

Registered number
05246504

CanalAbility

Report and Unaudited Accounts

31 March 2021

DOUGLAS JONES PHILLIPS LTD

Accountants

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Legal and Administrative Information

Trustees	M Balkham I Ramsay A Hayden C Fraser I Gates
Company Secretary	C Fraser
Company number	5246504
Charity number	1108452
Registered office	Lock View Burnt Mill Lane Harlow Essex CM20 2QS
Bankers	HSBC Bank PLC Canada Place Canary Wharf London E14 5AH

Foreword by Chair of Trustees

Here is my annual report as acting Chair of Trustees, for the year ending 31st March 2021;

CanalAbility on Prescription - Water as Therapy

What a year! If challenges are our greatest opportunities for learning, 2020 gave us enough material for a lifetime's education. Normally CanalAbility's learning is focussed on exploring how we can best make a real difference to the lives of our clients as well as our volunteers. This past year, it seems that much of our learning can equally be applied to our personal lives.

In response to Covid the country went into lockdown on Monday 23rd March and we closed down our operation on the 27th March 2020. Through careful planning we were able to suspend contracts and cut our costs by "moth balling" our boats and placing our staff on the furlough scheme. It was with regret that we had to lay off staff members towards the end of the year.

We still needed to meet our core costs and to be in a position to recommence operations when guidelines permitted. Through the hard work of our General Manager we accessed a number of generous grants from various sources including Essex Community Foundation and negotiated with Harlow Health Centres Trust the concession to reduce our loan to "interest free" and also suspended the actual repayments. Along with accessing various government business grants, we were able to stay afloat and we also focussed on adapting our procedures and training in readiness for re-opening our boating activities.

On reflection, we recognise that when faced with challenging and difficult circumstances, priorities can change. This is true for CanalAbility but this was in respect of how we were to survive the period of Covid. Our priorities may have shifted a little but our focus remains clearly on our clients and the provision of life-enhancing experiences.

During 2021/22 building "Resilience" will be at the forefront of the Charity. We know we will need to ensure we can be as responsive and adaptable as possible to the challenges which lie ahead. Our experience of Covid has shown us that we can meet unprecedented challenges when our energy, creativity and flexibility are put to the test. We know we will need to continue to be as responsive to meet the challenges of the future.

Beyond the pandemic, we will continue to have an important part to play. As never before, we will be needed to support people and communities in helping to improve their health and wellbeing. We will need to achieve this in an environment where we will experience great challenges in terms of welcoming our traditional cruisers back, greeting new cruisers and all on an initially reduced income. We will be facing significant financial pressures in the coming months and possibly years.

In order to maximise and stabilise our finances, we will need to remain agile and maintain an ability to make and execute decisions quickly. We will continue to develop the way we work and we will seek to diversify our income streams. Where advantageous, we will partner with other charities and organisations where this may provide mutual efficiency, savings and better outcomes.

Our trustees work hard to ensure the financial viability of the organisation and to nurture the fantastic team of volunteers without which our work would not be possible. We believe in the power of CanalAbility to change lives but we have no illusions about the reality of the challenges we face.

We are under no illusions that the future will be tough but opportunities will arise and with the dedicated support of our volunteers we expect CanalAbility to recover and look forward to a bright future.

More detail is available on our website www.canalability.org.uk and you can follow us on Facebook and Twitter @CanalAbility.

Marc Balkham, Acting Chair of Trustees

Principal Activities and Charitable Aims

The principal activity and charitable aim of the company is the provision of recreational and leisure facilities associated with canal boats, for people who by reason of their disability, youth, social or economic circumstances have need of such facilities, in order to improve their spiritual, mental and physical well-being. This is achieved by providing holidays, short breaks and day trips on specially adapted canal boats.

Objectives and Activities for the Public Benefit

The Charities Commission guidance on public benefit has been considered by Trustees and is a focus in ensuring that CanalAbility (the Charity) delivers its aims and objectives whilst complying with that guidance.

The Charity operates to make boating activities on the inland waterways accessible to people with disabilities and to community groups, enabling them to achieve the benefits and enjoyment such activities provide. The benefits include building confidence, motivation and personal development by empowering our users – especially those with disabilities – to achievements and aspirations not otherwise available. An appreciation and understanding of the river is encouraged and simply being ‘on the river’ delivers a spiritual and mental wellbeing.

