
<b>Net book value</b>			
At 31 March 2025	771,124	2,902	774,026
At 31 March 2024	688,624	3,869	692,493

Included within the net book value of land and buildings above is £771,124 (2024 - £688,624) in respect of freehold land and buildings and £Nil (2024 - £Nil) in respect of leaseholds.

#### 9 Debtors

	2025 £	2024 £
Due from group undertakings	-	990
Prepayments	4,751	4,850
Other debtors	85,553	90,081
	90,304	95,921

Included in the total of other debtors is £83,403 relating to sale of the trip boat to the trading company.

#### 10 Current asset investments

	2025 £	2024 £
Shares in group undertakings and participating interests	100	100

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 11 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	2,284	10,375
Other loans	6,430	6,430
Other creditors	16	-
Accruals	4,195	5,019
	<u>12,925</u>	<u>21,824</u>

#### 12 Creditors: amounts falling due after one year

	2025	2024
	£	£
Other loans	<u>616,894</u>	<u>623,323</u>

#### Other borrowings

Loans from supporters with a carrying amount of £611,000 (2024: £611,000) denominated in sterling with a nominal interest rate of 3% (2024: 3%).

The loans are interest only.

#### Bank borrowings

Bounce back loan is denominated in sterling with a nominal interest rate of 2.5% (2024: 2.5%), and the final instalment is due on 1 December 2027. The carrying amount at year end is £12,324 (2024: £18,753).

Capital is repayable in 60 monthly instalments of £535.82.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 13 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	279,590	97,292	(44,551)	15,000	347,331
<b>Restricted funds</b>					
Borrowwash Lock Improvements	303	-	(53)	-	250
Sandiacre Lock Fund	108,258	-	-	-	108,258
Draycott Golden Mile Project	168,861	-	(3,397)	(15,000)	150,464
Co-op S&S Equipment Fund	2,381	339	(1,975)	-	745
Social Meetings Fund	119	268	(40)	-	347
Water Voles	60	-	-	-	60
<b>Total restricted funds</b>	<u>279,982</u>	<u>607</u>	<u>(5,465)</u>	<u>(15,000)</u>	<u>260,124</u>
<b>Total funds</b>	<u>559,572</u>	<u>97,899</u>	<u>(50,016)</u>	<u>-</u>	<u>607,455</u>

The specific purposes for which the funds are to be applied are as follows:

Borrowwash Lock Improvements: To enable works on Borrowwash Lock.

Sandiacre Lock Fund: To enable works to excavate Sandiacre Bottom Lock.

Draycott Golden Mile Project: To convert a 3/4 mile drainage ditch to a navigable canal.

River Boat Fund: To establish a River Boat on the Derwent.

The Co-op S&S Equipment Fund is from several local Co-op stores to fund expenditure on equipment to maintain the canal path in the Sandiacre to Spondon areas.

The Derby Waterside Study is funding from Derby City Council to fund a feasibility study for the Derby Arm, river Derwent and city centre waterside.

Draycott Cottages Fund: To provide funds for the restoration of Cottages at Draycott.

Social Meetings Fund: A donation to fund costs of providing members monthly meetings.

Eddy's Bench: A donation from friends of past Society Chairman Eddy Case to fund a memorial bench.

Water Voles: Funds collected to assist the protection and relocation of water voles at Draycott.

The transfer from the Draycott Golden Mile fund reflects the purchase of land during the period.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>				
<i>General</i>				
General Fund	216,000	136,725	(73,135)	279,590
<b>Restricted</b>				
Borrowwash Lock Improvements	1,164	-	(861)	303
Sandiacre Lock Fund	108,498	-	(240)	108,258
Draycott Golden Mile Project	190,070	-	(21,209)	168,861
River Boat Fund	696	-	(696)	-
Co-op S&S Equipment Fund	2,239	2,983	(2,841)	2,381
Derby Waterside Study	8,000	-	(8,000)	-
Draycott Cottages Fund	5,049	-	(5,049)	-
Social Meetings Fund	305	-	(186)	119
Eddy's Bench	478	-	(478)	-
Water Voles	359	-	(299)	60
<b>Total restricted funds</b>	<u>316,858</u>	<u>2,983</u>	<u>(39,859)</u>	<u>279,982</u>
<b>Total funds</b>	<u><u>532,858</u></u>	<u><u>139,708</u></u>	<u><u>(112,994)</u></u>	<u><u>559,572</u></u>

#### 14 Analysis of net assets between funds

	Unrestricted		2025
	General £	Restricted £	Total funds £
Tangible fixed assets	774,026	-	774,026
Current assets	203,124	260,124	463,248
Current liabilities	(12,925)	-	(12,925)
Creditors over 1 year	(616,894)	-	(616,894)
Total net assets	<u>347,331</u>	<u>260,124</u>	<u>607,455</u>
	Unrestricted		2024
	General £	Restricted £	Total funds £
Tangible fixed assets	692,493	-	692,493
Current assets	232,244	279,982	512,226
Current liabilities	(21,824)	-	(21,824)
Creditors over 1 year	(623,323)	-	(623,323)
Total net assets	<u>279,590</u>	<u>279,982</u>	<u>559,572</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 15 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2025 £	2024 £
Independent examination	750	600
	<u>750</u>	<u>600</u>

#### 16 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 17 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

#### 18 Related party transactions

##### Personal loans

Throughout the year the charity had the following related party loans outstanding

Paul Horton-Turner, Director, £26,000

William David Savidge, Director, £10,000

Chris Madge, Director, £200,000

Anne Madge, Director's spouse, £30,000.

These loans were made to enable the purchase of the Cottages property and land and earn interest at 3% p.a.as described in note 11.

**The Derby & Sandiacre Canal Trust Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2025**

**19 Fixed asset investments**

**Details of undertakings**

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2025	2024	
<b>Subsidiary undertakings</b>					
The Derby Canal Co Limited	England & Wales	Ordinary Shares of £1	100%	100%	to raise funds for the restoration and maintenance of The Derby Canal

**THE DERBY AND SANDIACRE CANAL TRUST LIMITED**

England & Wales - Charity number 1042227

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# Accounts

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Company registration number: 02986417

Charity registration number: 1042227

# The Derby & Sandiacre Canal Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# The Derby & Sandiacre Canal Trust Limited

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# The Derby & Sandiacre Canal Trust Limited

## Reference and Administrative Details

<b>Trustees</b>	Christopher Madge, Chairman Christopher Richardson Michael Wingfield Derek Troughton Val Clare Paul Horton-Turner Kevin Miller Christopher ReesFitzPatrick David Savidge Mike Snaith
<b>Charity Registration Number</b>	1042227
<b>Company Registration Number</b>	02986417
<b>Registered Office</b>	62 Broadway, Duffield Belper Derbyshire DE56 4BU
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2024.

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Christopher Madge, Chairman
	Christopher Richardson (appointed 28 November 2023)
	Michael Wingfield
	Derek Troughton
	Val Clare
	Paul Horton-Turner
	Kevin Miller
	Christopher ReesFitzPatrick
	David Savidge
	Mike Snaith

### **Advisory Committee members**

Cllr P Watson nominated by South Derbyshire District Council  
Cllr Hickton nominated by Derbyshire County Council  
Cllr T Scott nominated by Erewash Borough Council  
Cllr P Ingalls nominated by Derby City Council (stepped down in May 2023)  
Cllr H Dhindsa nominated by Derby City Council (appointed in May 2023)  
Cllr C Poulter nominated by Derby City Council (stepped down in May 2023)  
Cllr K Morgan-McGeehan nominated by Derby City Council (appointed in May 2023, stepped down May 2024)  
Cllr M Rawson nominated by Derby City Council (appointed in May 2024)  
Maggie Throup MP

### **Structure, governance and management**

#### ***Nature of governing document***

The Derby and Sandiacre Canal Trust Ltd is a company limited by guarantee and a registered charity. It is operated under the rules of its memorandum and articles of association dated 3/11/1994 which was most recently amended on 10/4/2019. It has no share capital and the liability of each subscriber in the event of winding-up is limited to £1.

#### ***Recruitment and appointment of trustees***

In accordance with Article 16 of the new Constitution, a third of all Directors retire at the Annual General Meeting and being eligible, offer themselves for re-election. New Directors are invited to join the Trustees based on their knowledge and experience of the canal project and their appointments are subject to approval at the Annual General Meeting. In addition to the Directors, Advisory Committee Members are appointed by the Four Local Authorities on an annual renewable basis being drawn from Councillors and/or Senior members of staff, or by the membership of Restoration Partners.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### ***Major risks and management of those risks***

#### ***Risk management***

Major risks to the Trust have been reviewed and systems and procedures with comprehensive insurance put into place to manage those risks, including regular review at Board meetings. Major changes are communicated to the Board at monthly meetings and to the Advisory Committee quarterly.

A key risk is that two sections of the canal line owned by the Trust are in water and the Trust is aware of its land drainage responsibilities to avoid flooding of neighbours. The risk is managed by periodic inspection and clearance of drainage channels and will be eliminated by the completion of the full restoration.

In view of the increasing complexity in operations the Trust continues to seek external financial, legal and engineering expertise to mitigate risks. The Trust is also actively seeking and finding additional volunteer expertise to ensure its work and use of funds is effective and undertaken with minimum risk.

### **Financial review**

The Statement of Financial Activities for the year is set out within the financial statements. A summary of the financial results and the work of the Charity is set out below:

#### ***Policy on reserves***

The Trust general reserves currently stand at £279,590, but much of this is represented by investment in fixed assets. The Trust aims to maintain a general reserve of cash of around £50,000. The reserves are set to ensure that we can meet possible liabilities when they fall due, maintain our equipment and provide a funding buffer to allow the Trust to take advantage of small unforeseen opportunities, such as land purchase, as they occur.

### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust 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.

### **Objectives and activities**

#### ***Objects and aims***

The objective of the Trust is to restore the former Derby Canal waterway from the Erewash Canal at Sandiacre to the Trent and Mersey Canal at Swarkestone via central Derby, as close as possible to the original route, thereby connecting Derby to the national canal network. In completing this objective, the Trust and its partners will seek to maximise the impact on the community's quality of life, primarily by encouraging active use of the waterway by individuals and clubs and creating and maintaining a water based environment that will support and encourage wildlife and the wider environment. This will also generate sustainable economic development, job creation through tourism and sports, and educational, heritage and leisure benefits for the City of Derby, the Borough of Erewash, South Derbyshire District and the East Midlands region generally.

The Trust seeks to be the catalyst, not only for the canal restoration but also for the enhancement of the neighbouring land corridor, in partnership with local authorities, landowners, community and volunteer groups, developers and all neighbours and residents.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### **Achievements and Performance**

Progress has been focussed on the west-east leg of the restoration over the last year, while the Trust awaits progress with developers at Chellaston with the 5,000 homes garden village development alongside the canal.

The Trust has continued to be active in maintaining our assets including the owned sections of canal path at Spondon, Borrowash, Draycott, Breaston and Sandiacre. In particular, sections of canal wall have been reconstructed by volunteers at Borrowash.

