



**STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)**

**Trustees' Annual Report and Financial Statements**

**for the year ended 31 March 2022**

**Company Number 06860375 (England & Wales)**

**Charity Number 1130051**

# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

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# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

## DIRECTORS' REPORT For the year ended 31 March 2022

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The Directors/Trustees submit their Annual Report together with the financial statements for the year ended 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2019). As an incorporated charity this Trustees Annual Report also includes the Director's report as required by company law.

### 1 LEGAL AND ADMINISTRATIVE

COMPANY NUMBER	06860375	(England and Wales)	limited by guarantee
CHARITY NUMBER	1130051		
REGISTERED OFFICE and PLACE OF BUSINESS	Bell House Wallbridge Lock Wallbridge Stroud Gloucestershire GL5 3JS		
INDEPENDENT EXAMINERS	Randall & Payne LLP Chartered Accountants Chargrove House Shurdington Road Cheltenham GL51 4GA		
SOLICITORS	BPE Solicitors LLP St James St James Cheltenham GL50 3PR		
BANKERS	NatWest George Street Stroud GL5 3DT		
TRUSTEES	As per list of Directors in Section 3		
KEY MANAGEMENT PERSONNEL	Chair of the Board, plus Directors and Company Secretary		

# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

DIRECTORS' REPORT (cont'd)  
For the year ended 31 March 2022

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## 2 AIMS AND OBJECTIVES

The Stroud Valleys Canal Company's aim is:-

To work with Stroud District Council, Gloucestershire County Council, the Cotswold Canals Trust and the Company of Proprietors of the Stroudwater Navigation to effect the restoration of the Cotswold Canals.

The objects of the Charity are to preserve, maintain and improve the Cotswold Canals and their surrounding areas for the benefit of the public.

General Guidance on Public Benefit when reviewing the Board's objectives, activities and plans for the future.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### 3 THE BOARD

The Stroud Valleys Canal Company is both a charity and a company limited by guarantee.

The Company was constituted under Memorandum and Articles of Association dated 1 March 2009 and amended in 2 resolutions dated 6 May 2009 and 13 December 2018 which sets out the Company's objects and how it may operate.

The Company was registered as a charity with the Charities Commission on 9 June 2009

The Board of Directors fulfils the dual role of Trustees of the Charity and Directors of the Limited Company.

The Directors/Trustees who served during the year were:

Kenneth Burgin  
Geoffrey Dyer  
Martin (Fod) Barnes (appointed 7 May 2021)  
John Beatty  
Colin Hygate  
David Groom  
John Twydell  
Paul Winstanley (resigned 19 January 2022)  
Michael Lambert  
Neil Cathie (resigned 15 June 2021)  
Peter Rogol  
Matthew Lee  
David Swinburne (appointed 16 March 2022)

### 4 MEETINGS

The Board of Directors/Trustees, which manages the business of the Charity, meets regularly, usually monthly.

### 5 MEMBERSHIP

The Company had 4 members at the Balance Sheet date:

Stroud District Council

The Cotswold Canals Trust

Gloucestershire County Council

The Company of Proprietors of the Stroudwater Navigation

# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

DIRECTORS' REPORT (cont'd)  
For the year ended 31 March 2022

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## **6 DAY TO DAY MANAGEMENT AND ADMINISTRATION**

Sheila Harris, who had served as Company Secretary until her resignation on 30 June 2021, had undertaken day to day Management and Administration of the Charity. Administration is now undertaken by staff of Cotswold Canals Trust.

Advice and support has been provided by the Canal Project Team and the Asset Management Team of Stroud District Council.

## **7 METHODS ADOPTED FOR RECRUITMENT AND APPOINTMENT OF TRUSTEES**

Trustees who are appointed by member organisations are chosen by that organisation according to their own internal systems.

Independent Trustees are nominated by existing Trustees as having particular skills, expertise or knowledge which is considered useful to the Board as a whole.

The appointment of an independent Trustee must be agreed by all Members.

There are currently no personnel employed by the Charity.

## **8 INDUCTION AND TRAINING POLICY FOR TRUSTEES**

Trustees are provided with copies of current business plans and project plans.

A tour of the geographical area of the Canals is provided, if required.

New Trustees are advised to read the Charity Commission guidance for Trustees.

## **9 ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The organisation consists of the Board of Directors/Trustees and a Company Secretary.