The Charity operates three boats to provide day trips and holidays and short breaks. Users are encouraged to take an active part in the boating activities and a range of specialist equipment is provided to enable this for people with a wide range of disabilities. Our users include hospices, care homes, members of disability support groups, families, community groups and educational establishments.

To cover its operating costs, the Charity relies on grants and donations as well as the fees charged for the boats and facilities offered. In setting the level of fees Trustees give careful consideration to the accessibility to the services by those on low income.

Trustees Report

Trustees

The directors of the charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. CanalAbility has a board of Trustees who meet regularly and are responsible for the strategic direction and policy of the charity.

Marc Balkham Acting Chair of Trustees Elected as a Trustee December 2015

Marc decided to become a trustee after meeting with the people who work and volunteer for CanalAbility to promote positive experiences for the local community. His other big passion is music and Marc runs music projects for young adults with learning difficulties.

Ian Ramsay Director of Fleet & Site Re-elected September 2017

Ian joined CanalAbility in 2011 having found us online when looking for a canal boat holiday for a friend in a wheelchair. In January 2016 he took over as co-opted Trustee for fleet and moorings.

Before retiring Ian had a long history working as an engineer in the merchant navy, ending with 7 years as a Chief Engineer.

Anastasia Hayden Trustee Elected October 2017

Anastasia was born in Russia and saw first hand how a lack of support and funding affects local communities. She has lived in the UK for many years now but only moved to Harlow in 2017. She knew she wanted to contribute to the community by volunteering in a small charity so joined CanalAbility as a trustee.

Charles Fraser Company Secretary Elected October 2017

Charles has a long history of boat related activities and spent numerous holidays on canal boats. Charles qualified as a solicitor in 1997 and has been working at Longmore's Solicitors in Hertford since 2015.

Ian Gates Treasurer Elected March 2019

During Ian's career in business systems he has worked in many different industries and in many countries and will endeavour to bring these experiences to the benefit of the charity.

Statement of Trustee Responsibilities

Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees have overall responsibility for ensuring that the charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Employment Policy

The directors of the company are also the charity Trustees for the purpose of the charity law. Under the requirements of the Memorandum and Articles of Association the members of the management committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

Activities and Achievements

Introduction.

- The Coronavirus outbreak dominated throughout our financial year 2020/21. The first national lockdown was introduced in late March 2020 and throughout to the month of June. The next 12 months brought two more national lockdowns, stay at home rules, the 2m and 1m-plus rules, the 'rule of six' to name but a few.
- Although these rules often legally restricted us from opening up our operations, we also took the decision to remain suspended to ensure the safety of our clients, staff and volunteers.

Income

- Our income from boating activities through 2020/21 was negligible at 4K
- We were supported by the HMRC Job Retention scheme throughout 2021.
- Through the efforts of our General Manager and support staff, we applied for and received Grants from a number of national and local funding bodies for which we are extremely grateful. These have ensured that we can move into the next financial year, with restrictions easing, with confidence in our continued operations.

Grants, donations and fundraising

- We would like to once again thank our Funders, Sponsors and generous individual Donors, who continue to support us on a regular basis.

Expenditure

- Regrettably we made the decision to reduce our headcount which enabled us to reduce our overall Salary costs having met our statutory redundancy obligations. We plan to review our ongoing staffing requirements as we move out of the pandemic.
- Although our usual maintenance costs were reduced to the boating inactivity, we anticipate additional costs to support their relaunch.

Relaunch

- We reviewed the way we operate and the changes that needed to be made to enable us to resume our day and holiday cruises.
- Our operation will look and feel much different than it was in the past.
- A considerable amount of time had passed since the volunteers had their "Hands on the Tiller". That, together with the different procedures that had been put in place led to the development of a day's training course to update all our volunteers to prepare for re-opening with Covid safety at the forefront of our focus.
- We have used the time of closure to refurbish and reconfigure one of our boats to provide larger client space and better utilise our fleet.
- We continue to actively seek new volunteers who are the lifeblood of our boating activities.
- And finally...we did manage to showcase our boats when television celebrities Bob Mortimer and Paul Whitehouse spent time filming for their TV series, Mortimer & Whitehouse: Gone Fishing, on-board Stort Challenger. Bob said: "I remember approaching this beautiful river for the first time and thinking that everyone should be able to get a ticket that allows them to have a two-hour stare at this environment."

Finally, a huge thank you to our staff and trustees who work tirelessly to keep the charity afloat, our volunteers who carry out roles as diverse as skippering, maintenance and gardening and our clients who return time and time again to enjoy the therapeutic benefits that being out on the water brings to their health and wellbeing.