During Storm Babet in October the Trust experienced flooding to a depth of 120mm in the three residential properties at Draycott. The Trust received an insurance cash settlement, which through the substantial efforts of volunteers working in place of paid contractors enabled the cottages to have floor tanking installed throughout and flood defences implemented as well as restoration work completed. Work was also undertaken to assist flows of flood water away from the properties to prevent a repeat of flooding in the future. This has disrupted the tenancies, but all work was completed in April and properties are now back on the market or already rented. We are pleased to note that the flood was so shallow and short lived that the café was not flooded and continued to trade for all but a day.

Our new volunteer civil engineer has fully reviewed our approach and highlighted options to use canals for water movement and flood prevention in concert with other interested parties. We are looking to develop these options for the community's wider benefit. We have continued to devote substantial effort in preparing to restore the Golden Mile in Draycott, but whilst studies have been completed the opportunity outlined above will see completion delayed again.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

During the last year we have also been able to promote our works more actively in the community by attending local shows and describing the challenges and successes of the project overall and section by section. We have received growing support from the public, local authorities and corporates for our work.

The Derby Riverboat has also continued to generate income by operating over the past summer with sailings well supported by the public and volunteer crews. The City Council have reviewed the cost of licencing, although not as much as we feel appropriate. There has been little progress on a new pontoon, which will provide full wheelchair accessibility onto the boat. The City Council commissioned further engineering analysis, which meant they no longer had the budget to build the pontoon. We currently await confirmation of the shortfall and intend to raise these funds by grants or corporate support, when we have confirmation of how much is needed. We are aware of potential passengers upset at not providing a fully accessible operation, but at least we have the council's stated support for the project. We aim to deliver this as quickly as possible.

We continue to press on with proposals for the Derby Arm and Derby city centre developments and are discussing with other interested parties how to integrate our own proposals in the city with the flood defences programme. Formal fora have been set up with the Council and other stakeholders to promote joined up thinking for the city. Again, the council are supportive of our aims and opportunities.

At Sandiacre lock we expect a costed proposal for the sewer relocation during the summer and then, funding permitting, will be moving to complete the works without delay.

In the last few months after the balance sheet date, we have successfully completed the purchase of canal path land from Sustrans and a local farmer. A further and final acquisition of land from Sustrans is under discussion and we hope to complete that in 2024. This would give an almost complete length between Draycott and the Erewash canal. We are now planning the restoration of the winding hole at Draycott within this acquired land, which will also act as a flood management option at Draycott.

The Trust continues to be indebted to the army of volunteers who have attended working parties, or dealt with administration, fundraising, organising meetings, negotiating with suppliers, planners, council officers, etc. etc. Without these people the Trust simply could not function effectively.

### Statement of Responsibilities

The trustees (who are also the directors of The Derby & Sandiacre Canal Trust Limited 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

## The Derby & Sandiacre Canal Trust Limited

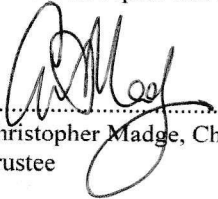
### Trustees' Report

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 27/10/24 and signed on its behalf by:

  
.....  
Christopher Madge, Chairman  
Trustee

## The Derby & Sandiacre Canal Trust Limited

### Independent Examiner's Report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

#### Independent examiner's report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2024.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also 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').

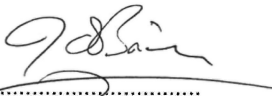
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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 matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company 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.



John O'Brien MSc, FAIA, FCCA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date: 08/11/2024

**The Derby & Sandiacre Canal Trust Limited**

**Statement of Financial Activities for the Year Ended 31 March 2024  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	3,407	-	3,407	8,114
Charitable activities	3	74,293	2,983	77,276	13,354
Investment income	5	8,860	-	8,860	3,984
Other income	6	50,165	-	50,165	49,960
Total Income		<u>136,725</u>	<u>2,983</u>	<u>139,708</u>	<u>75,412</u>
<b>Expenditure on:</b>					
Charitable activities	7	<u>(73,135)</u>	<u>(39,859)</u>	<u>(112,994)</u>	<u>(99,090)</u>
Total Expenditure		<u>(73,135)</u>	<u>(39,859)</u>	<u>(112,994)</u>	<u>(99,090)</u>
Net income/(expenditure)		<u>63,590</u>	<u>(36,876)</u>	<u>26,714</u>	<u>(23,678)</u>
Net movement in funds		63,590	(36,876)	26,714	(23,678)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>216,000</u>	<u>316,858</u>	<u>532,858</u>	<u>556,536</u>
Total funds carried forward	13	<u>279,590</u>	<u>279,982</u>	<u>559,572</u>	<u>532,858</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for the period is shown in note 13.

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	8,114	-	8,114
Charitable activities	3	9,631	3,723	13,354
Investment income	5	3,984	-	3,984
Other income	6	49,960	-	49,960
Total income		<u>71,689</u>	<u>3,723</u>	<u>75,412</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(47,511)</u>	<u>(51,579)</u>	<u>(99,090)</u>
Total expenditure		<u>(47,511)</u>	<u>(51,579)</u>	<u>(99,090)</u>
Net income/(expenditure)		24,178	(47,856)	(23,678)
Transfers between funds		<u>(1,792)</u>	<u>1,792</u>	<u>-</u>
Net movement in funds		22,386	(46,064)	(23,678)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>193,614</u>	<u>362,922</u>	<u>556,536</u>
Total funds carried forward	13	<u><u>216,000</u></u>	<u><u>316,858</u></u>	<u><u>532,858</u></u>

The notes on pages 11 to 21 form an integral part of these financial statements.

**The Derby & Sandiacre Canal Trust Limited**

**(Registration number: 02986417)  
Balance Sheet as at 31 March 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	8	692,493	693,783
<b>Current assets</b>			
Debtors	9	95,921	139,369
Investments	10	100	100
Cash at bank and in hand		<u>416,205</u>	<u>334,688</u>
		512,226	474,157
<b>Creditors: Amounts falling due within one year</b>	11	<u>(21,824)</u>	<u>(11,759)</u>
<b>Net current assets</b>		<u>490,402</u>	<u>462,398</u>
<b>Total assets less current liabilities</b>		1,182,895	1,156,181
<b>Creditors: Amounts falling due after more than one year</b>	12	<u>(623,323)</u>	<u>(623,323)</u>
<b>Net assets</b>		<u><u>559,572</u></u>	<u><u>532,858</u></u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	279,982	316,858
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>279,590</u>	<u>216,000</u>
<b>Total funds</b>	13	<u><u>559,572</u></u>	<u><u>532,858</u></u>

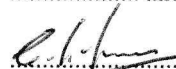
For the financial year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 22.10.24 and signed on their behalf by:

  
.....  
Christopher Richardson  
Trustee

The notes on pages 11 to 21 form an integral part of these financial statements.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 1 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### Basis of preparation

The Derby & Sandiacre Canal Trust 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 notes.

#### Going concern

The financial statements have been prepared on a going concern basis.

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 one year from the date of approval of the financial statements.

#### Exemption from preparing a cash flow statement

Under the exemption available to smaller charities the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### 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.

### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Land & Buildings	Not depreciated

### Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations			
Donations from individuals	1,870	1,870	5,520
Gift aid reclaimed	1,537	1,537	2,594
	3,407	3,407	8,114

### 3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Grants & donations	-	-	-	3,723
Memberships	7,008	-	7,008	7,581
Contract Work	1,700	-	1,700	-
Fundraising	770	-	770	768
Sales	165	-	165	1,282
Insurance claims	64,650	2,983	67,633	-
	74,293	2,983	77,276	13,354

**The Derby & Sandiacre Canal Trust Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2024**

**4 Grants & donations**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Gift Aid	1,537	-	1,537
Other donations	1,870	-	1,870
	<u>3,407</u>	<u>-</u>	<u>3,407</u>

**5 Investment income**

	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Interest receivable and similar income; Interest receivable on bank deposits	<u>8,860</u>	<u>8,860</u>	<u>3,984</u>

**6 Other income**

	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Rental income	<u>50,165</u>	<u>50,165</u>	<u>49,960</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Administrative costs	914	-	914	977
Bank charges	106	-	106	98
Depreciation	1,290	-	1,290	1,720
Rent and rates	554	-	554	555
Loan interest payments	17,532	155	17,687	18,277
River boat	-	-	-	1,779
Fund transfers	(6,133)	6,133	-	-
Legal and professional	8,050	12,736	20,786	41,289
Equipment replacement	2,615	-	2,615	-
Canal maintenance	-	-	-	4,438
Sundry	-	-	-	272
Utilities	1,239	-	1,239	781
Marketing & publicity	915	154	1,069	930
Lock rebuilding	-	-	-	5,155
Draycott Golden Mile costs	-	16,849	16,849	4,500
Fundraising costs	-	-	-	304
Magazine costs	-	-	-	316
Training	400	-	400	420
Insurance	6,467	-	6,467	6,637
Licence and permits	115	-	115	2,700
Subscriptions	573	-	573	-
Planning costs	240	10	250	352
Cottages renovation costs	120	-	120	1,403
Property maintenance	3,087	338	3,425	2,327
Flood expenses	31,475	-	31,475	-
Social events	200	186	386	120
Monthly draw prizes	354	-	354	-
Packet production costs	861	-	861	-
Property rental expenses	1,087	-	1,087	3,740
Canal maintenance	1,074	3,298	4,372	-
	<u>73,135</u>	<u>39,859</u>	<u>112,994</u>	<u>99,090</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 8 Tangible fixed assets

	Land and buildings £	Plant & machinery £	Total £
<b>Cost</b>			
At 1 April 2023	708,624	20,426	729,050
At 31 March 2024	708,624	20,426	729,050
<b>Depreciation</b>			
At 1 April 2023	20,000	15,267	35,267
Charge for the year	-	1,290	1,290
At 31 March 2024	20,000	16,557	36,557
<b>Net book value</b>			
At 31 March 2024	688,624	3,869	692,493
At 31 March 2023	688,624	5,159	693,783

Included within the net book value of land and buildings above is £688,624 (2023 - £688,624) in respect of freehold land and buildings and £Nil (2023 - £Nil) in respect of leaseholds.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 9 Debtors

	2024	2023
	£	£
Trade debtors	-	455
Due from group undertakings	990	49,711
Prepayments	4,850	979
Other debtors	90,081	88,224
	95,921	139,369

#### 10 Current asset investments

	2024	2023
	£	£
Shares in group undertakings and participating interests	100	100

#### 11 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	10,375	4,645
Other loans	6,430	6,430
Accruals	5,019	684
	21,824	11,759

#### 12 Creditors: amounts falling due after one year

	2024	2023
	£	£
Other loans	623,323	623,323

#### Other borrowings

Loans from supporters with a carrying amount of £611,000 (2023: £611,000) denominated in sterling with a nominal interest rate of 3% (2023: 3%).

The loans are interest only and the principal can be called in on or after 30 June 2026.

#### Bank borrowings

Bounce back loan is denominated in sterling with a nominal interest rate of 2.5% (2023: 2.5%), and the final instalment is due on 1 December 2027. The carrying amount at year end is £18,753 (2023: £25,183).