All decisions are made at the monthly Board meeting, with information and advice provided by the Canal Project Team and Asset Management Team, both of Stroud District Council, where appropriate.

Exceptionally, decisions may be agreed electronically, and in emergencies, one Director may make decisions and seek approval as soon as is possible.



# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

DIRECTORS' REPORT (cont'd)  
For the year ended 31 March 2022

## 10 IDENTIFICATION OF MAJOR RISKS

The Charity, Stroud Valleys Canal Company (SVCC), is involved with the restoration of the Cotswold Canals. It is responsible for the maintenance of a six mile stretch of recently restored canal (Phase 1A) and partnered with Stroud District Council (SDC), the Cotswolds Canal Trust (CCT), Gloucester County Council (GCC) and the Canal & River Trust (C&RT) in their successful bid to the National Lottery Heritage Fund (NLHF) for a £9 million grant to permit the restoration of a further 4.5 miles of canal (Phase 1B) which would provide a connection into the 2500 mile national canal network.

Currently the maintenance of Phase 1A is being predominately funded by annual grants from SDC and CCT augmented by self generated income. Until a connection into the national network is achieved there will be no substantial income from licence and mooring fees and reliance on the annual grants will be crucial. Maintaining close relations with SDC and CCT is therefore extremely important and both organisations work closely with the SVCC Board.

The SVCC Board comprises professional volunteers who bring a wide and comprehensive set of knowledge and commercial experience to the table. Each Director is allocated a specific aspect for attention and management. One Director has extensive experience in risk assessment and management.

Whilst SVCC is not committed to contribute any cash to the Phase 1B work, they are a full Partner in the project. A major part of the grant application to NLHF is the SVCC Business Plan. This considers the twenty-five year operational period after connection to the national network is achieved. The plan has been subjected to extensive probabilistic risk assessment, the results of which provide great confidence in the future financial prospects of the Charity once Phase 1B is completed.

## FINANCIAL REVIEW

## 11 MAJOR GRANTS AND DONATIONS

The Charity acknowledges the major grants received from the Heritage Lottery Fund (HLF), and from South West Regional Development Agency (succeeded by Homes & Communities Agency, now Homes England), Stroud District Council, Cotswold Canals Trust and others towards the canal project.

Without these funds and donations the Restoration project would be unable to proceed.

# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

## DIRECTORS' REPORT (cont'd) For the year ended 31 March 2022

### 12 RESERVES POLICY

The Reserves of a charity are that part of a charity's income funds that is freely available for its general purposes. This excludes Restricted Funds (funds donated for a specific purpose).

The Balance Sheet of the Charity on 31 March 2022 shows Total Funds of £1,636,783 (2021 - £1,693,907) of which £146,153 (2021 - £146,153) is restricted.

The General fund at 31 March 2022 amounted to £1,428,306 (2021 - £1,509,860).

Designated Funds are funds which the Board has earmarked for particular projects.

The Board's Designated Infrastructure fund (2022 and 2021 - £11,324) will be applied in the coming year to the investigation of opportunities to derive value from silt extracted from the canal.

A further Designated Fund has been set up to mitigate against future costs which might be incurred at Dudbridge Hydro as a result of irrecoverable accidental losses. [2022- £5,000, 2021- £3,750]

A further Designated Fund has been established to build up reserves needed to cover the programme of lock gate replacements anticipated to be required until the mid 2060's. [2022 -£46,000, 2021 -£23,000]

Free Reserves are the amount of General Funds (including Designated Funds, but excluding Fixed Assets) which are available for the Board to spend. The Free Reserves at 31 March 2022 are £143,520 (2021 - £125,627)

The Board is aware of the need to:

- a. Secure the viability of the Charity beyond the immediate future.
- b. Absorb any financial setbacks and to take advantage of change and opportunities.
- c. Secure unrestricted funding for the longer term to cover the running costs of the Charity and provide reserves.

The Charity's Annual Budget incorporates planned expenditure matched by reserves plus forecast income in respect of the day to day activities. The Board believes, however, that it is prudent to keep a minimum reserve of £20,000 in the General Fund to cover unforeseen eventualities.

The Board will review its Reserves Policy once a year and will do its best to ensure that reserves are maintained at the agreed level.

