

THE KENNET AND AVON CANAL TRUST, LIMITED

England & Wales · Charity number 209206

Details

Status Registered

Legal form Charitable company

Company number [00726331](#)

Registered 1962-09-13

Register [View on the Charity Commission register](#)

Contact

Address KENNET & AVON CANAL TRUST
The Wharf
Couch Lane
Devizes
SN10 1EB

Phone 01380721279

Email admin@katrust.org.uk

Website www.katrust.org.uk

Activities

Objects: THE KENNET AND AVON CANAL TRUST SEEKS TO: A) PROMOTE, FACILITATE, AND ASSIST IN THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE KENNET AND AVON CANAL AND ITS ASSOCIATED WATERCOURSES, TOWPATHS, STRUCTURES AND BUILDINGS;B) ADVANCE THE EDUCATION OF THE PUBLIC IN GENERAL OF THE SIGNIFICANCE OF THE KENNET & AVON CANAL AND ITS ASSOCIATED STRUCTURESC) PROTECT AND CONSERVE, OBJECTS, SITES AND BUILDINGS OF ARCHAEOLOGICAL, ARCHITECTURAL, ENGINEERING OR HISTORIC INTEREST ON, IN THE VICINITY OF, OR OTHERWISE ASSOCIATED WITH THE KENNET & AVON CANAL;D) PROMOTE AND FACILITATE RECREATIONAL USE OF THE KENNET AND AVON CANAL BY A WIDE SECTION OF THE COMMUNITY IN ORDER TO IMPROVE CONDITIONS OF LIFE FOR THE PUBLIC;

Activities: The Preservation, Promotion, Protection and Enhancement of the Kennet and Avon Canal by such means as the Trustees, after due consideration, may think fit.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Environment/conservation/heritage, Recreation, Other Charitable Purposes
- **Who:** The General Public/mankind

Geography

- Bath And North East Somerset
- Bristol City
- Reading
- West Berkshire
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£481,371	£456,304	-	-
2024-12-31	£585,368	£363,778	£1,284,780	4
2023-12-31	£445,695	£506,270	-	-
2022-12-31	£431,691	£476,805	-	-
2021-12-31	£326,178	£360,138	-	-
2020-12-31	£336,898	£453,783	-	-

Trustees

Name	Role	Appointed
Graham Stanley Puddephatt	Chair	2023-11-30
Alison Emily Cannon		2023-05-22
Captain Paul Steven Hanson		2024-05-20
Dr Deirdre Marcelle Nix		2025-01-27
Graham Philip Snook		2019-06-04
Jeremy Stuart Dixon		2024-03-14
Michael Bailey		2017-05-13
Michael John Corish		2024-11-25
Robert George Howard Dunton		2019-04-01
Sarah Alexandra Cooper		2026-06-06
TERENCE WILLIAM MUNDY		

THE KENNET AND AVON CANAL TRUST, LIMITED

England & Wales - Charity number 209206

Accounts

REGISTERED COMPANY NUMBER: 00726331 (England and Wales)
REGISTERED CHARITY NUMBER: 209206

**Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 December 2024
For
Kennet and Avon Canal Trust (The)**

**UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ**

Kennet and Avon Canal Trust (The)

**Contents of the Consolidated Financial Statements
for the Year Ended 31 December 2024**

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Kennet and Avon Canal Trust (The)

Report of the Trustees **for the year ended 31 December 2024**

The Trustees who are also directors of the charity and its subsidiary for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and its subsidiary for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Merger of subsidiary company into the Trust

Following agreement by the trustees in October 2024, the charity's subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, was merged into the charity on 31st December 2024, and all its assets transferred. This report will be the last consolidated report presented and from 1st January 2025, The Kennet & Avon Canal Trust has operated as a single company.