Capital is repayable in 60 monthly instalments of £535.82.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 13 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>				
<i>General</i>				
General Fund	216,000	136,725	(73,135)	279,590
<b>Restricted funds</b>				
Borrowwash Lock Improvements	1,164	-	(861)	303
Sandiacre Lock Fund	108,498	-	(240)	108,258
Draycott Golden Mile Project	190,070	-	(21,209)	168,861
River Boat Fund	696	-	(696)	-
Co-op S&S Equipment Fund	2,239	2,983	(2,841)	2,381
Derby Waterside Study	8,000	-	(8,000)	-
Draycott Cottages Fund	5,049	-	(5,049)	-
Social Meetings Fund	305	-	(186)	119
Eddy's Bench	478	-	(478)	-
Water Voles	359	-	(299)	60
<b>Total restricted funds</b>	<u>316,858</u>	<u>2,983</u>	<u>(39,859)</u>	<u>279,982</u>
<b>Total funds</b>	<u>532,858</u>	<u>139,708</u>	<u>(112,994)</u>	<u>559,572</u>

The specific purposes for which the funds are to be applied are as follows:

Borrowwash Lock Improvements: To enable works on Borrowwash Lock.

Sandiacre Lock Fund: To enable works to excavate Sandiacre Bottom Lock.

Draycott Golden Mile Project: To convert a 3/4 mile drainage ditch to a navigable canal.

River Boat Fund: To establish a River Boat on the Derwent.

The Co-op S&S Equipment Fund is from several local Co-op stores to fund expenditure on equipment to maintain the canal path in the Sandiacre to Spondon areas.

The Derby Waterside Study is funding from Derby City Council to fund a feasibility study for the Derby Arm, river Derwent and city centre waterside.

Draycott Cottages Fund: To provide funds for the restoration of Cottages at Draycott.

Social Meetings Fund: A donation to fund costs of providing members monthly meetings.

Eddy's Bench: A donation from friends of past Society Chairman Eddy Case to fund a memorial bench.

Water Voles: Funds collected to assist the protection and relocation of water voles at Draycott.

**The Derby & Sandiacre Canal Trust Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2024**

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>General</b>					
General Fund	193,614	71,689	(47,511)	(1,792)	216,000
<b>Restricted</b>					
Borrowwash Lock Improvements	-	1,205	(41)	-	1,164
Sandiacre Lock Fund	115,789	-	(5,593)	(1,698)	108,498
Draycott Golden Mile Project	194,569	-	(4,500)	1	190,070
River Boat Fund	12,564	-	(4,715)	(7,153)	696
Co-op S&S Equipment Fund	-	181	(852)	2,910	2,239
Derby Waterside Study	40,000	-	(32,000)	-	8,000
Draycott Cottages Fund	-	1,500	(3,758)	7,307	5,049
Social Meetings Fund	-	-	(120)	425	305
Eddy's Bench	-	478	-	-	478
Water Voles	-	359	-	-	359
<b>Total restricted funds</b>	<u>362,922</u>	<u>3,723</u>	<u>(51,579)</u>	<u>1,792</u>	<u>316,858</u>
<b>Total funds</b>	<u>556,536</u>	<u>75,412</u>	<u>(99,090)</u>	<u>-</u>	<u>532,858</u>

**14 Analysis of net assets between funds**

	Unrestricted		2024
	General £	Restricted £	Total funds £
Tangible fixed assets	692,493	-	692,493
Current assets	232,244	279,982	512,226
Current liabilities	(21,824)	-	(21,824)
Creditors over 1 year	(623,323)	-	(623,323)
<b>Total net assets</b>	<u>279,590</u>	<u>279,982</u>	<u>559,572</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted		2023
	General £	Restricted £	Total funds £
Tangible fixed assets	693,783	-	693,783
Current assets	157,299	316,858	474,157
Current liabilities	(11,759)	-	(11,759)
Creditors over 1 year	(623,323)	-	(623,323)
Total net assets	<u>216,000</u>	<u>316,858</u>	<u>532,858</u>

#### 15 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2024 £	2023 £
Independent examination	600	570
	<u>600</u>	<u>570</u>

#### 16 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 17 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

#### 18 Related party transactions

##### Personal loans

Throughout the year the charity had the following related party loans outstanding

Paul Horton-Turner, Director, £26,000

William David Savidge, Director, £10,000

Chris Madge, Director, £200,000

Anne Madge, Director's spouse, £30,000.

These loans were made to enable the purchase of the Cottages property and land and earn interest at 3% p.a. as described in note 11.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 19 Fixed asset investments

##### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
<b>Subsidiary undertakings</b>					
The Derby Canal Co Limited	England & Wales	Ordinary Shares of £1	100%	100%	to raise funds for the restoration and maintenance of The Derby Canal

**THE DERBY AND SANDIACRE CANAL TRUST LIMITED**

England & Wales - Charity number 1042227

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# Accounts

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Company registration number: 02986417

Charity registration number: 1042227

# The Derby & Sandiacre Canal Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

## The Derby & Sandiacre Canal Trust Limited

### Reference and Administrative Details

<b>Trustees</b>	Christopher Madge, Chairman Michael Wingfield Derek Troughton Val Clare Paul Horton-Turner Kevin Miller Christopher ReesFitzPatrick David Savidge Mike Snaith
<b>Charity Registration Number</b>	1042227
<b>Company Registration Number</b>	02986417
<b>Registered Office</b>	62 Broadway, Duffield Belper Derbyshire DE56 4BU
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023.

### Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Christopher Madge, Chairman
	Michael Wingfield
	Derek Troughton
	Val Clare
	Paul Horton-Turner
	Kevin Miller
	Christopher ReesFitzPatrick
	David Savidge
	Mike Snaith
	Maggie Throup MP (resigned 17 November 2022)

### Advisory Committee members

Cllr P Watson nominated by South Derbyshire District Council  
Cllr C Poulter nominated by Derby City Council (stepped down in May 2023)  
Cllr Hickton nominated by Derbyshire County Council  
Cllr T Scott nominated by Erewash Borough Council  
J Baylis BEM nominated by Inland Waterways Association (deceased 7th July 2022)  
Cllr P Ingalls nominated by Derby City Council (appointed in May 2022, stepped down in May 2023)  
Cllr H Dhindsa nominated by Derby City Council (appointed in May 2023)  
Cllr K Morgan-McGeehan nominated by Derby City Council (appointed in May 2023)  
Maggie Throup MP (appointed 17th November 2022)

### Structure, governance and management

#### *Nature of governing document*

The Derby and Sandiacre Canal Trust Ltd is a company limited by guarantee and a registered charity. It is operated under the rules of its memorandum and articles of association dated 3/11/1994 which was most recently amended on 10/4/2019. It has no share capital and the liability of each subscriber in the event of winding-up is limited to £1.

#### *Recruitment and appointment of trustees*

In accordance with Article 16 of the new Constitution, a third of all Directors retire at the Annual General Meeting and being eligible, offer themselves for re-election. New Directors are invited to join the Trustees based on their knowledge and experience of the canal project and their appointments are subject to approval at the Annual General Meeting. In addition to the Directors, Advisory Committee Members are appointed by the Four Local Authorities on an annual renewable basis being drawn from Councillors and/or Senior members of staff, or by the membership of Restoration Partners. The local member of parliament for Erewash, the constituency containing the largest length of the Derby Canal, is also appointed.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### *Major risks and management of those risks*

#### *Risk management*

Major risks to the Trust have been reviewed and systems and procedures with comprehensive insurance put into place to manage those risks, including regular review at Board meetings. Major changes are communicated to the Board at monthly meetings and to the Advisory Committee quarterly.

A key risk is that one section of the canal line owned by the Trust is in water and the Trust is aware of its land drainage responsibilities to prevent flooding of neighbours. The risk is managed by periodic inspection and clearance of drainage channels and is the subject of works expected to be completed in 2024 to eliminate the risk.

In view of the increasing complexity in operations and prospective diversity of income generated from a trip boat and rental of the restored cottage development the Trust has engaged expertise to advise on its structure and tax management. The recommendations received to create a trading subsidiary have been completed and the Trust continues to seek external expertise to mitigate risks. The Trust is also actively seeking and finding additional volunteer expertise to ensure its work and use of funds is effective and with the minimum of risk.

During this period, the Trip Boat has been sold (at the cost of £76,252) to the trading subsidiary, along with the associated power supply (£7,151). The trading subsidiary will operate the Trip Boat henceforth.

### **Financial review**

The Statement of Financial Activities for the year is set out within the financial statements. A summary of the financial results and the work of the Charity is set out below:

Income to the Trust for 2022/23 of £75,311 consists mostly of restricted income from Draycott cottages compared to 2021/22 of £335,735 when significant donations were received.

### *Policy on reserves*

The Trust general reserves currently stand at £130,246, but much of this is represented by investment in fixed assets. The Trust aims to maintain a general reserve of cash of around £30,000. The reserves are set to ensure that we can meet possible liabilities when they fall due, maintain our equipment and also provide a funding buffer to allow the Trust to take advantage of small unforeseen opportunities, such as land purchase, as they occur.

### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust 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.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### Objectives and activities

#### *Objects and aims*

The objective of the Trust is to restore the former Derby Canal waterway from the Erewash Canal at Sandiacre to the Trent and Mersey Canal at Swarkestone via central Derby, as close as possible to the original route, thereby connecting Derby to the national canal network. In completing this objective, the Trust and its partners will seek to maximise the impact on the community's quality of life, primarily by encouraging active use of the waterway by individuals and clubs and creating and maintaining a water based environment that will support and encourage wildlife and the wider environment. This will also generate sustainable economic development, job creation through tourism and sports, and educational, heritage and leisure benefits for the City of Derby, the Borough of Erewash, South Derbyshire District and the East Midlands region generally. The Trust seeks to be the catalyst, not only for the canal restoration but also for the enhancement of the neighbouring land corridor, in partnership with local authorities, landowners, community and volunteer groups, developers and all neighbours and residents.

### Achievements and Performance

Over the last year the Trust has continued to be active in maintaining our assets including the owned sections of canal path and the Canal cottages development. We have attracted new volunteers to help with this physical work. We have also successfully sought out volunteers with expertise in civil engineering and finance to supplement the management team. Whilst we have a strong, committed and growing management team we continue to look to fill remaining gaps in our expertise, most notably for ecology support and fundraising.

During the last year we have also been able to promote our works more actively in the community by attending local shows and describing the challenges and successes of the project overall and section by section. We have received growing support from the public, local authorities and corporates for our work.

The canal cottages complex completed in 2022 continues to generate rental income for use on restoration and has been fully tenanted during the last year. Now that we have established tenancies the Trust have decided to take over direct management and avoid agency fees.

The Derby Riverboat has also continued to generate income by operating over the summer. We still await the delivery of a new pontoon, which will provide full wheelchair accessibility onto the boat. The City Council are currently commissioning a full engineering design solution, which can then be implemented. It is likely that the funds allocated by the City Council will be inadequate for the work and we are discussing funding options with them. It is now unlikely that it will be completed until spring 2024. River boat activities and financial outcomes are shown in the Derby Canal Co. Limited, the trading subsidiary of the Trust.