### 13 FINANCIAL POSITION AT YEAR END

Due to the Covid pandemic, the financial position of the Charity appears better than originally anticipated, but only because of severe constraints on the amount of work that could be undertaken by Cotswold Canal Trust volunteers. As Covid restrictions are lifted, an expanded programme of activity is being introduced, which will inevitably absorb all the accumulated funds surplus achieved in the past two years. Income was derived primarily from grants and donations from Stroud District Council (£50k) and Cotswold Canals Trust (£39k), from electricity generation (£23K) and from water discharge fees (£16K). £28k was spent on acquiring equipment and boats and £33K on canal improvements in the form of winding holes, moorings and etc, as part of the programme of preparing the canal for its reconnection to the National network.

### 14 GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity 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. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies section. The effect of the Covid 19 Lockdown has been taken into account and is being closely monitored.



# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

DIRECTORS' REPORT (cont'd)  
For the year ended 31 March 2022

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## ACHIEVEMENTS AND PERFORMANCE

### 15 THE CHARITY'S ROLE WITHIN THE RESTORATION PARTNERSHIP

The Cotswold Canals Partnership comprises a large number of organisations including all the local authorities along the line of the canal, the Environment Agency, The Canal & River Trust, Natural England, the Inland Waterways Association and the Cotswold Canals Trust. The Charity continues to play an important role within the Partnership.

Phase 1A of the restoration programme is almost complete, and Phase 1B is being led by Stroud District Council and Cotswold Canals Trust.

The charity has continued to be actively involved in the Partnership's work of making an application to the National Lottery Heritage Fund to enable the second phase (1B) of the project to go ahead. The bid was approved in principle in September 2020 and Permission to Start is expected in due course.

The electronic Asset Register and Maintenance Plan has gone live and will prove over time to enable costed regular maintenance of the restored areas of canal to be included in future budgets as part of cost control measures. It provides an invaluable link between lengthsmen, volunteers and Managers from all organisations.

The Charity's website has been updated to provide canal users with full and timely information on using the canal. We are indebted to volunteers for working on this and the Asset Register on our behalf.

### 16 SUMMARY

Over the year the Trustees have worked closely with our partners on the Heritage Lottery Fund grant application. Key areas of involvement include Management and Maintenance, Risk Evaluation and Land Acquisition.

Whilst the lottery bid took up a lot of time, the task of keeping the assets of the canal in good order and managing our resources has continued. Much good progress has been achieved. Two parcels of additional land have been purchased with a view to providing moorings and manoeuvring facilities. A joint mooring venture has been established with one landowner.

We are able to fund equipment and materials needed for canal preservation and maintenance, placing reliance on volunteers from CCT and SDC for the majority of the necessary work. Members of the Waterway Recovery Group also provide working parties and carry out valuable tree cutting work, contributing to the ongoing health of the waterway.

During the year the Board has been re-structured with a number of additional Directors. The team currently consists of 11 Directors. Directors are drawn from appropriate backgrounds such that they can take responsibility for defined areas of activity. The Charity is thus well organised to take handle the challenges and take advantage of opportunities as they develop. This furthers long term viability and will lead to the ability to run the waterway successfully as it develops into an important addition to the national network.

The full effects of the Covid 19 lockdown are still being assessed. Essential maintenance work is being carried out in order to protect public rights of way. The Board is reviewing the situation regularly, and taking all steps to protect the volunteers and the public who use our canal.



# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

DIRECTORS' REPORT (cont'd)  
For the year ended 31 March 2022

## 18 STATEMENT OF DIRECTORS RESPONSIBILITIES

Company Law requires the Directors/ Trustees to prepare financial statements for each financial year which will give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Company for that year.

The Trustees consider that these Financial Statements give a true and fair view of the state of affairs of the Charity for this period.

In preparing those financial statements, the Directors/Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Directors/Trustees are responsible for:

- keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company
- ensuring that the financial statements comply with the Companies Act 2006;
- safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

## 19 ADVANTAGE HAS BEEN TAKEN OF EXEMPTIONS FOR SMALL COMPANIES

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

The trustees declare that they have approved the trustees' report above.

Chairman

Fod Barnes

Date: 14/October/2022



# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee

## REPORT OF THE INDEPENDENT EXAMINERS

### **Independent Examiner's Report to the Trustees of Stroud Valleys Canal Company**

I report to the Charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022 which are set out on pages 11 to 19.

### **Responsibilities and basis of report**

As the Charity 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').