This report was approved by the Trustees and signed on its behalf

A handwritten signature in black ink, appearing to be 'Marc Balkham', written over a horizontal line.

Marc Balkham, Acting Chair of Trustees

Governance and Internal Control

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 30th September 2004 and registered as a charity on 4th March 2005. The charity had previously operated as an unincorporated body, charity number 1006432 registered in November 1991. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Governance and Internal Control

Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. All policies recommended by The Charity Commission are adopted and procedures are in place to ensure compliance with health and safety of staff, volunteers and clients. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity and Charity Commission

Reserves

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. It has a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least three months of the fixed running costs. The reserve target for 2020/21 was set at £30,000. The strategy is to build reserves through planned operating surpluses and increased fundraising.

Investment powers, policy and performance

Under the Memorandum and Articles of Association, the charity has the power to invest in line with its financial policy.

CANALABILITY

Statement of financial activities For the year ended 31st March 2021

		Unrestricted funds	Restricted funds	Year ended 31/03/21	Year ended 31/03/20
	Notes	£	£	£	£
Incoming resources					
Donations		4,409		4,409	5,387
Grants	1		49,128	49,128	10,279
HMRC Grants		17,277		17,277	
Sponsorship					
Fundraising events		3		3	380
Income from charitable activities		9,263		9,263	60,376
Income from investments		21		21	115
Total incoming resources		30,973	49,128	80,101	76,537
Resources expended					
Boat repair, maintenance and running costs		5,301	1,643	6,944	30,089
Staff costs	2	12,519	13,995	26,514	40,946
Training		85	20	105	923
Heat, Light & Power		33	716	749	777
Insurance		373	2,931	3,304	2,631
Advertising		87	76	163	4,338
Telephone		179	324	503	777
Office expenses		146	366	512	1,831
General expenses		640	5,569	6,209	3,620
Accountancy		(100)	777	677	710
Depreciation and amortisation		9,000		9,000	9,000
Loan interest		0		0	916
Total resources expended		(28,263)	(26,417)	(54,680)	(96,558)
Net incoming resources before other recognised gains and losses		2,710	22,711	25,421	(20,021)
Other recognised gains/losses					
Gains and losses on fixed assets		0	0	0	0
Transfers					
Gross transfers between funds		3,377	(3,377)	0	0
Net movement in funds		6,087	19,334	25,421	(20,021)
Total funds brought forward		55,754	16,865	72,619	92,640
Total funds carried forward		61,841	36,199	98,040	72,619

CANALABILITY
Income and Expenditure account
For the year ended 31st March 2021

	Year ended 31/03/21	Year ended 31/03/20
	£	£
Income	80,080	76,422
Total expenditure	54,680	96,558
Operating (deficit)/surplus	25,400	(20,136)
Income from investments	21	115
Gains and losses from disposals of fixed assets		
Net retained (deficit)/surplus for the financial period	<u>25,421</u>	<u>(20,021)</u>
All activities relate to continuing operations.		

CANALABILITY

Balance Sheet as at 31 March 2021

	Notes	31/03/21		31/03/20	
		£	£	£	£
Fixed assets					
Tangible assets	3		34,625		43,625
			<u>34,625</u>		<u>43,625</u>
Current assets					
Stocks			0		440
Cash at bank and in hand			<u>90,724</u>		<u>56,835</u>
			90,724		57,275
Creditors: amounts falling due within one year	4		(15,710)		(16,904)
Net current assets			75,014		40,371
Total assets less current liabilities			<u>109,639</u>		<u>83,996</u>
Creditors: amounts falling due after more than one year	5		(11,600)		(11,377)
Net assets			<u>98,039</u>		<u>72,619</u>
Funds					
Unrestricted	6		61,841		55,754
Restricted	7		36,198		16,865
			<u>98,039</u>		<u>72,619</u>

The trustees' statements required by the Companies Act 2006 are shown on the following pages which form part of this Balance sheet.

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Notes to the financial statements For the year ended 31st March 2021

Balance sheet (continued)

Trustees' statements required by the Companies Act 2006 For the year ended 31st March 2021

In approving these financial statements as Trustees of the company we hereby confirm;

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

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006

The trustees 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 profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board and signed on its behalf on 13/10/21



Trustee – I Gates

Independent Examiner's Report to the Trustees of CanalAbility

We report on the accounts for the Charity for the year ended 31 March 2021, which are set out on pages 2 to 18.