A good deal of behind the scenes activity has taken place to get us into a position to restore the Golden Mile in Draycott. We have commissioned an hydrology study and are discussing this with nearby landowners. Little progress has been made with the Network Rail claim to date. Additional expertise has been identified on a volunteer, pro bono and paid basis to manage the provision of quotations and management of contractors for the work required. We have continued to protect and monitor water voles and now look forward to completing the work during the summer of 2024.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

The Trust is delighted to have received a positive feasibility study around its proposals for the Derby Arm and Derby city centre developments. This has been delivered by Atkins and Katapult and combines the engineering considerations with those for attractions development. We are now using this to further progress this part of the project, in conjunction with a local developer and the Derby flood management plans. We recognise however that the funding climate through local and national government is looking particularly bleak at present.

At Sandiacre lock it has proved difficult to find a solution that works to satisfy Severn Trent, local residents, and conservation area requirements, but we continue to work to achieve this compromise. Funding for the project is strong for delivery of the agreed solution.

A good relationship continues with the developers at Lowes Lane, Sinfin Moor. We have also undertaken surveys to locate utility services south of the A50 that help us to design the path of the canal under the A50.

The Trust would like to thank the growing army of volunteers who have attended working parties, and in particular those people who have worked from home dealing with administration, fundraising, organising meetings, negotiating with suppliers, planners, council officers, etc. Without these people the Trust simply could not function effectively.

### Statement of Responsibilities

The trustees (who are also the directors of The Derby & Sandiacre Canal Trust Limited 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## The Derby & Sandiacre Canal Trust Limited

### Trustees' Report

The annual report was approved by the trustees of the charity on 28.11.2023 and signed on its behalf by:

  
.....  
Christopher Madge Chairman  
Trustee

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

## The Derby & Sandiacre Canal Trust Limited

### Independent Examiner's Report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

#### Independent examiner's report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2023.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also 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').

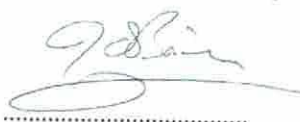
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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 matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company 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.



John O'Brien MSc, FAIA, FCCA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date: 19.12.2023

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	8,114	-	8,114	11,792
Charitable activities	3	59,591	3,723	63,314	322,586
Investment income	5	3,984	-	3,984	1,357
<b>Total Income</b>		<u>71,689</u>	<u>3,723</u>	<u>75,412</u>	<u>335,735</u>
<b>Expenditure on:</b>					
Charitable activities	6	<u>(47,511)</u>	<u>(51,579)</u>	<u>(99,090)</u>	<u>(163,221)</u>
<b>Total Expenditure</b>		<u>(47,511)</u>	<u>(51,579)</u>	<u>(99,090)</u>	<u>(163,221)</u>
Net income/(expenditure)		24,178	(47,856)	(23,678)	172,514
Transfers between funds		<u>(1,792)</u>	<u>1,792</u>	<u>-</u>	<u>-</u>
Net movement in funds		22,386	(46,064)	(23,678)	172,514
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>193,614</u>	<u>362,922</u>	<u>556,536</u>	<u>384,022</u>
Total funds carried forward	13	<u>216,000</u>	<u>316,858</u>	<u>532,858</u>	<u>556,536</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for the period is shown in note 13.

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	11,792	-	11,792
Charitable activities	3	11,720	310,866	322,586
Investment income	5	1,357	-	1,357
Total income		<u>24,869</u>	<u>310,866</u>	<u>335,735</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>(24,819)</u>	<u>(138,402)</u>	<u>(163,221)</u>
Total expenditure		<u>(24,819)</u>	<u>(138,402)</u>	<u>(163,221)</u>
Net income		50	172,464	172,514
Transfers between funds		<u>(1,000)</u>	<u>1,000</u>	<u>-</u>
Net movement in funds		(950)	173,464	172,514
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>194,564</u>	<u>189,458</u>	<u>384,022</u>
Total funds carried forward	13	<u>193,614</u>	<u>362,922</u>	<u>556,536</u>

The notes on pages 12 to 23 form an integral part of these financial statements.

## The Derby & Sandiacre Canal Trust Limited

(Registration number: 02986417)  
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	7	693,783	765,496
<b>Current assets</b>			
Debtors	8	139,369	10,992
Investments	9	100	100
Cash at bank and in hand		<u>334,688</u>	<u>426,672</u>
		474,157	437,764
<b>Creditors: Amounts falling due within one year</b>	10	<u>(5,329)</u>	<u>(10,506)</u>
<b>Net current assets</b>		<u>468,828</u>	<u>427,258</u>
<b>Total assets less current liabilities</b>		1,162,611	1,192,754
<b>Creditors: Amounts falling due after more than one year</b>	11	<u>(629,753)</u>	<u>(636,218)</u>
<b>Net assets</b>		<u>532,858</u>	<u>556,536</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	316,858	362,922
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>216,000</u>	<u>193,614</u>
<b>Total funds</b>	13	<u>532,858</u>	<u>556,536</u>

For the financial year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

#### Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

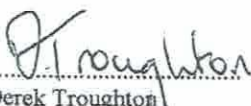
These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 12 to 23 form an integral part of these financial statements.

**The Derby & Sandiacre Canal Trust Limited**

**(Registration number: 02986417)**  
**Balance Sheet as at 31 March 2023**

The financial statements on pages 8 to 23 were approved by the trustees, and authorised for issue on ..28.11.2023... and signed on their behalf by:

  
.....  
Derek Troughton  
Trustee

The notes on pages 12 to 23 form an integral part of these financial statements.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 1 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### Basis of preparation

The Derby & Sandiacre Canal Trust 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 notes.

#### Going concern

The financial statements have been prepared on a going concern basis.

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 one year from the date of approval of the financial statements.

#### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2023

### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### 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.

### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Land & Buildings	Not depreciated

### Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations			
Donations from companies, trusts and similar proceeds	6,368	6,368	11,792
Donations from individuals	1,746	1,746	-
	8,114	8,114	11,792

### 3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Grants & donations	-	3,723	3,723	310,249
Memberships	7,581	-	7,581	8,571
Contract Work	-	-	-	1,055
Fundraising	768	-	768	1,764
Sales	1,282	-	1,282	947
Rent	49,960	-	49,960	-
	59,591	3,723	63,314	322,586

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Derbyshire County Council	-	1,270	1,270
Amazon Smile	83	-	83
Gift Aid	6,368	430	6,798
Other donations	907	626	1,533
CAF donations	756	1,397	2,153
	<u>8,114</u>	<u>3,723</u>	<u>11,837</u>

#### 5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	3,984	3,984	1,357
	<u>3,984</u>	<u>3,984</u>	<u>1,357</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Administrative costs	977	-	977	2,634
Bank charges	98	-	98	123
Depreciation	1,720	-	1,720	2,293
Rent and rates	555	-	555	360
Loan interest payments	11,269	668	11,937	1,534
River boat	40	1,739	1,779	8,129
Sandiacre & Draycott projects	-	4,500	4,500	660
Legal and professional	11,808	32,755	44,563	7,494
Canal maintenance	3,563	875	4,438	7,527
Sundry	272	-	272	627
Utilities	101	680	781	940
Marketing & publicity	930	-	930	627
Lock rebuilding	-	5,155	5,155	50,721
Draycott canal costs	-	-	-	75,436
Fundraising costs	304	-	304	303
Magazine costs	316	-	316	512
Training	420	-	420	440
Insurance	9,703	-	9,703	2,861
Licence and permits	491	2,209	2,700	-
Planning costs	118	234	352	-
Cottages renovation costs	-	1,403	1,403	-
Property maintenance	1,086	1,241	2,327	-
Social events	-	120	120	-
Property management fee	3,740	-	3,740	-
	<u>47,511</u>	<u>51,579</u>	<u>99,090</u>	<u>163,221</u>

**The Derby & Sandiacre Canal Trust Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2023**

**7 Tangible fixed assets**

	<b>Land and buildings £</b>	<b>Plant &amp; machinery £</b>	<b>River boat £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2022	702,366	20,426	76,252	799,044
Additions	6,258	-	7,151	13,409
Disposals	<u>-</u>	<u>-</u>	<u>(83,403)</u>	<u>(83,403)</u>
At 31 March 2023	<u>708,624</u>	<u>20,426</u>	<u>-</u>	<u>729,050</u>
<b>Depreciation</b>				
At 1 April 2022	20,000	13,548	-	33,548
Charge for the year	<u>-</u>	<u>1,719</u>	<u>-</u>	<u>1,719</u>
At 31 March 2023	<u>20,000</u>	<u>15,267</u>	<u>-</u>	<u>35,267</u>
<b>Net book value</b>				
At 31 March 2023	<u>688,624</u>	<u>5,159</u>	<u>-</u>	<u>693,783</u>
At 31 March 2022	<u>682,366</u>	<u>6,878</u>	<u>76,252</u>	<u>765,496</u>

Included within the net book value of land and buildings above is £688,624 (2022 - £682,366) in respect of freehold land and buildings and £Nil (2022 - £Nil) in respect of leaseholds.

Disposals - River boat and installed power supply have been sold at cost to the trading subsidiary, The Derby Canal Co Limited which now manages the operation of this trip boat.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 8 Debtors

	2023	2022
	£	£
Trade debtors	455	-
Due from group undertakings	49,711	-
Prepayments	979	4,780
Other debtors	88,224	6,212
	<u>139,369</u>	<u>10,992</u>

#### 9 Current asset investments

	2023	2022
	£	£
Shares in group undertakings and participating interests	<u>100</u>	<u>100</u>

#### 10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	4,645	3,582
Other loans	-	6,394
Accruals	684	530
	<u>5,329</u>	<u>10,506</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Bank borrowings

Bounce Back Loan is denominated in Sterling with a nominal interest rate of 2.5% (2022 - £3), and the final instalment is due on 1 December 2027. The carrying amount at year end is £25,183 (2022 - £31,612).

Capital is repayable in 60 monthly instalments of £535.82

#### Other borrowings

Loans from supporters with a carrying amount of £611,000 (2022 - £611,000) is denominated in Sterling with a nominal interest rate of 3% (2022 - 3%). The final instalment is due on 30 June 2026.

The loans are interest only and the principal can be called in on or after 30 June 2026.

#### 11 Creditors: amounts falling due after one year

	2023	2022
	£	£
Other loans	<u>629,753</u>	<u>636,218</u>

#### 12 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 13 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	193,614	71,689	(47,511)	(1,792)	216,000
<b>Restricted funds</b>					
Borrowwash Lock Improvements	-	1,205	(41)	-	1,164
Sandiacre Lock Fund	115,789	-	(5,593)	(1,698)	108,498
Draycott Golden Mile Project	194,569	-	(4,500)	1	190,070
River Boat Fund	12,564	-	(4,715)	(7,153)	696
Co-op S&S Equipment Fund	-	181	(852)	2,910	2,239
Derby Waterside Study	40,000	-	(32,000)	-	8,000
Draycott Cottages Fund	-	1,500	(3,758)	7,307	5,049
Social Meetings Fund	-	-	(120)	425	305
Eddy's Bench	-	478	-	-	478
Water Voles	-	359	-	-	359
<b>Total restricted funds</b>	<u>362,922</u>	<u>3,723</u>	<u>(51,579)</u>	<u>1,792</u>	<u>316,858</u>
<b>Total funds</b>	<u>556,536</u>	<u>75,412</u>	<u>(99,090)</u>	<u>-</u>	<u>532,858</u>

The specific purposes for which the funds are to be applied are as follows:

Borrowwash Lock Improvements: To enable works on Borrowwash Lock.