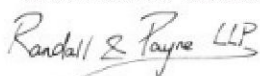
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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  
the accounts do not comply with the accounting requirements of section 396 of the 2006
3. 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  
the accounts have not been prepared in accordance with the methods and principles of
4. the Statement of Recommended Practice for accounting and reporting by charities

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.



Ryan Moore CA  
For and on behalf of Randall & Payne LLP  
Chargrove House  
Shurdington Road  
Cheltenham  
GL51 4GA

17 October 2022

# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 2022

				2022	Period ended 31 March 2021
	Notes	Unrestricted funds £	Restricted income funds £	Total funds £	Total funds £
<b>Income</b>	<b>2</b>				
Income and endowments from:					
Donations and legacies		87,040	25,430	112,470	103,415
Charitable activities		41,573	-	41,573	8,573
Other trading activities		-	-	-	26,146
Investments		91	-	91	1,335
Other		-	-	-	1,500
<b>Total</b>		<b>128,704</b>	<b>25,430</b>	<b>154,134</b>	<b>140,968</b>
<b>Expenditure</b>	<b>5</b>				
Expenditure on:					
Charitable Activities		176,234	-	176,234	164,458
Other		35,025	-	35,025	19,913
<b>Total</b>		<b>211,258</b>	<b>-</b>	<b>211,258</b>	<b>184,371</b>
Net income/(expenditure) before tax for the reporting period		<b>(82,554)</b>	<b>25,430</b>	<b>(57,124)</b>	<b>(43,403)</b>
<b>Net movement in funds</b>		<b>(82,554)</b>	<b>25,430</b>	<b>(57,124)</b>	<b>(43,403)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,547,754	146,153	1,693,907	1,737,310
Transfer of Funds		25,430	(25,430)	-	-
<b>Total funds carried forward</b>		<b>1,490,630</b>	<b>146,153</b>	<b>1,636,783</b>	<b>1,693,907</b>

# STROUD VALLEYS CANAL COMPANY (Limited by Guarantee)

## BALANCE SHEET as at 31 March 2022

Notes	Unrestricted funds £	Restricted income funds £	2022 Total £	31 March 2021 Total £
<b>FIXED ASSETS</b>				
Tangible Assets	6 1,347,110	86,153	1,433,263	1,508,279
<b>Total fixed assets</b>	<b>1,347,110</b>	<b>86,153</b>	<b>1,433,263</b>	<b>1,508,279</b>
<b>CURRENT ASSETS</b>				
Debtors	7 42,834	-	42,834	22,919
Cash at bank and in hand	114,420	60,000	174,420	172,507
<b>Total current assets</b>	<b>157,254</b>	<b>60,000</b>	<b>217,254</b>	<b>195,425</b>
<b>CREDITORS: amounts falling due within one year</b>	8 (13,734)	-	(13,734)	(9,798)
<b>NET CURRENT ASSETS/( LIABILITIES)</b>	<b>143,520</b>	<b>60,000</b>	<b>203,520</b>	<b>185,627</b>
<b>TOTAL NET ASSETS OR LIABILITIES</b>	<b>1,490,630</b>	<b>146,153</b>	<b>1,636,783</b>	<b>1,693,907</b>
<b>FUNDS OF THE CHARITY</b>				
Restricted Income Funds	13 -	146,153	146,153	146,153
Unrestricted Funds	1,490,630	-	1,490,630	1,547,754
<b>TOTAL FUNDS</b>	<b>1,490,630</b>	<b>146,153</b>	<b>1,636,783</b>	<b>1,693,907</b>

For the period 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 in accordance with section 476 of the Companies Act 2006.

The Directors/Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Signed by two trustees/directors on behalf  
of all the trustees/directors

Chairman Fod Barnes  
Date 14/04/22

Director/Trustee

Date 14/10/22

Signature of one director authenticating accounts  
being sent to Companies House

Chairman Fod Barnes  
Date 14/04/22



# STROUD VALLEYS CANAL COMPANY

## Notes to the financial statements for year end 31 March 2022

### 1. Statutory

Stroud Valleys Canal Company is a private limited company, limited by guarantee, registered in England and Wales. The company's registered number, registered office and principal place of business can be found on the legal and administrative page. The Director's/Trustee's report contains more information regarding the company's principal activities.

The presentation currency of the financial statements is in Pound Sterling (£).