Respective responsibilities of the trustees and examiner

As the Charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of Section 43 (2) of the Charities Act 1993 (the Act) does not apply. It is our responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 43 (7)(b) of the Act, whether particular matters have come to our attention.

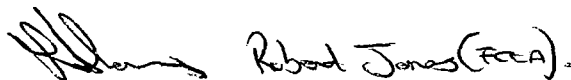
Basis of independent examiner's report

Our Examination was carried out in accordance with the General Directions given by the charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not express any audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with our examination, no matter has come to our attention.

- (i) which gives us reasonable cause to believe that in any material respect the requirement
 - to keep accounting records in accordance with section 41 of the Act and
 - to prepare accounts which accord with the accounting records and to comply with thehave not been met, or
- (ii) to which, in our opinion, attention should be drawn in order to enable a proper understanding of accounts to be reached



Douglas Jones Phillips Ltd
Accountants
33 High Street
Old Harlow
Essex
CM17 0DN

August 2021

CANALABILITY

Notes to the financial statements for the year ended 31 March 2021

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with FRS102, the Financial Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3 Resources expended

Resources expended are recognised in the year in which they are incurred.

Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.4 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and Machinery 5% / 10% on cost or valuation

1.5 Stocks

Stock is valued at the lower of cost and net realisable value.

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Notes to the financial statements for the year ended 31 March 2021

1 Grant Income	Unrestricted funds £	Restricted funds £	Year ended 31/03/21 £	Year ended 31/03/20 £
	0	49,128	49,128	10,279
Other Grants	<u>0</u>	<u>49,128</u>	<u>49,128</u>	<u>10,279</u>

2 Number of Employees

**Year ended
31/03/21**

**Year ended
31/03/20**

The average monthly number of employees
(excluding the trustees) during the period

<u>2</u>	<u>9</u>
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CANALABILITY

Notes to the financial statements for the year ended 31 March 2021

3 Tangible Fixed Assets

	Plant & Machinery £	Total £
Cost		
At 1 April 2020	232,156	232,156
At 31 March 2021	<u>232,156</u>	<u>232,156</u>
Depreciation		
At 1 April 2020	188,531	188,531
Charge for the Year	9,000	9,000
At 31 March 2021	<u>197,531</u>	<u>197,531</u>
Net Book Value		
At 1 April 2020	43,625	43,625
At 31 March 2021	<u>34,625</u>	<u>34,625</u>

4 Creditors: amounts falling due within 1 Year

	Year ended 31/03/21 £	Year ended 31/03/20 £
Other Loans	967	1,750
Deferred Income	6,088	8,434
Other Taxes and Social Security	0	(793)
Other Creditors	8,655	7,513
	<u>15,710</u>	<u>16,904</u>

5 Creditors: amounts falling due after 1 Year

	Year ended 31/03/21 £	Year ended 31/03/20 £
Other Loans	11,600	11,377
Total Loans		
Repayable in one year or less (note 4)	967	1,750
Repayable between one and two years	1,933	1,750
Repayable between three and five years	5,800	5,252
Repayable in five years or more	3,867	4,376
	<u>12,567</u>	<u>13,128</u>

CANALABILITY

Notes to the financial statements for the year ended 31 March 2021

6 Unrestricted Funds	01/04/20	Incoming	Outgoing	31/03/21
	£	£	£	£
General Funds	55,754	34,350	(28,263)	61,841
	<u>55,754</u>	<u>34,350</u>	<u>(28,263)</u>	<u>61,841</u>

Purposes of unrestricted funds

The unrestricted funds are available to be spent for any purposes of the charity, and include the funding of our fixed assets. The net assets not involved in the funding of boats currently stands at £27,216

7 Restricted Funds	01/04/20	Incoming	Outgoing	31/03/21
	£	£	£	£
Restricted Funds	16,864	49,128	(29,794)	36,198
	<u>16,864</u>	<u>49,128</u>	<u>(29,794)</u>	<u>36,198</u>

Purposes of restricted funds

The restricted funds are funds that have been given for designated purposes and projects.

8 Analysis of Net Assets between Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fund Balances at 31/03/21 represented by;			
Tangible Fixed Assets	34,625		34,625
Current Assets	54,526	36,198	90,724
Current Liabilities	(15,710)		(15,710)
Long Term Liabilities	(11,600)		(11,600)
	<u>61,841</u>	<u>36,198</u>	<u>98,039</u>