Sandiacre Lock Fund: To enable works to excavate Sandiacre Bottom Lock.

Draycott Golden Mile Project: To convert a 3/4 mile drainage ditch to a navigable canal.

River Boat Fund: To establish a River Boat on the Derwent.

The Co-op S&S Equipment Fund is from several local coop stores to fund expenditure on equipment to maintain the canal path in the Sandiacre to Spondon areas.

The Derby Waterside Study is funding from Derby City Council to fund a feasibility study for the Derby Arm, river Derwent and city centre waterside.

Draycott Cottages Fund: To provide funds for the restoration of Cottages at Draycott.

Social Meetings Fund: A donation to fund costs of providing members monthly meetings.

Eddy's Bench: A donation from friends of past Society Chairman Eddy Case to fund a memorial bench.

Water Voles: Funds collected to assist the protection and relocation of water voles at Draycott.

The transfer from the General fund to the restricted funds is to show the correct balance on these funds.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	194,564	24,869	(24,819)	(1,000)	193,614
<b>Restricted</b>					
Sandiacre Lock Fund	14,406	150,000	(48,617)	-	115,789
Draycott Golden Mile Project	170,273	100,000	(75,703)	-	194,570
River Boat Fund	4,779	18,123	(10,339)	-	12,563
Co-op S&S Equipment Fund	-	2,743	(3,743)	1,000	-
Derby Waterside Study	-	40,000	-	-	40,000
<b>Total restricted funds</b>	<u>189,458</u>	<u>310,866</u>	<u>(138,402)</u>	<u>1,000</u>	<u>362,922</u>
<b>Total funds</b>	<u>384,022</u>	<u>335,735</u>	<u>(163,221)</u>	<u>-</u>	<u>556,536</u>

#### 14 Analysis of net assets between funds

	Unrestricted		2023
	General £	Restricted £	Total funds £
Tangible fixed assets	693,783	-	693,783
Current assets	157,299	316,858	474,157
Current liabilities	(5,329)	-	(5,329)
Creditors over 1 year	(629,753)	-	(629,753)
<b>Total net assets</b>	<u>216,000</u>	<u>316,858</u>	<u>532,858</u>
	Unrestricted		2022
	General £	Restricted £	Total funds £
Tangible fixed assets	765,496	-	765,496
Current assets	74,842	362,922	437,764
Current liabilities	(10,506)	-	(10,506)
Creditors over 1 year	(636,218)	-	(636,218)
<b>Total net assets</b>	<u>193,614</u>	<u>362,922</u>	<u>556,536</u>

#### 15 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

	2023 £	2022 £
Independent examination	570	530
	<u>570</u>	<u>530</u>

#### 16 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 17 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

#### 18 Related party transactions

During the year the charity made the following related party transactions:

##### The Draycott Canal Cottages

On 30th June 2021 The Trust exercised an Option agreement to acquire the freehold interest of the Canal Cottages Property from Trustee Christopher Madge at a price of £195,000 being the original cost of the acquisition in derelict state in 2017 together with finance costs over the intervening four years.

At this point the expenditure by the Trust on refurbishment over the last four years has been added to the freehold and the total included as a property asset in the Trust's balance sheet.

The Directors and Trustees decided that the whole property should be retained in the Trust and used to generate rental income through its trading subsidiary, The Derby Canal Company Ltd. The cost of acquisition and development would be financed through loan funding. This funding has been provided on a fixed interest rate of 3% p.a. These loans are from supporters and directors of the Trust and are not repayable until June 30th 2026. The current rate of rate of rental income is well in excess of the loan interest paid annually.

#### Personal loans

Three Directors, and the spouse of one, have made personal loans to the Charity as follows:

Paul Horton-Turner, £26,000

William David Savidge, £10,000

Chris Madge, £200,000

Anne Madge, £30,000.

**The Derby & Sandiacre Canal Trust Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2023**

**19 Fixed asset investments**

**Details of undertakings**

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
<b>Subsidiary undertakings</b>					
The Derby Canal Co Limited	England & Wales	Ordinary Shares of £1	100%	100%	to raise funds for the restoration and maintenance of The Derby Canal

**THE DERBY AND SANDIACRE CANAL TRUST LIMITED**

England & Wales - Charity number 1042227

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# Accounts

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Company registration number: 02986417

Charity registration number: 1042227

# The Derby & Sandiacre Canal Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

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# **The Derby & Sandiacre Canal Trust Limited**

## **Reference and Administrative Details**

<b>Trustees</b>	Chris W J Madge, Chairman Michael Wingfield Derek Troughton Val Clare Paul N Horton-Turner Kevin Miller Christopher ReesFitzPatrick W David Savidge Mike Snaith Maggie Throup MP
<b>Charity Registration Number</b>	1042227
<b>Company Registration Number</b>	02986417
<b>Registered Office</b>	62 Broadway, Duffield Belper Derbyshire DE56 4BU
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2022.

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- Chris W J Madge, Chairman
- Michael Wingfield
- Derek Troughton
- Val Clare
- Paul N Horton-Turner
- Kevin Miller
- Christopher ReesFitzPatrick
- W David Savidge
- Mike Snaith
- Maggie Throup MP

### **Advisory Committee members**

Cllr P Watson, nominated by South Derbyshire District Council  
Cllr C Poulter, nominated by Derby City Council  
Cllr G Hickton, nominated by Derbyshire County Council  
Cllr T Scott, nominated by Erewash Borough Council  
John Baylis BEM, nominated by Inland Waterways Association, deceased 7 July 2022  
Cllr A Graves, nominated by Derby City Council, stepped down in May 2021  
Cllr P Ingalls, nominated by Derby City Council, appointed in May 2022.

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 3/11/1994 which was most recently amended on 10/4/2019. It has no share capital and the liability of each subscriber in the event of winding-up is limited to £1.

#### ***Recruitment and appointment of trustees***

In accordance with Article 16 of the new Constitution, a third of all Directors retire at the Annual General Meeting and being eligible, offer themselves for re-election.

New Directors are invited to join the Trustees based on their knowledge and experience of the canal project and their appointments are subject to approval at the Annual General Meeting.

In addition to the Directors, Advisory Committee Members are appointed by the Four Local Authorities on an annual renewable basis being drawn from Councillors and/or Senior members of staff, or by the membership of Restoration Partners.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### ***Major risks and management of those risks***

#### *Risk management*

Major risks to the Trust have been reviewed and systems and procedures with comprehensive insurance put into place to manage those risks, including regular review at Board meetings. Major changes are communicated to the Board at monthly meetings and to the Advisory Committee quarterly.

A key risk is that one section of the canal line owned by the Trust is in water and the Trust is aware of its land drainage responsibilities to prevent flooding of neighbours. The risk is managed by periodic inspection and clearance of drainage channels and is the subject of works expected to be completed in 2023 to eliminate the risk.

Volunteers are at risk from the Covid 19 virus. The Trust has consulted widely and implemented best practice procedures to minimise risks on working party activities. This has of necessity affected the frequency, composition and size of parties over the last year.

In view of the increasing complexity in operations and prospective diversity of income generated from a trip boat and rental of the restored cottage development the Trust has engaged expertise to advise on its structure and tax management. The recommendations to create a trading subsidiary have been completed.

### **Financial review**

The Statement of Financial Activities for the year is set out within the financial statements. A summary of the financial results and the work of the Charity is set out below:

Income to the Trust for 2021-22 was £335,735. During the year the Trust also accepted loans from supporters to fund the development costs of the Draycott Canal Cottages.

### ***Policy on reserves***

The Trust general reserves currently stand at £193,614, but much of this is represented by fixed assets. The Trust aims to maintain a general reserve of cash of around £30,000. The reserves are set to ensure that we can meet possible liabilities when they fall due, maintain our equipment and also provide a funding buffer to allow the Trust to take advantage of small unforeseen opportunities such as land purchase as they occur.

### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust 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.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### **Objectives and activities**

#### *Objects and aims*

The objective of the Trust is to restore the former Derby Canal waterway from the Erewash Canal at Sandiacre to the Trent and Mersey Canal at Swarkestone via central Derby, as close as possible to the original route, thereby reconnecting Derby to the national canal network.

In completing this objective the Trust and its partners will seek to maximise the positive impact on the community's quality of life, primarily by encouraging active use of the waterway by individuals and clubs and creating and maintaining a water based environment that will support and encourage wildlife and the wider environment. This will also generate sustainable economic development, job creation through tourism and sports, and educational, heritage and leisure benefits for the City of Derby, the Borough of Erewash, South Derbyshire District and the East Midlands region generally.

The Trust seeks to be the catalyst, not only for the canal restoration, but also the enhancement of the neighbouring land corridor, in partnership with local authorities, landowners, community and volunteer groups, developers and all neighbours and residents.

### **Achievements and Performance**

Over the last year the Trust has recovered from the disruption caused by Covid 19, with working parties back to full strength, although the aftermath of this and other macroeconomic impacts have affected the costs of operation quite considerably.

We completed the restoration/development of the Canal Cottages at Draycott in April 2022. All three cottages were let to local families on short term tenancies at market rates and a tenant agreed to operate the café at that time. The café opened on 7th May 2022 and has already attracted a good reputation and continues to grow its reputation and customer base. We are convinced that this will generate funds for restoration into the future. During the last year we have formally acquired the freehold, which together with development costs is shown as a land asset in the Trust's balance sheet. This asset has been funded by loans from supporters (including some trustees) at a fixed interest rate of 3% until June 2026. The Trust is already considering options for June 2026 to refinance supporter loans at that time.

The restoration of the Golden Mile in Draycott has not progressed as planned during the last year. Network Rail have accepted that they should pay for the destruction of part of the works ordered by them to mitigate Storm Christophe in 2020, but we have yet to agree the amount. In addition, the delay in works and resulting inflation of costs seen throughout the industry has generated a significant shortfall in funding to complete the project. The Trust is now looking at ways to crystallise the shortfall and raise the funds necessary to complete the project over the coming twelve months.

The Trust finally launched its Riverboat service on the River Derwent in Derby city centre in August 2022. The service cannot yet take disabled passengers, as it operates from a temporary starting point under Causey Bridge. However, the City Council have allocated funds to establish a new pontoon close by which will provide full accessibility. The current belief is that the pontoon will be ready for operation in spring 2023. The Trust would like to thank all volunteers who have been involved in establishing the service and offered their time to operate it.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

The Trust is awaiting a final report from Atkins on a feasibility study for the Derby Arm, a lock in the Longbridge weir in Derby city and a small canal basin opposite the Council House. Funding for this was provided by Derby City Council. Furthermore, the city's plans for post pandemic development have progressed very positively. The city now sees the river as central to future developments and are supportive of our vision. Plans are being progressed within the Our City, Our River flood defence programme to accommodate boat traffic and the associated commercial developments it brings.