### 2. Accounting policies

#### 2.1 Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 Section 1a for small entities, 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

#### 2.2 Incoming resources

Grants and donations are recognised in the accounts when the Charity has the rights to those funds and all external conditions are met. Where funds are subject to external conditions which have not been met at year end these have been dealt with as deferred income.

Where the nature of the grant is in substance a loan, in that it is potentially repayable and carries interest, then it is accounted for as a loan.

Other income is accounted for on an accruals basis so far as it is prudent to do so.

Rental income is included in Incoming Resources on an accruals basis, and is recognised in the year to which it relates.

#### 2.3 Restricted income

Where donors or funders specify that grants or donations, including capital grants are for a particular purpose, this income is included in incoming resources as restricted funds, and the relevant expenditure included in resources expended as restricted expenditure.

#### 2.4 Donated Assets and Services

Donated Assets and Services received are included in the accounts at a reasonable estimate of their open market value provided by either the donor or the Trustees. The services provided by volunteers are not given a value or included in the accounts.

#### 2.5 Income

The income shown includes assets donated to the Charity, such as canal structures which have been completed, e.g. new bridges. Transfers of freehold parcels of land are also included.

#### 2.6 Expenditure

Expenditure is recorded on the accruals basis.

Governance costs are those costs incurred in the governance of the Charity and its assets and are primarily associated with administrative, constitutional and statutory requirements.

Grants made are recognised when payments are made to the recipient.

## STROUD VALLEYS CANAL COMPANY

### Notes to the financial statements for year end 31 March 2022

#### 2.7 Tangible Fixed Assets

The freehold property owned by the Charity is considered to be a programme asset as it is held directly in pursuit of the organisation's charitable activities and is therefore included in the accounts at cost, or estimate of market value on acquisition where donated but not depreciated.

Where a value is provided in a funding agreement under which the asset is acquired, the asset is included in the accounts at that value.

Further purchases have been made using either funding grants provided by the Heritage Lottery Fund or the charity's own funds and are included at cost.

Dudbridge Hydro scheme is depreciated on a straight line basis at a rate of 10% per annum.

Assets which cost, or are valued at, in excess of £250 are capitalised where they are expected to have a useful life in excess of 1 year. However, items of expenditure to improve property which the Charity plans to demolish in the short to medium term will not be capitalised, and will instead be recognised as an expense in the year in which the costs are incurred. Equipment and Motors are depreciated on a straight line basis at a rate of 20% per annum. Boats are depreciated on a straight line basis at a rate of 10% per annum.

Canal structures are depreciated on a straight line basis over either 10 years in the case of mooring and landing stages or 25 years in the case of bridges.

Assets in the course of construction are not depreciated until brought into use.

#### 2.8 Heritage Assets

The charitable company owns the line of the Thames and Severn Canal, from its junction with the Stroudwater Canal to the basin at Brimscombe Port, together with the towpath, locks and the fixed bridges which have primarily been in existence since the eighteenth century. These were gifted to the Charity at no cost, and it is considered that they should not be included as a Heritage Asset on the Balance Sheet. It is not considered that the cost of obtaining a valuation would be justified by the usefulness of this information to the users of the accounts. Our Heritage Assets are accessible to the public at all times.

It is our policy only to acquire Assets which are an integral part of the Canal system. We aim to preserve and maintain all our Assets in order to provide a functional Waterway for the use of the public.

However, those structures which are new-built or where costs are associated in a complete repair are capitalised according to the costs involved. Thus new bridges are depreciated over 25 years.

#### 2.9 Taxation

As a registered Charity, the Company is generally exempt from Corporation Tax in connection with its direct charitable purpose, but not from VAT. The Charity is registered for VAT and relevant income and expenditure is included net of VAT. Where VAT is irrecoverable it is included within the expense item to which it relates.

#### 2.10 Going concern

The trustees have considered the financial risks that are relevant to the going concern, which are considered to be: the inability to meet its maintenance covenants under a lease. The Trustees believe that the Charity should be able to meet its commitments as they fall due, having considered a period of at least one year from the date of approval of these accounts. Therefore the Trustees consider the going concern basis to be appropriate for the preparation of the accounts.

## STROUD VALLEYS CANAL COMPANY

### Notes to the financial statements for year end 31 March 2022

#### 2.11 Financial Instruments

Financial Instruments are classified by the trustees as basic or advanced following the conditions in FRS 102 Section 11. Basic financial instruments are recognised at amortised cost using the effective interest method.

