

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

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
Charity Registration Number	1042227
Company Registration Number	02986417
Registered Office	62 Broadway, Duffield Belper Derbyshire DE56 4BU
Independent Examiner	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, Sinfin 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.

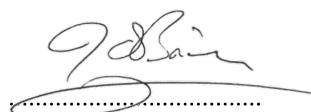
Independent examiner's statement

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 £
Income and Endowments from:					
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
Total Income		<u>24,869</u>	<u>310,866</u>	<u>335,735</u>	<u>355,347</u>
Expenditure on:					
Charitable activities	6	<u>(24,819)</u>	<u>(138,402)</u>	<u>(163,221)</u>	<u>(234,384)</u>
Total Expenditure		<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		<u>(1,000)</u>	<u>1,000</u>	<u>-</u>	<u>-</u>
Net movement in funds		(950)	173,464	172,514	120,963
Reconciliation of funds					
Total funds brought forward		<u>194,564</u>	<u>189,458</u>	<u>384,022</u>	<u>263,059</u>
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 notes on pages 12 to 21 form an integral part of these financial statements.

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

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.

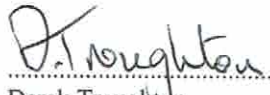
These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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:

Asset class	Depreciation method and rate
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
	<u>11,792</u>	<u>310,249</u>	<u>322,041</u>

5 Investment income

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

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
	<u>24,819</u>	<u>138,402</u>	<u>163,221</u>	<u>234,384</u>

7 Tangible fixed assets

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

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	<u>6,212</u>	<u>431,694</u>
	<u>10,992</u>	<u>432,962</u>

9 Current asset investments

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

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 £
Unrestricted funds					
<i>General</i>					
General Fund	194,564	24,869	(24,819)	(1,000)	193,614
Restricted funds					
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
Total restricted funds	<u>189,458</u>	<u>310,866</u>	<u>(138,402)</u>	<u>1,000</u>	<u>362,922</u>
Total funds	<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 £
Unrestricted funds					
<i>General</i>					
General Fund	177,541	19,581	(20,755)	18,197	194,564
Restricted					
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)	-
Total restricted funds	<u>85,518</u>	<u>335,766</u>	<u>(213,629)</u>	<u>(18,197)</u>	<u>189,458</u>
Total funds	<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	<u>193,614</u>	<u>362,922</u>	<u>556,536</u>
	Unrestricted		Total funds at
	funds	Restricted	31 March
	General	funds	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	<u>194,564</u>	<u>189,458</u>	<u>384,022</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:

	2022	2021
	£	£
Independent examination	530	525
	<u>530</u>	<u>525</u>

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 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 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	
Subsidiary undertakings					
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