We have progressed at Sandiacre with plans for the key sewer diversion. We have repossessed a section of land from a neighbour to allow the sewer to move and have undertaken detailed surveys of wildlife and soil conditions. Whilst we may have missed the opportunity to complete works in 2022 we have a constructive relationship with Severn Trent Water and neighbours and have every confidence that significant progress is now imminent.

We are also in discussion with developers of the Garden Village development at Lowes Lane, Sinfyn Moor. We have undertaken substantial working party effort to make safe and uncover the canal line between the A50 and Infinity Park Way. This provides evidence of the value of the canal to the 5,000 house development in providing much needed drainage options as well as leisure enhancements. We are hopeful that over the next few years we can get a kilometre of canal built down to the Trent and Mersey.

The Trust is actively working with other local canal bodies and with the Inland Waterways Association nationally where it is represented on several national policy and restoration fora.

The Trust would like to thank the growing army of volunteers who have attended working parties, and in particular those people who have worked from home dealing with administration, fundraising, organising meetings, negotiating with suppliers, planners, council officers, etc. etc. Without these people the Trust simply could not function effectively.

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of The Derby & Sandiacre Canal Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

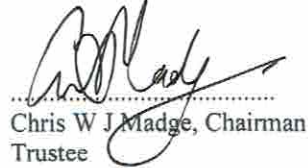
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## The Derby & Sandiacre Canal Trust Limited

### Trustees' Report

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 26/10/22 and signed on its behalf by:

  
.....  
Chris W J Madge, Chairman  
Trustee

#### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

## The Derby & Sandiacre Canal Trust Limited

### Independent Examiner's Report to the trustees of The Derby & Sandiacre Canal Trust Limited

#### Independent examiner's report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022.

#### Responsibilities and basis of report

As the charity's trustees of the company (and also 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 Company 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 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.

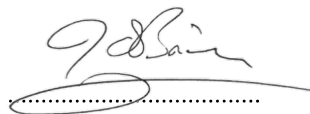
#### Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

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 that in any material respect:

1. accounting records were not kept in respect of the Company 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.



John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date: 7/11/2022

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	11,792	-	11,792	10,321
Charitable activities	3	11,720	310,866	322,586	344,314
Investment income	5	1,357	-	1,357	712
<b>Total Income</b>		<u>24,869</u>	<u>310,866</u>	<u>335,735</u>	<u>355,347</u>
<b>Expenditure on:</b>					
Charitable activities	6	(24,819)	(138,402)	(163,221)	(234,384)
<b>Total Expenditure</b>		<u>(24,819)</u>	<u>(138,402)</u>	<u>(163,221)</u>	<u>(234,384)</u>
Net income		50	172,464	172,514	120,963
Transfers between funds		(1,000)	1,000	-	-
Net movement in funds		(950)	173,464	172,514	120,963
<b>Reconciliation of funds</b>					
Total funds brought forward		194,564	189,458	384,022	263,059
Total funds carried forward	13	<u>193,614</u>	<u>362,922</u>	<u>556,536</u>	<u>384,022</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 13.

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	10,321	-	10,321
Charitable activities	3	8,548	335,766	344,314
Investment income	5	712	-	712
Total income		<u>19,581</u>	<u>335,766</u>	<u>355,347</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>(20,755)</u>	<u>(213,629)</u>	<u>(234,384)</u>
Total expenditure		<u>(20,755)</u>	<u>(213,629)</u>	<u>(234,384)</u>
Net (expenditure)/income		(1,174)	122,137	120,963
Transfers between funds		<u>18,197</u>	<u>(18,197)</u>	<u>-</u>
Net movement in funds		17,023	103,940	120,963
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>177,541</u>	<u>85,518</u>	<u>263,059</u>
Total funds carried forward	13	<u><u>194,564</u></u>	<u><u>189,458</u></u>	<u><u>384,022</u></u>

The notes on pages 12 to 21 form an integral part of these financial statements.

## The Derby & Sandiacre Canal Trust Limited

(Registration number: 02986417)  
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	7	765,496	134,916
<b>Current assets</b>			
Debtors	8	10,992	432,962
Investments	9	100	-
Cash at bank and in hand		426,672	207,794
		<u>437,764</u>	<u>640,756</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(10,506)</u>	<u>(391,650)</u>
<b>Net current assets</b>		<u>427,258</u>	<u>249,106</u>
<b>Total assets less current liabilities</b>		1,192,754	384,022
<b>Creditors: Amounts falling due after more than one year</b>	11	<u>(636,218)</u>	<u>-</u>
<b>Net assets</b>		<u>556,536</u>	<u>384,022</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	362,922	189,458
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>193,614</u>	<u>194,564</u>
<b>Total funds</b>	13	<u>556,536</u>	<u>384,022</u>

For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

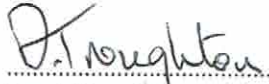
These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 12 to 21 form an integral part of these financial statements.

**The Derby & Sandiacre Canal Trust Limited**

**(Registration number: 02986417)  
Balance Sheet as at 31 March 2022**

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on ~~26/10/22~~ and signed on their behalf by:



Derek Troughton  
Trustee

The notes on pages 12 to 21 form an integral part of these financial statements.

# **The Derby & Sandiacre Canal Trust Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **1 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

The Derby & Sandiacre Canal Trust 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 notes.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

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 one year from the date of approval of the financial statements.

#### **Exemption from preparing a cash flow statement**

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Investment income**

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### 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.

### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	25% reducing balance

Depreciation is not charged on the Riverboat or freehold property as it is regularly maintained and considered to have a residual value in excess of the carrying value.

### Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations			
Donations from companies, trusts and similar proceeds	11,792	11,792	10,321
	<u>11,792</u>	<u>11,792</u>	<u>10,321</u>

## 3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Grants & donations	-	310,249	310,249	335,766
Memberships	8,571	-	8,571	7,588
Contract Work	1,055	-	1,055	700
Fundraising	1,764	-	1,764	260
Sales	330	617	947	-
	<u>11,720</u>	<u>310,866</u>	<u>322,586</u>	<u>344,314</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Legacy	-	150,000	150,000
Network Rail	-	100,000	100,000
Old Canal Society	4,500	-	4,500
Sundry donations	3,511	3,326	6,837
The Derby Canal Company	2,161	-	2,161
Gift Aid	1,620	-	1,620
Derby City Council	-	56,923	56,923
	11,792	310,249	322,041

#### 5 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,357	1,357	712
	1,357	1,357	712

#### 6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Administrative costs	2,352	282	2,634	2,539
Bank charges	123	-	123	-
Depreciation	2,293	-	2,293	3,057
Rent and rates	360	-	360	435
Loan interest payments	1,534	-	1,534	325
River boat	-	8,129	8,129	-
Sandiacre & Draycott projects	660	-	660	213,629
Legal and professional	7,274	220	7,494	9,597
General costs	-	-	-	2,064
Canal maintenance	5,578	1,949	7,527	-
Sundry	12	615	627	444
Utilities	940	-	940	25
Marketing & publicity	627	-	627	660
Lock rebuilding	68	50,653	50,721	-
Draycott canal costs	21	75,415	75,436	-
Fundraising costs	303	-	303	-
Packet costs	512	-	512	-

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Training	390	50	440	-
Insurance	1,772	1,089	2,861	1,609
	24,819	138,402	163,221	234,384

#### 7 Tangible fixed assets

	Land and buildings £	Plant & machinery £	River boat £	Total £
<b>Cost</b>				
At 1 April 2021	69,493	20,426	76,252	166,171
Additions	632,873	-	-	632,873
At 31 March 2022	702,366	20,426	76,252	799,044
<b>Depreciation</b>				
At 1 April 2021	20,000	11,255	-	31,255
Charge for the year	-	2,293	-	2,293
At 31 March 2022	20,000	13,548	-	33,548
<b>Net book value</b>				
At 31 March 2022	682,366	6,878	76,252	765,496
At 31 March 2021	49,493	9,171	76,252	134,916

Included within the net book value of land and buildings above is £682,366 (2021 - £49,493) in respect of freehold land and buildings and £Nil (2021 - £Nil) in respect of leaseholds.

#### 8 Debtors

	2022 £	2021 £
Prepayments	4,780	1,268
Other debtors	6,212	431,694
	10,992	432,962

#### 9 Current asset investments

	2022 £
Shares in group undertakings and participating interests	100

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	3,582	122,100
Other loans	6,394	268,149
Other creditors	530	1,401
	<u>10,506</u>	<u>391,650</u>

#### Bank borrowings

Bounce Back Loan is denominated in Sterling with a nominal interest rate of 2.5% (2021 - £3), and the final instalment is due on 1 December 2027. The carrying amount at year end is £31,612 (2021 - £32,149).

Capital is repayable in 60 monthly instalments of £535.82

#### Other borrowings

Loans from supporters with a carrying amount of £611,000 (2021 - £220,000) is denominated in Sterling with a nominal interest rate of 3% (2021 - 3%). The final instalment is due on 30 June 2026.

The loans are interest only and the principal can be called in on or after 30/06/2026.

#### 11 Creditors: amounts falling due after one year

	2022
	£
Other loans	<u>636,218</u>

#### 12 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 13 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	194,564	24,869	(24,819)	(1,000)	193,614
<b>Restricted funds</b>					
Sandiacre Lock Fund	14,406	150,000	(48,617)	-	115,789
Draycott Golden Mile Project	170,273	100,000	(75,703)	-	194,570
River Boat Fund	4,779	18,123	(10,339)	-	12,563
Co-op S&S Equipment Fund	-	2,743	(3,743)	1,000	-
Derby Waterside Study	-	40,000	-	-	40,000
<b>Total restricted funds</b>	<u>189,458</u>	<u>310,866</u>	<u>(138,402)</u>	<u>1,000</u>	<u>362,922</u>
<b>Total funds</b>	<u>384,022</u>	<u>335,735</u>	<u>(163,221)</u>	<u>-</u>	<u>556,536</u>
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	177,541	19,581	(20,755)	18,197	194,564
<b>Restricted</b>					
Sandiacre Lock Fund	14,548	-	(142)	-	14,406
Draycott Golden Mile Project	53,112	332,016	(213,487)	(1,368)	170,273
River Boat Fund	15,380	3,750	-	(14,351)	4,779
Machinery	2,478	-	-	(2,478)	-
<b>Total restricted funds</b>	<u>85,518</u>	<u>335,766</u>	<u>(213,629)</u>	<u>(18,197)</u>	<u>189,458</u>
<b>Total funds</b>	<u>263,059</u>	<u>355,347</u>	<u>(234,384)</u>	<u>-</u>	<u>384,022</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

The specific purposes for which the funds are to be applied are as follows:

Sandiacre Lock Fund: To enable works to excavate Sandiacre Bottom Lock.