2024 in summary

- Comparable income from grants, donations and legacies for the Trust was £204,412 (compared with £105,800 in 2023). A further £486,294 in assets was donated to the Trust by Enterprise on its merger at year end.
- Commercial turnover in Enterprise increased from £248k to £290k. Operating costs, including staff were significantly reduced. Overall, the gross profit margin was increased from 55% to 69%. At year end, the assets of Enterprise were donated to the Trust, and this is reflected in a final profit figure of £2,282 for Enterprise.
- Net cashflow improved by 64% to £590,644. This was due to a combination of a significant legacy, improved trading income and reduced costs.
- This increase was reflected in the Trust's total funds at the year-end increasing by 21% to £1,284,780. This included £17,464 in restricted funds.

Introduction

The Trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Trust's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Our Purpose

The charitable objects of the Trust, as set out in its Articles of Association, are to:

- Promote, facilitate and assist in the conservation, protection and improvement of the Kennet and Avon Canal and its associated watercourses, towpaths, structures and buildings;
- Advance the education of the public in general of the significance of the Kennet and Avon Canal and its associated structures;
- Protect and conserve, objects, sites and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Kennet and Avon Canal; and
- Promote and facilitate recreational use of the Kennet and Avon Canal by a wide section of the community in order to

The Trustees have had due regard to the Charity Commissioner's guidance on public benefit.

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the year ended 31 December 2024

Review of 2024

(a) Overview

The Trust's achievements are heavily reliant on the contribution of the time and expertise of about four hundred volunteers, who mainly operate through the Trust's eight Branches. Our boats are exclusively crewed by volunteers, Crofton opening days are run almost entirely by volunteers, and our events and support for canal side work are delivered by volunteers. The safety and wellbeing of our volunteers and staff is therefore a priority for trustees.

At the end of 2024, the Trust employed three part-time members of staff, one at Crofton providing educational outreach and two centrally managing administration and finance.

(b) Trust Activities

Crofton

Crofton Branch is responsible for running Crofton Beam Engines, a Grade 1 listed site housing the oldest beam engine in the world still in its original location and still able to perform its original task.

In 2024 Crofton welcomed 2,921 visitors on its 14 Steaming Days, including 467 children. A further 400 visitors came along on its 17 non-steam days. Crofton is also active in outreach to local schools, led by its Learning and Community Development Officer.

Plans were prepared in 2024 for repairs to the Boiler House skylight and Pump House windows. A £30,000 appeal has been launched towards this cost and the work is now underway. The Smithy building, purchased from CRT in 2023 has been renovated and will be used as a learning and catering space in 2025.

Public Boat Trips

The Trust operates five Trip Boats along the canal, with bases at Bradford on Avon, Devizes, Hungerford, Newbury and Reading.

In 2024 these boats together ran over 600 public trips, providing more than 9,000 people with the opportunity to experience the delights of canal boating. As well as the regular trips this included many themed trips – Halloween, Pirate and Santa trips, Craft Beer, Gin tasting and Cream Tea trips plus Quiz and Music night trips. In addition, our Trip Boats ran over 150 chartered trips – private hires for family or community groups.

Maintaining the boat fleet involves significant fixed costs, for example in respect of licences, inspection by the Maritime & Coastguard Agency (MCA), mooring and insurance. This year The Rose of Hungerford had to undergo significant welding work to meet the increasingly stringent requirements of the MCA, and this provided an opportunity to improve the accessibility of the toilet.

All this was achieved despite environmental challenges, where water flow rates (Red Boards) limited our ability to offer trips on some parts of the canal at the beginning and end of the season.

Bruce Boats

Bruce Boats provides wheelchair accessible holidays and day trips from Great Bedwyn on four purpose built wide beam boats. A fifth boat (Lady Hilda) provides trips and development for youth organisations.

In 2024 there were 50 holiday hires, 68 day trips and 31 youth boat trips. Over 1400 disabled, disadvantaged and elderly people, including their family and friends, plus members of youth organisations were able to enjoy time on the canal that might otherwise not have been possible.

In addition, 32 hirers attended pre-hire training courses and 22 young people gained their NCBA Boat Handling Certificate as part of their Duke of Edinburgh Award.