#### 2.12 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the year of the lease.

#### 2.13 Capital Commitments

As at the balance sheet date there were no current Capital Commitments

	2022	2021
3 EXAMINATION OF ACCOUNTS	£	£
Net incoming funds are stated after charging:		
Independent Examiners' remuneration	2,600	2,600

#### 4 JOINT ARRANGEMENTS

As disclosed in the Director's report, the Charity is part of the Cotswold Canals Partnership and has entered into funding agreements with the Heritage Lottery Fund (HLF) and South West Regional Development Agency (SWRDA), succeeded by Homes and Communities Agency (HCA), now Homes England, jointly with Stroud District Council for the purpose of restoring the Cotswold Canal. Funding has been received by the Charity in the form of freehold land from SWRDA under these arrangements, with the Charity taking joint responsibility for certain of the obligations to HLF and HCA.



STROUD VALLEYS CANAL COMPANY

Notes to the financial statements  
for year end 31 March 2022

5 TOTAL RESOURCES EXPENDED	2022			Year ended 31 March 2021	
	General Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£	£
<b>Charitable activities</b>					
Lease costs	2,250	-	-	2,250	2,250
Canal repair & maintenance	37,681	-	-	37,681	41,280
Depreciation in year	136,302	-	-	136,302	120,928
	<u>176,234</u>	<u>-</u>	<u>-</u>	<u>176,234</u>	<u>164,458</u>
<b>Other</b>					
Insurance	4,573	-	-	4,573	5,034
Solicitors fees	-	-	-	-	-
Examiners' remuneration	2,600	-	-	2,600	2,600
Other Professional fees	-	-	-	-	949
Administration services	11,386	-	-	11,386	8,987
Other costs	16,465	-	-	16,465	2,343
	<u>35,025</u>	<u>-</u>	<u>-</u>	<u>35,025</u>	<u>19,913</u>

No Trustees received remuneration during the period ended 31 March 2022 (2021: £nil). Details regarding reimbursement of expenses can be found within note 15.

6 TANGIBLE FIXED ASSETS  
Programme Assets

	Equipment & Motors £	Boats £	Structures £	Dudbridge Hydro scheme £	Land and Buildings £	Assets in the course of construction £	Total £
<u>At cost or valuation</u>							
At 31 March 2021	125,385	65,580	1,557,319	264,834	109,153	23,472	2,145,743
Additions	12,227	15,373	32,804	-	-	882	61,285
Transfers	-	-	-	-	-	-	-
Disposals	(20,000)	-	-	-	-	-	(20,000)
At 31 March 2022	<u>117,612</u>	<u>80,953</u>	<u>1,590,123</u>	<u>264,834</u>	<u>109,153</u>	<u>24,354</u>	<u>2,187,028</u>
<b>Accumulated</b>							
Depreciation at 31 March 2021	(81,604)	(24,595)	(330,631)	(200,633)	-	-	(637,463)
Depreciation in year	(37,709)	(5,198)	(66,912)	(26,483)	-	-	(136,302)
Eliminated on disposal	20,000	-	-	-	-	-	20,000
Total Depreciation	<u>(99,313)</u>	<u>(29,793)</u>	<u>(397,543)</u>	<u>(227,117)</u>	<u>-</u>	<u>-</u>	<u>(753,765)</u>
<b>Net Book Value as at:</b>							
31 March 2022	<u>18,299</u>	<u>51,160</u>	<u>1,192,580</u>	<u>37,717</u>	<u>109,153</u>	<u>24,354</u>	<u>1,433,263</u>
31 March 2021	<u>43,781</u>	<u>40,985</u>	<u>1,226,688</u>	<u>64,201</u>	<u>109,153</u>	<u>23,472</u>	<u>1,508,279</u>



# STROUD VALLEYS CANAL COMPANY

## Notes to the financial statements for year end 31 March 2022

	2022 £	Period ended 31 March 2021 £
<b>8 DEBTORS</b>		
Trade debtors	11,797	5,618
Prepayments and accrued income	19,875	12,515
VAT	11,163	4,785
	<u>42,834</u>	<u>22,919</u>
<b>9 CREDITORS</b>		
<b>Amounts falling due within one year</b>		
Trade creditors	-	-
Accruals and deferred income	5,629	8,945
Other creditors	8,105	853
	<u>13,734</u>	<u>9,798</u>
<b>Deferred income</b>		
Balance brought forward	5,282	7,545
Released in the year	(5,282)	(7,545)
Deferred in the year	5,505	5,282
Balance carried forward	<u>5,505</u>	<u>5,282</u>

The deferred income relates to income received in the current financial year but which relates to the following financial year.