Draycott Golden Mile Project: To convert a 3/4 mile drainage ditch to a navigable canal.

River Boat Fund: To establish a River Boat on the Derwent.

The Co-op S&S Equipment Fund is from several local coop stores to fund expenditure on equipment to maintain the canal path in the Sandiacre to Spondon areas.

The Derby Waterside Study is funding from Derby City Council to fund a feasibility study for the Derby Arm, river Derwent and city centre waterside.

The transfer from the General fund to the Co-op S&S Equipment Fund fund is to cover the full costs of this activity.

#### 14 Analysis of net assets between funds

	Unrestricted		2022
	General £	Restricted £	Total funds £
Tangible fixed assets	765,496	-	765,496
Current assets	74,842	362,922	437,764
Current liabilities	(10,506)	-	(10,506)
Creditors over 1 year	(636,218)	-	(636,218)
Total net assets	193,614	362,922	556,536
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	134,916	-	134,916
Current assets	451,298	189,458	640,756
Current liabilities	(391,650)	-	(391,650)
Total net assets	194,564	189,458	384,022

#### 15 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2022 £	2021 £
Independent examination	530	525
	530	525

#### 16 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## **The Derby & Sandiacre Canal Trust Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **17 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

#### **18 Related party transactions**

During the year the charity made the following related party transactions:

##### **The Draycott Canal Cottages**

On 30th June 2021 The Trust exercised an Option agreement to acquire the freehold interest of the Canal Cottages Property from Trustee Chris Madge at a price of £195,000 being the original cost of acquisition in derelict state in 2017 together with finance costs over the intervening four years.

At this point the expenditure by the Trust on refurbishment over the last four years has been added to the freehold and the total included as a property asset in the Trust's balance sheet.

The Directors and Trustees decided that the whole property should be retained in the Trust and used to generate rental income through it's trading subsidiary, The Derby Canal Company Ltd. The cost of acquisition and development would be financed through loan funding. This funding has been provided on a fixed interest rate of 3% p.a. These loans are from supporters and directors of the Trust and are not repayable until June 30th 2026. The current rate of rental income is well in excess of the loan interest paid annually.

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#### **Personal loans**

Three Directors, and the spouse of one, have made personal loans to the Charity as follows:

Paul Horton-Turner, £26,000

William David Savidge, £10,000

Chris Madge, £200,000

Anne Madge, £30,000.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 19 Fixed asset investments

##### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2022	2021	
<b>Subsidiary undertakings</b>					
The Derby Canal Co Limited	England & Wales	Ordinary Shares of £1	100%	0%	to raise funds for the restoration and maintenance of The Derby Canal

**THE DERBY AND SANDIACRE CANAL TRUST LIMITED**

England & Wales - Charity number 1042227

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# Accounts

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Company registration number: 02986417

Charity registration number: 1042227

# The Derby & Sandiacre Canal Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

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# **The Derby & Sandiacre Canal Trust Limited**

## **Reference and Administrative Details**

<b>Trustees</b>	C W J Madge Chairman V Clare P N Horton-Turner K Miller C ReesFitzPatrick W D Savidge M Snaith M Throup MP D Troughton M J Wingfield Vice Chairman
<b>Registered Office</b>	62 Broadway, Duffield Belper Derbyshire DE56 4BU
<b>Company Registration Number</b>	02986417
<b>Charity Registration Number</b>	1042227
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

### **Trustees**

C W J Madge Chairman

V Clare

P N Horton-Turner

K Miller

C ReesFitzPatrick

W D Savidge

M Snaith

M Throup MP

D Troughton (appointed 16 September 2020)

M J Wingfield Vice Chairman (appointed 16 September 2020)

E Case (resigned 15 October 2020)

### **Advisory Committee members**

Cllr P Watson, nominated by South Derbyshire District Council

Cllr C Poulter, nominated by Derby City Council

Cllr G Hickton, nominated by Derbyshire County Council

Cllr T Scott, nominated by Erewash Borough Council

John Baylis BEM, nominated by Inland Waterways Association

Greg Jennings, stepped down in May 2020

Cllr A Graves, nominated by Derby City Council, stepped down in May 2021

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 3/11/1994. Most recently amended on 10/4/2019. It has no share capital and the liability of each subscriber in the event of winding-up is limited to £1.

#### ***Recruitment and appointment of trustees***

In accordance with Article 16 of the new Constitution, a third of all Directors retire at the Annual General Meeting and being eligible, offer themselves for re-election.

New Directors are invited to join the Trustees based on their knowledge and experience of the canal project and their appointments are subject to approval at the Annual General Meeting.

In addition to the Directors, Advisory Committee Members are appointed by the Four Local Authorities on an annual renewable basis being drawn from Councillors and/or Senior members of staff, or by the membership of Restoration Partners.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### *Major risks and management of those risks*

#### *Risk management*

Major risks to the Trust have been reviewed and systems and procedures with comprehensive insurance put into place to manage those risks, including regular review at Board meetings. Major changes are communicated to the Board at monthly meetings and to the Advisory Committee quarterly.

A key risk is that one section of the canal line owned by the Trust is in water and the Trust is aware of its land drainage responsibilities to prevent flooding of neighbours. The risk is managed by periodic inspection and clearance of drainage channels and is the subject of works expected to be completed in 2021 to eliminate the risk.

The Trust is aware of moves to use the canal path from Sandiacre to Derby for a new tram route to connect Derby to the HS2 hub at Toton. This has diminished within the last year and becomes less plausible with each canal section restored.

Volunteers are at risk from the Covid 19 virus. The Trust has consulted widely and implemented best practice procedures to minimise risks on working party activities. This has of necessity affected the frequency, composition and size of parties over the last year.

In view of the increasing complexity in operations and prospective diversity of income generated from a trip boat and rental of the restored cottage development the Trust has engaged expertise to advise on its structure and tax management. The recommendations are to create a trading subsidiary. This has been enacted after the balance sheet date.

### **Financial review**

The Statement of Financial Activities for the year is set out within the financial statements. A summary of the financial results and the work of the Charity is set out below:

Income to the Trust for 2020/21 of £355,347 was an increase compared to 2019/20 (£226,751). The Trust collected the first instalment (£100,000) from Network Rail of its contribution to the Draycott Mile canal restoration. During the year the Trust also accepted loans from supporters to fund the development costs of the Draycott Canal Cottages.

### ***Policy on reserves***

The Trust general reserves currently stand at £241,684, but much of this is represented by fixed assets. The Trust try to maintain a general reserve of cash of around £30,000. The reserves are set to ensure that we can meet possible liabilities when they fall due, maintain our equipment and also provide a funding buffer to allow the Trust to take advantage of small unforeseen opportunities such as land purchase as they occur.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### **Objectives and activities**

#### ***Objects and aims***

The objective of the Trust is to restore the former Derby Canal waterway from the Erewash Canal at Sandiacre to the Trent and Mersey Canal at Swarkestone via central Derby, as close as possible to the original route, thereby connecting Derby to the national canal network.

In completing this objective the Trust and its partners will seek to maximise the impact on the community's quality of life, primarily by encouraging active use of the waterway by individuals and clubs and creating and maintaining a water based environment that will support and encourage wildlife and the wider environment. This will also generate sustainable economic development, job creation through tourism and sports, and educational, heritage and leisure benefits for the City of Derby, the Borough of Erewash, South Derbyshire District and the East Midlands region generally.

The Trust seeks to be the catalyst, not only for the canal restoration, but also the enhancement of the neighbouring land corridor, in partnership with local authorities, landowners, community and volunteer groups, developers and all neighbours and residents.

During the last year the Trust has been supported by the Derby & Sandiacre Canal Society, which is self-funding and its significant contribution, both financial and in volunteer time, is acknowledged. At 31st March 2021 the Society organisation was closed and its operations and assets absorbed into the Trust. This recognised that a single coordinated organisation can be operated more efficiently than two.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### Achievements and Performance

The trust has had an active year with progress on many fronts despite the restrictions imposed by the pandemic. Our construction project restoring the Canal Cottages at Draycott was critically assessed in the light of the government's advice that construction should continue. We reduced the number of volunteers, but moved from two days per week to 6 days per week and were able to pick up the pace again by June 2020. As a result, the project is now nearing completion. The Board and advisory Committee met to discuss the appropriate way to maximise value of the development. They concluded that we should retain ownership of the whole (at a cost of around £650k) and rent out the three cottages and café complex to generate ongoing income for restoration. This requires borrowings to cover the cost and Trustees have looked to provide 5 year fixed interest loans from supporters to fund this matter. This avoids the risk of short term interest rate rises and provides time to organise a refinance package based upon known income streams and therefore at more competitive costs for the Trust, whether that is from supporters or commercial lenders or a mix of the two. We expect the residential properties to be let in summer 2021 with the commercial properties ready around Christmas 2021.

The restoration of the Golden Mile commenced in December 2020 with a phase 1 plan to dig out a 300m stretch of canal towards Derby Road in Draycott. The protected water voles would then be captured in April and moved into the 300m already dug and the remaining stretch then completed during the summer. Unfortunately, Storm Christophe caused such flooding in January that work needed to be suspended and bunds removed to protect the Network Rail line from flooding. Work has recommenced in June, but vole movement and completion will now be delayed for at least 6 months and additional costs incurred. Network Rail have contracted to cover these costs.

The 300m stretch of canal at Spondon funded primarily by developers Wheeldon Brothers is now complete with ownership transferred to the Trust. We are preparing a plan for volunteers to enhance the towpath in due course. During the year Derby City Council have promoted a cycle path along the canal path from Megalaughton Lane to the city boundary. We are currently exploring with them how we might extend the canal to Anglers Lane as part of the extended cycle path.

Progress has been limited on the launch of the Derby Riverboat over the last year. The pandemic halted any plans for a river cruise in the confined space of a narrowboat. Whilst the boat is ready to go we are now trying to work through substantial bureaucracy introduced belatedly while we awaited the end of the pandemic. We now need to licence the boat and all boatmen individually and meet additional planning, legal and construction challenges.

The Trust continues to work closely with Councillors and officers to promote the proposed Derby Arm scheme for the land at the Derby Triangle site. We have been promised funding for an Atkins feasibility study for the Arm, a lock in the Long bridge weir in Derby city and a small canal basin opposite the Council House. City leaders are very supportive of this project as a significant means to bring the city to life post pandemic.

Attention is now turning to other projects for 2022. We have established a good working relationship with Severn Trent Water to negotiate the diversion of sewers. We now have a cost for the Sandiacre diversion and, whilst the cost is substantial, we are hopeful that this will be completed in 2022 allowing the lock chamber and Lock Lane bridge to be restored.

During the year we acquired a stretch of canal land from Sustrans. We are currently working with the local Rotary to determine how to enhance the footpath on this stretch at Breaston.

Work will be resumed at Borrowash Lock with the planned first post lockdown IWA Waterway Recovery Group work camp due to complete the lock structure in August 2021. We are delighted at the trust shown by the IWA in our operations to act as the test case.