Making this all happen requires a huge volunteer effort. Around 70 volunteers gave an estimated 7,000 hours of their time in 2024 to ensure that boats were maintained, cleaned, skippered and crewed throughout what was a busy, but very successful year for Bruce Boats.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the year ended 31 December 2024**

Other Activities

The Trust Museum at Devizes Wharf contains a fascinating collection of artefacts, displays and models that explain how the canal came to be built, why it fell into dereliction, and the amazing story of its restoration. The Trust also maintains an Archive of Kennet and Avon Canal related materials. It also publishes a magazine – The Butty – available in hard copy or digital format to members.

(c) Administration and governance

Health and Safety continued to be reviewed at all meetings of Trust Council, including both accidents and near misses.

A number of Trust policies have been reviewed or updated during the year, and all are published on the Trust's website .

Risk management

Risks relating to Trust and Enterprise activities fall under three main headings:

- **Health and Safety risks:** The health and safety of volunteers, staff and visitors is a key priority of the Trust. The Trust has established a Health and Safety Committee to keep its arrangements under review and has a contract with a Health and Safety Advisor to carry out audits and advise on improvements. Each boat operated by The Trust has a detailed safety manual, and crew training is an essential part of managing risks. These arrangements are overseen by the Director of Boats. Detailed risk assessments and method statements are also in place at Crofton.
- **Financial risks:** Financial risks include loss of income, failure to obtain grants for major projects, unexpected costs and losses through fraud or failure to achieve value for money in procurement. Cost risks include energy and fuel costs and unanticipated repair and regulatory costs particularly for Crofton Beam Engines, the Devizes Wharf building and the boats operated by The Trust.
- **Availability of other resources:** Our ability to recruit, train, retain and motivate our volunteers becomes more challenging as fewer people are retiring early. As the work undertaken by volunteers becomes more complex through regulation and also broadens, with a greater emphasis on engaging with new visitor audiences, more formal succession plans, and volunteer recruitment processes will be developed to help address this. Contingency plans are also being developed to reduce risks of staff non-availability and the loss of key volunteers.

Trustees have reviewed regularly the financial risks facing the Trust. The target minimum level of reserves remains at £150K, given uncertainty about both revenue and costs.

On the basis of the most recent projections and the increase in reserves noted above, Trustees are satisfied that the Trust has sufficient balances to maintain current activities in 2025. New projects are under consideration and trustees will ensure that free reserves in excess of the target minimum level are available, or external grant funding has been committed.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the year ended 31 December 2024**

STRUCTURE, GOVERNANCE AND MANGEMENT

Governing Document

The Trust was created by memorandum on 6th June 1962. It is governed by Articles of Association that were last updated in 2023. This document is the governing document of the charity which is a private company limited by guarantee without share capital.

Trustees are required to declare 'Persons of Significant Control' in the Companies House register. For the Trust there are no persons of significant control other than the Trustees listed. For our Enterprise trading company, the Trust has been listed as a legal entity with significant control. The declarations are available on the Companies House website.

The Trust Council (which is the Board of Directors of the company) currently comprises 10 Trustees. It meets bi-monthly to review Health and Safety issues, consider overall Trust strategy and policy, in particular in the light of reports on the management accounts, received reports from Branches and to take decisions on matters which are referred to Trust Council such as major expenditure commitments.

We are constantly looking for new Trustees, both inside and outside the Trust. Following interview by the Chairman and at least one other Trustee, recommendations are made to the Board; if approved, new Trustees are then co-opted onto Trust Council ahead of standing for election at the following AGM. New Trustees may also be nominated by members for election at the AGM. Each year one third of Trustees stand down and may offer themselves for re-election at the AGM.

In 2024, trustees reviewed the purpose and need for Enterprise as a separate trading company, as required by Charity Commission guidance. Formal advice was obtained, and a decision was made to merge the activities and assets of Enterprise into the Trust with effect from 31st December 2024.