	2022 Land & Buildings £	2021 Land & Buildings £
<b>10 FINANCIAL COMMITMENTS</b>		
The Charity had the following annual commitments under non cancellable operating leases:		
Expiring within one and five years	-	-
Expiring after more than five years	<u>2,250</u>	<u>2,250</u>

The Charity has an obligation to maintain the canal under the lease. The future minimum lease obligations amount to £1,970,000.

This valuation policy will be revisited once navigability has been restored.

## 11 MEMBERS' LIABILITY

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

# STROUD VALLEYS CANAL COMPANY

Notes to the financial statements  
for year end 31 March 2022

## 12 CONTINGENT LIABILITIES

The Charity has entered into joint arrangements for funding with Stroud District Council as described in note 4 which subjects the Charity to joint and severable liability for obligations of and funds received by Stroud District Council in connection with these arrangements.

These liabilities are not quantifiable.

## 13 STAFF COSTS

The Charity does not employ any staff.

## 14 FUNDS

2022

	As at 31 March 2021	Incoming resources for year	Outgoing resources for year	Funds transferred during year	Funds as at 31 March 2022
	£	£	£	£	£
General Fund	1,509,680	128,704	(211,258)	1,180	1,428,306
Designated Funds	38,074	-	-	24,250	62,324
Restricted funds contributions	-	25,430	-	(25,430)	-
Restricted Property Fund	86,153	-	-	-	86,153
Bonds Mill Bridge Fund	60,000	-	-	-	60,000
<b>Total Funds</b>	<b>1,693,907</b>	<b>154,134</b>	<b>(211,258)</b>	<b>-</b>	<b>1,636,783</b>

2022

Represented by:	Tangible Fixed Assets	Current assets	Current liabilities	Total
	£	£	£	£
General Fund	1,347,110	94,929	(13,734)	1,428,305
Designated Fund	-	62,324	-	62,324
Restricted Property Fund	86,153	-	-	86,153
Bonds Mill Bridge Fund	-	60,000	-	60,000
	<b>1,433,263</b>	<b>217,254</b>	<b>(13,734)</b>	<b>1,636,783</b>

The Property Restricted fund arises from property which has been gifted to the Charity following acquisition using Heritage Lottery Funds.

The Bonds Mill Bridge Fund arises from income donated towards the future repair and maintenance costs of Bonds Mill Bridge.

The Board has three designated funds. The first is for providing infrastructure to enable future income generation, for example, for the building of moorings and landing stages. The second is for funds to mitigate against unrecoverable accidental losses at Dudbridge Hydro Scheme. The third is a fund designed to build up sufficient funds over the next four decades to ensure the company has sufficient reserves to enable it to meet major outgoings on lock gate replacements. There was another designated fund in respect of repairs to Dudbridge Lower Lock, now completed.

## STROUD VALLEYS CANAL COMPANY

Notes to the financial statements  
for year end 31 March 2022

### 15 TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES

During the year, the company reimbursed expenses to directors as follows:

Neil Cathie	£16.07	(2021 - £Nil)
John Beatty	£109.95	(2021 - £Nil)
John Twydell	£188.76	(2021 - £Nil)

#### **Cotswold Canals Trust**

Matthew Lee and Kenneth Burgin are both directors of Cotswold Canals Trust. Cotswold Canals Trust provides grants to the company to enable it to carry out its work.

The Trust is a Charitable organisation, and as such the Trustees do not gain from any transaction.

Voluntary services were provided by members of the Trust at no cost to the Charity, other than a small amount of petty cash expenditure required by volunteers which was reimbursed by Stroud Valleys Canal Company to the volunteers.

#### **Company of Proprietors of the Stroudwater Navigation.**

Ken Burgin was a Director of the Company of Proprietors of the Stroudwater Navigation during the year.

### 16 PUBLIC BENEFIT

The Charity is a public benefit in that it is restoring the Thames & Severn Canal and the Stroudwater Canal for the benefit of canal users and towpath users.

### 17 CONTROL

The charitable company is controlled by its Board of Trustees.