## **The Derby & Sandiacre Canal Trust Limited**

### **Trustees' Report**

In summary we have managed to maintain substantial activity during the Covid spell. It is obvious that the benefit for volunteers to be able to get out and work safely has been a major impact on their mental health. The period has meant we have engaged with the public as more people explore their surroundings. This has provided more verbal support and encouragement and even an increase in people volunteering, which is most welcome. Our progress is always governed by the time we have available and also the funding we can raise. On the latter point it is evident that many grant bodies have turned to more direct relief of pandemic issues rather than our restoration, but we expect that to reverse during the coming year. We have certainly proved our ability to deliver and the worth of the project for mental health, economic activity and environmental benefit.

The Trust is actively working with other local canal bodies and with the Inland Waterways Association nationally where it is represented on several national policy and restoration fora.

The Trust would like to thank the growing army of volunteers who have attended working parties, and in particular those people who have worked from home dealing with administration, fundraising, organising meeting, negotiating with suppliers, planners, council officers, etc. etc. Without these people the Trust simply could not function effectively.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Derby & Sandiacre Canal Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 charitable company and of its incoming resources 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
C W J Madge Chairman  
Trustee

### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

## The Derby & Sandiacre Canal Trust Limited

### Independent Examiner's Report to the trustees of The Derby & Sandiacre Canal Trust Limited

#### Independent examiner's report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

#### Responsibilities and basis of report

As the charity's trustees of the company (and also 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 Company 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 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

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

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 that in any material respect:

1. accounting records were not kept in respect of the Company 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.

.....  
John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date:.....

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	(As restated) Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	10,321	-	10,321	28,860
Charitable activities	3	8,548	335,766	344,314	99,554
Investment income	5	712	-	712	182
<b>Total Income</b>		<u>19,581</u>	<u>335,766</u>	<u>355,347</u>	<u>128,596</u>
<b>Expenditure on:</b>					
Charitable activities	6	(20,755)	(213,629)	(234,384)	(13,641)
<b>Total Expenditure</b>		<u>(20,755)</u>	<u>(213,629)</u>	<u>(234,384)</u>	<u>(13,641)</u>
Net (expenditure)/income		(1,174)	122,137	120,963	114,955
Transfers between funds		18,197	(18,197)	-	-
<b>Net movement in funds</b>		17,023	103,940	120,963	114,955
<b>Reconciliation of funds</b>					
Total funds brought forward		177,541	85,518	263,059	148,104
Total funds carried forward	13	<u>194,564</u>	<u>189,458</u>	<u>384,022</u>	<u>263,059</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 13.

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds £	Restricted funds £	(As restated) Total 2020 £
	Note			
<b>Income and Endowments from:</b>				
Donations and legacies	2	28,860	-	28,860
Charitable activities	3	9,948	89,606	99,554
Investment income	5	182	-	182
Total income		<u>38,990</u>	<u>89,606</u>	<u>128,596</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>(6,597)</u>	<u>(7,044)</u>	<u>(13,641)</u>
Total expenditure		<u>(6,597)</u>	<u>(7,044)</u>	<u>(13,641)</u>
Net income		32,393	82,562	114,955
Transfers between funds		<u>61,901</u>	<u>(61,901)</u>	<u>-</u>
Net movement in funds		94,294	20,661	114,955
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>83,247</u>	<u>64,857</u>	<u>148,104</u>
Total funds carried forward	13	<u><u>177,541</u></u>	<u><u>85,518</u></u>	<u><u>263,059</u></u>

## The Derby & Sandiacre Canal Trust Limited

(Registration number: 02986417)  
Balance Sheet as at 31 March 2021

	Note	2021 £	(As restated) 2020 £
<b>Fixed assets</b>			
Tangible assets	10	134,916	102,822
<b>Current assets</b>			
Debtors	11	432,962	179,996
Cash at bank and in hand		<u>207,794</u>	<u>100,756</u>
		640,756	280,752
<b>Creditors: Amounts falling due within one year</b>	12	<u>(391,650)</u>	<u>(120,515)</u>
<b>Net current assets</b>		<u>249,106</u>	<u>160,237</u>
<b>Net assets</b>		<u>384,022</u>	<u>263,059</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	189,458	85,518
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>194,564</u>	<u>177,541</u>
<b>Total funds</b>	13	<u>384,022</u>	<u>263,059</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 9 to 19 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
D Troughton  
Trustee

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 1 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

The Derby & Sandiacre Canal Trust 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 notes.

#### Going concern

The financial statements have been prepared on a going concern basis.

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 one year from the date of approval of the financial statements.

#### Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### *Donations and legacies*

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### *Investment income*

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### 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.

### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	25% reducing balance
River boat	Nil until operational

Depreciation is not charged on the freehold property as it is regularly maintained and considered to have a residual value in excess of the carrying value.

At the year end the build of the river boat was incomplete until delivery of the river boat onto the Derwent the directors consider it imprudent to depreciate the costs incurred at this stage.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from donations and legacies

	<b>Unrestricted funds</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	10,321	10,321	28,860
	<u>10,321</u>	<u>10,321</u>	<u>28,860</u>

## 3 Income from charitable activities

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>General £</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants & donations	-	335,766	335,766	89,606
Membership	7,588	-	7,588	7,082
Contract work	700	-	700	1,666
Advertising	-	-	-	1,200
Fundraising	260	-	260	-
	<u>8,548</u>	<u>335,766</u>	<u>344,314</u>	<u>99,554</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Derbyshire City Council	-	3,712	3,712
Cooperative Store	913	-	913
Sundry	1,938	332,054	333,992
Gift Aid	7,470	-	7,470
	<u>10,321</u>	<u>335,766</u>	<u>346,087</u>

#### 5 Investment income

	Unrestricted funds  General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	712	712	182
	<u>712</u>	<u>712</u>	<u>182</u>

#### 6 Expenditure on charitable activities

	Unrestricted funds  General £	Restricted funds £	Total 2021 £	Total 2020 £
Administrative costs	2,539	-	2,539	3,122
Depreciation	3,057	-	3,057	2,476
Rent and rates	435	-	435	300
Spondon project	325	-	325	-
Independent examination fee	525	-	525	515
Sandiacre & Draycott projects	-	213,629	213,629	451
Legal and professional	9,072	-	9,072	-
General costs	3,673	-	3,673	1,616
Borrowwash project	-	-	-	5,136
Sundry	444	-	444	-
Water supply	25	-	25	25
Marketing & publicity	660	-	660	-
	<u>20,755</u>	<u>213,629</u>	<u>234,384</u>	<u>13,641</u>

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 7 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:  
Three trustees received reimbursements of £9,246 for goods purchased on behalf of the charity.

#### 8 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2021 £	2020 £
Independent examination	525	515
	525	515
	525	515

#### 9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 10 Tangible fixed assets

	Land and buildings £	Plant & machinery £	River boat £	Total £
<b>Cost</b>				
At 1 April 2020	53,493	15,626	61,901	131,020
Additions	16,000	4,800	14,351	35,151
At 31 March 2021	69,493	20,426	76,252	166,171
<b>Depreciation</b>				
At 1 April 2020	20,000	8,198	-	28,198
Charge for the year	-	3,057	-	3,057
At 31 March 2021	20,000	11,255	-	31,255
<b>Net book value</b>				
At 31 March 2021	49,493	9,171	76,252	134,916
At 31 March 2020	33,493	7,428	61,901	102,822

Included within the net book value of land and buildings above is £49,493 (2020 - £33,493) in respect of freehold land and buildings and £Nil (2020 - £Nil) in respect of leaseholds.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 11 Debtors

	2021 £	2020 £
Prepayments	1,268	1,186
Other debtors	431,694	178,810
	432,962	179,996

#### 12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	122,100	-
Other loans	268,149	120,000
Other creditors	1,401	515
	391,650	120,515

#### 13 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	177,541	19,581	(20,755)	18,197	194,564
<b>Restricted funds</b>					
Sandiacre Lock Fund	14,548	-	(142)	-	14,406
Machinery	2,478	-	-	(2,478)	-
Draycott Golden Mile Project	53,112	332,016	(213,487)	(1,368)	170,273
River Boat Fund	15,380	3,750	-	(14,351)	4,779
<b>Total restricted funds</b>	85,518	335,766	(213,629)	(18,197)	189,458
<b>Total funds</b>	263,059	355,347	(234,384)	-	384,022

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	83,247	38,990	(6,597)	61,901	177,541
<b>Restricted funds</b>					
Borrowwash Lock Improvements	-	5,580	(5,580)	-	-
Sandiacre Lock Fund	14,999	-	(451)	-	14,548
Machinery	-	3,188	(710)	-	2,478
'Packet Fund'	303	-	(303)	-	-
Draycott Golden Mile Project	45,274	7,838	-	-	53,112
River Boat Fund	4,281	73,000	-	(61,901)	15,380
<b>Total restricted funds</b>	<u>64,857</u>	<u>89,606</u>	<u>(7,044)</u>	<u>(61,901)</u>	<u>85,518</u>
<b>Total funds</b>	<u>148,104</u>	<u>128,596</u>	<u>(13,641)</u>	<u>-</u>	<u>263,059</u>

The specific purposes for which the funds are to be applied are as follows:

Sandiacre Lock Fund: To enable works to excavate Sandiacre Bottom Lock.

Machinery: To enable the Trust to acquire mechanised equipment.

Draycott Golden Mile Project: To convert a 3/4 mile drainage ditch to a navigable canal.

River Boat Fund: To establish a River Boat on the Derwent.

The transfer from the River Boat fund to the General fund represents the net book value of fixed assets, the use of which is not subject to any restriction.

The transfer from the Draycott Golden Mile fund to the General fund relates to monies previously spent from the General fund.

The transfer from the Machinery fund to the General fund is due to the monies no longer being restricted.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 14 Analysis of net assets between funds

	Unrestricted funds		2021 Total funds £
	General £	Restricted funds £	
Tangible fixed assets	134,916	-	134,916
Current assets	452,570	188,186	640,756
Current liabilities	(391,650)	-	(391,650)
Total net assets	195,836	188,186	384,022
	Unrestricted funds		
	General £	Restricted funds £	(As restated) Total funds at 31 March 2020 £
Tangible fixed assets	102,822	-	102,822
Current assets	195,234	85,518	280,752
Current liabilities	(120,515)	-	(120,515)
Total net assets	177,541	85,518	263,059

#### 15 Related party transactions

During the year the charity made the following related party transactions:

##### **The Draycott Canal Cottages**

In July 2017 a Trustee acquired the Canal Cottages freehold to allow the Trust to restore the last remaining contemporaneous building along the canal line. An option agreement has been signed to allow the Trust to purchase the freehold from the Trustee at rolled up cost before June 2021.

The Trust is restoring the cottages under a management agreement with the Trustee. Should the Option agreement not be exercised these costs will revert to and be borne by the Trustee. At the balance sheet date the Trust had expended £254,451 (2020 £165,156) on restoration of the Cottages. When the Trust acquires the freehold these costs will be added to the freehold cost in fixed assets. Until then these costs are treated as a debt recoverable from the Trustee.

##### **Loan**

Three directors have loaned £76,000. The spouse of a director also loaned £10,000..