The Enterprise Board met bi-monthly to review in more depth health and safety issues and operational matters relating to the passenger boats, and the three cafes, and financial performance. As a commercial trading company, the Enterprise Board focussed particularly on budgets, financial performance, risk management and commercial viability. The Board provided regular reports to Trust Council.

The Trust's eight branches (Bath & Bristol, Bradford on Avon, Devizes, Crofton, Bruce, Hungerford, Newbury and Reading) are each run by a Branch Committee which is formally a sub-committee of the Trust Council and usually selected by a meeting of local members, but subject to veto by Trust Council. Branches undertake the Trust's work in their area and often have practical control of a boat (or boats) or other operations. Branches submit annual budget bids and then have spending freedom within the approved budget subject to the provisions of a Finance Manual approved by Trust Council (and revised in 2024).

In addition, 2 members of staff provide a headquarters function supporting Trustees, Directors and branches, with a particular focus on Trust administration including matters such as insurance, managing boat booking, undertaking payments and banking, and ensuring compliance across a range of responsibilities.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trust's name is Kennet and Avon Canal Trust (The) and it is registered with Companies' House with the reference 00726331, and with the Charity Commission for England and Wales with the reference 209206.

The Trust's trading company is called The Kennet and Avon Canal Trust (Enterprise) Limited and is registered with Companies' House under the reference 02679756. After winding up activities are completed, it will be dissolved during 2025.

The principal and registered office for the Trust is Devizes Wharf, Couch Lane, Devizes, SN10 1EB and for Enterprise is Canal Visitor Centre, Couch Lane, Devizes, Wiltshire, SN10 1EB.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the year ended 31 December 2024

REFERENCE AND ADMINISTRATIVE DETAILS - CONTINUED

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows (those marked * were also Directors of Enterprise): Trustees:

M R Bailey	
A E Cannon	
R G H Dunton	
J S Dixon * (Treasurer)	Appointed 14 March 2024
T W Mundy	
G S Puddephatt * (Chairman)	
G P Snook *	
S C Hill *	Resigned 8 June 2024
M J Corish*	Appointed 25 November 2024
Captain P S Hanson*	Appointed 20 May 2024
D Nix	Appointed 28 February 2025

In addition, the following were Directors of Enterprise:

D C Hanlon	
G S Puddephatt (Chairman)	
Captain P S Hanson	
S C Hill	Resigned 8 June 2024
P B Kettel	Resigned 24 May 2024
M J Corish	Appointed 8 March 2024
G P Snook	Appointed 8 March 2024
J S Dixon	Appointed 31 May 2024

Independent Examiner

Kerry Hawkins
UHY Ross Brooke Chartered Accountants
31a Charnham Street
Hungerford
Berkshire RG17 0EJ

Banker

Lloyds Bank PLC
38 Market Place
Devizes
Wiltshire
SN10 1JD

Approved by order of the board of trustees on 19-5-25 and signed on its behalf by:

.....
G S Puddephatt - Trustee

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the year ended 31 December 2024

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Kennet & Avon Canal Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 operation.

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

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

On behalf of the board

.....
G S Puddephatt
Trustee

Date:

Kennet and Avon Canal Trust (The)

**Independent Examiner's Report to the Trustees of
Kennet and Avon Canal Trust (The)**

Independent examiner's report to the trustees of Kennet and Avon Canal Trust (The) ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the Trust (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 Group 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 can confirm that I am qualified to undertake the examination because I am a member of the ACCA.

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:

- 1 accounting records were not kept in respect of the Trust 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.



Kerry Hawkins FCCA
UHY Ross Brooke Chartered Accountants
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Date: 18.7.2025

Kennet and Avon Canal Trust (The)

**Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	204,412	-	204,412	105,800
Other trading activities	3	55,702	20,606	76,308	65,417
Commercial trading operation		284,919	-	284,919	261,384
Investment income	4	8,902	-	8,902	6,839
Other income		10,827		10,827	6,255
Total		564,762	20,606	585,368	445,695
EXPENDITURE					
Raising funds		7,418	-	7,418	5,581
Charitable activities					
Charitable activities		166,388	23,558	189,946	244,616
Commercial trading operations		166,414		166,414	256,073
Total		340,219	23,558	363,778	506,270
NET INCOME (EXPENDITURE)		224,543	(2,953)	221,591	(60,575)
Transfer between funds		(338)	338	-	-
Net movement in funds		224,205	(2,615)	221,591	(60,575)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,043,111	20,078	1,063,189	1,123,764
TOTAL FUNDS CARRIED FORWARD		1,267,316	17,464	1,284,780	1,063,189

Kennet and Avon Canal Trust (The)

**Consolidated Balance Sheet
31 December 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	686,850	-	686,850	705,271
CURRENT ASSETS					
Stocks	13	4,800	-	4,800	4,759
Debtors	14	23,461	-	23,461	13,964
Cash at bank and in hand		573,181	17,464	590,645	359,420
		601,442	17,464	618,906	378,143
CREDITORS					
Amounts falling due within one year	15	(20,975)	-	(20,975)	(20,225)
NET CURRENT ASSETS					
		580,466	17,464	597,931	357,918
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,267,316	17,464	1,284,780	1,063,189
PROVISIONS FOR LIABILITIES					
		-	-	-	-
NET ASSETS					
		1,267,316	17,464	1,284,780	1,063,189
FUNDS					
	16				
Unrestricted funds				1,267,316	666,912
Charitable subsidiary funds				-	376,199
Restricted funds				17,464	20,078
TOTAL FUNDS					
				1,284,780	1,063,189

Kennet and Avon Canal Trust (The)

**Consolidated Balance Sheet
31 December 2024**

The charitable group is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

(a) ensuring that the charitable group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable group as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
G S Puddephatt
Trustee

Kennet and Avon Canal Trust (The)

**Charity Balance Sheet
31 December 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	686,497	354	686,851	356,191
Investments	11	1,000	-	1,000	1,000
		687,497	354	687,851	357,191
CURRENT ASSETS					
Stocks	13	4,800	-	4,800	4,759
Debtors	14	256,836	-	256,836	105,319
Cash at bank and in hand		341,583	17,111	358,694	234,331
		603,219	17,111	620,330	344,409
CREDITORS					
Amounts falling due within one year	15	(23,400)	-	(23,400)	(14,610)
NET CURRENT ASSETS					
		579,819	17,111	596,930	329,799
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,267,316	17,465	1,284,781	686,990
FUNDS					
Unrestricted funds	16			1,267,316	666,912
Restricted funds				17,465	20,078
TOTAL FUNDS				1,284,781	686,990

Kennet and Avon Canal Trust (The)

**Charity Balance Sheet
31 December 2024**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 19-5-25 and were signed on its behalf by:

.....
G S Puddephatt

Trustee

31-5-25

Kennet and Avon Canal Trust (The)

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	243,480	(25,102)
Net cash provided by operating activities		243,480	(25,102)
Cash flows from investing activities			
Purchase of tangible fixed assets		(21,158)	(53,262)
Sale of fixed assets		-	-
Interest received		8,902	6,839
Net cash provided by investing activities		(12,256)	(46,423)
Change in cash and cash equivalents in the reporting period		231,224	(71,525)
Cash and cash equivalents at the beginning of the reporting period		359,420	430,945
Cash and cash equivalents at the end of the reporting period		590,644	359,420

Kennet and Avon Canal Trust (The)

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	221,591	(60,575)
Adjustments for:		
Depreciation charges	43,023	45,202
Loss on disposal of fixed assets	29,632	-
Fixed assets revaluations	(33,077)	-
Interest received	(8,902)	(6,838)
(Increase)/decrease in debtors	(9,496)	(3,224)
Decrease/(increase) in stocks	(41)	6,927
Increase/(Decrease) in provisions for liabilities	-	-
Increase/(Decrease) in creditors	750	(6,593)
Net cash provided by operations	<u>243,480</u>	<u>(25,101)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24 £	Cash flow £	At 31.12.24 £
Net cash			
Cash at bank and in hand	<u>359,420</u>	<u>231,224</u>	<u>590,644</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements for the Year Ended 31 December 2024

1 ACCOUNTING POLICIES

Charity Information

Kennet and Avon Canal Trust (The) is a private limited company limited by guarantee and incorporated in England and Wales. The registered office is Devizes Wharf, Couch Lane, Devizes, SN10 1EB.

Kennet and Avon Canal Trust (The) and its group meet the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of Consolidation

The accounts of the trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, are consolidated with the accounts of Kennet and Avon Canal Trust (The) in accordance with current legislation. Inter group income and expenditure is eliminated and all income and expenditure relates to external transactions only. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and section 24 of SORP 2019.

Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants are recognised in full in the statement of financial activities in the year to which they relate. Subscriptions are included in the statement of financial activities when received.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Kennet and Avon Canal Trust (The)
Notes to the Financial Statements
for the Year Ended 31 December 2024

1 ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Fundraising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes and of raising funds through various fund raising events. Support costs include governance costs which are costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	is not depreciated
Freehold buildings	2% on straight line basis
Long leasehold & boats	5% on a straight line basis
Plant and machinery	25% on straight line basis
Fixtures and fittings	15% on reducing balance
Computer equipment	20% on a straight line basis

The boats were revalued in the year by the Directors prior to being donated by the subsidiary to the parent company. The revalued amounts were based on comparable boats for sale.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Termination benefits

The charity recognises a liability for termination benefits at the point where the charity is committed to making the payments in return for employee redundancy.

Financial instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments, as defined by FRS102. The financial assets and liabilities and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and measured at fair value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Kennet and Avon Canal Trust (The)

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

1 ACCOUNTING POLICIES (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going Concern

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

Kennet and Avon Canal Trust (The)

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

2 DONATIONS AND LEGACIES

Group and charity

	2024	2023
	£	£
Grants and donations	38,462	71,026
Legacies	139,462	6,511
Gift Aid Reclaims	8,986	9,862
Subscriptions	17,502	18,401
	<u>204,412</u>	<u>105,800</u>

3 OTHER TRADING ACTIVITIES

Group and charity

	2024	2023
	£	£
Admissions	59,146	27,262
Crofton car park	1,683	253
Fundraising	-	2,754
Rent received	15,479	35,148
	<u>76,308</u>	<u>65,417</u>

4 INVESTMENT INCOME

Group and charity

	2024	2023
	£	£
Bank interest receivable	<u>8,902</u>	<u>6,839</u>

5 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Independent examiner's remuneration (excluding VAT)		
Examination and preparation of the group accounts	10,466	4,930
Preparation of accounts for the trading subsidiary	4,948	2,430
Other Services	-	-
Depreciation – owned assets	43,023	45,202
Hire of plant and machinery	<u>-</u>	<u>-</u>

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

6 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2024 (2023: none).

7 STAFF COSTS

	2024 £	2023 £
Wages and salaries	50,534	90,935
Pension	395	619
	<u>50,929</u>	<u>91,554</u>

The average monthly number of employees during the year was as follows:

2024	2023
<u>4</u>	<u>5</u>

No employees received emoluments in excess of £60,000 (2023: None)

No employees received termination benefits during the year (2023: None)

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

8 COMPARATIVES FOR THE STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2023 £
INCOME & ENDOWMENTS FROM			
Donations and legacies	105,800	-	105,800
Other trading activities	44,222	21,195	65,417
Commercial trading operations	261,384	-	261,384
Investment income	6,839	-	6,839
Other income	6,255	-	6,255
Total	424,500	21,195	445,695
EXPENDITURE ON			
Raising funds	5,581	-	5,581
Charitable activities	218,287	26,329	244,616
Commercial trading operations	256,073	-	256,073
Total	479,941	26,329	506,270
NET INCOME/(EXPENDITURE)	(55,441)	(5,134)	(60,575)
Transfer between funds	(3,705)	3,705	-
Net movement in funds	(59,146)	(1,429)	(60,575)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,102,257	21,507	1,123,764
TOTAL FUNDS CARRIED FORWARD	1,043,111	20,078	1,063,189

9 TAXATION

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary had a corporation tax liability of £nil for the year ended 31st December 2024 (2023: £190).

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

10 TANGIBLE FIXED ASSETS

Group

	Freehold Property £	Long leasehold £	Plant and machinery £	Fixtures and Fittings £
COST				
At 1 January 2024	309,204	167,688	184,178	59,827
Additions	-	-		5,306
Transfers	-	-	(33,140)	
Revaluation	-	-		
Disposals			(109,271)	
At 31 December 2024	309,204	167,688	41,767	65,133
DEPRECIATION				
At 1 January 2024	71,747	58,167	140,667	50,995
Disposals	-	-	(79,639)	
Transfer	-	-	(19,642)	
Charge for the year	4,244	7,322	150	1,853
At 31 December 2024	75,991	65,489	41,536	52,848
NET BOOK VALUE				
At 31 December 2024	233,213	102,199	231	12,285
At 31 December 2023	237,457	109,521	43,511	8,832
	Boats £	Total £		
COST				
At 1 January 2024	507,000	1,227,897		
Additions	15,852	21,158		
Transfers	33,140	-		
Revaluation	33,077	33,077		
Disposals		(109,271)		
At 31 December 2024	589,069	1,172,861		
DEPRECIATION				
At 1 January 2024	201,050	522,626		
Disposals		(79,639)		
Transfer	19,642	-		
Charge for the year	29,454	43,023		
At 31 December 2024	250,146	486,010		
NET BOOK VALUE				
At 31 December 2024	338,923	686,851		
At 31 December 2023	305,950	705,271		

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

10 TANGIBLE FIXED ASSETS (Continued)
Charity

	Freehold Property £	Long leasehold £	Plant and machinery £	Fixtures and Fittings £
COST				
At 1 January 2024	309,204	167,688	41,767	59,827
Additions	-	-	-	5,306
At 31 December 2024	<u>309,204</u>	<u>167,688</u>	<u>41,767</u>	<u>65,133</u>
DEPRECIATION				
At 1 January 2024	71,747	58,167	41,386	50,995
Charge for year	<u>4,244</u>	<u>7,322</u>	<u>150</u>	<u>1,853</u>
At 31 December 2024	<u>75,991</u>	<u>65,489</u>	<u>41,536</u>	<u>52,848</u>
NET BOOK VALUE				
At 31 December 2024	<u>233,213</u>	<u>102,199</u>	<u>231</u>	<u>12,285</u>
At 31 December 2023	<u>237,457</u>	<u>109,521</u>	<u>381</u>	<u>8,832</u>
	Boats £	Totals £		
COST				
At 1 January 2024		578,486		
Additions	<u>338,922</u>	<u>344,228</u>		
At 31 December 2024	<u>338,922</u>	<u>922,714</u>		
DEPRECIATION				
At 1 January 2024	-	222,295		
Charge for year	<u>-</u>	<u>13,569</u>		
At 31 December 2024	<u>-</u>	<u>235,864</u>		
NET BOOK VALUE				
At 31 December 2024	<u>338,922</u>	<u>686,850</u>		
At 31 December 2023	<u>-</u>	<u>356,191</u>		

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

11 FIXED ASSET INVESTMENTS

Charity

	Unlisted Investment £
MARKET VALUE	
At 1 January 2023 and 31 December 2024	1,000
NET BOOK VALUE	
At 31 December 2024	1,000
At 31 December 2023	1,000

There were no investment assets outside the UK. Investments represent 100% of the issued share capital in The Kennet & Avon Canal Trust (Enterprise) Limited.

12 SUBSIDIARY COMPANY

The charity has a wholly owned trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Limited, company number 02679756, which is incorporated in the United Kingdom. The principal activity of The Kennet & Avon Canal (Enterprise) Limited was to operate boat trips and sales of gifts and souvenirs. It has now ceased trading as per the post balance sheet events note.

A summary of the financial performance of the subsidiary is shown below:

	2024 £	2023 £
Turnover	289,982	248,257
Total expenditure	(314,181)	(260,536)
Other income	26,481	13,127
Profit/(loss)	2,282	848

The assets and liabilities of The Kennet & Avon Canal Trust (Enterprise) Limited were:

	2024 £	2023 £
Fixed and current assets	239,935	475,927
Liabilities and provisions	(238,935)	(98,728)
Total net assets	1,000	377,199
Profit/(loss)	1,000	377,199

Expenditure includes interest payable to the parent charity of £4,038 (2023: £4,463). This transaction has been eliminated on consolidation in the group Statement of Financial Activities.

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

13 STOCKS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Stocks	4,800	4,759	4,800	4,759

14 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	274	681	6,416	651
Other debtors	4,938	1,727	-	-
Amounts owned by group undertakings	-	-	232,171	93,112
Prepayments and accrued income	18,249	11,556	18,249	11,556
	<u>23,461</u>	<u>13,964</u>	<u>256,836</u>	<u>105,319</u>

Included within amounts owed by group undertaking is an amount of £Nil (2023: £93,112) that is falling due after more than one year.

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	7,814	8,265	10,239	5,476
Social security and other taxes	10	626	10	289
Accruals and deferred income	13,151	11,334	13,151	8,845
	<u>20,975</u>	<u>20,225</u>	<u>23,400</u>	<u>14,610</u>

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

16 MOVEMENT IN FUNDS

	At 1.1.24 £	Net Movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	666,912	106,038	(338)	772,612
Trading subsidiary	376,199	118,505		494,704
	<u>1,043,111</u>	<u>224,543</u>	<u>(338)</u>	<u>1,267,316</u>
Restricted funds				
Pilborough: Electric propulsion conversion	20,000	(13,162)	-	6,838
President's fund	78	-	-	78
Aim: Crofton educational development		(692)	692	-
Garfield Weston: Crofton Smithy refurbishment		10,282		10,282
Willis: Crofton projection equipment	-	621	(354)	267
	<u>20,078</u>	<u>(2,951)</u>	<u>338</u>	<u>17,464</u>
TOTAL FUNDS	<u>1,063,189</u>	<u>221,592</u>	<u>-</u>	<u>1,284,780</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	279,843	(173,806)	106,038
Trading subsidiary	284,919	(166,414)	118,505
	<u>564,762</u>	<u>(340,219)</u>	<u>224,543</u>
Restricted funds			
Pilborough: Electric propulsion conversion	-	(13,162)	(13,162)
President's fund	-	-	-
Aim: Crofton educational development	4,985	(5,677)	(692)
Garfield Weston: Crofton Smithy refurbishment	15,000	(4,718)	10,282
Willis: Crofton projection equipment	621	-	621
	<u>20,606</u>	<u>(23,557)</u>	<u>(2,951)</u>
TOTAL FUNDS	<u>585,368</u>	<u>(363,777)</u>	<u>221,591</u>

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

16 MOVEMENT IN FUNDS (continued)

Purposes of restricted funds

Crofton Branch was awarded an AIM grant in 2023 as part of our 'New Stories New Audiences' programme. All expenditure was made in 2024.

A donation of £20k from Sandra Pilborough is being used to enable the conversion of Bruce boat, Diana, to hybrid electric operation. £13k was spent in 2024 with the rest in 2025.

The President's Fund was set up by a donation from the Trust President to fund volunteer travel used at the discretion of the Trust Chairman.

A grant of £15k was provided by Garfield Weston to support conversion of the newly purchased Smithy at Crofton for use as a cafe and educational area. £5k was spent in 2024.

A grant of £500 was provided by Jon Willis and others for purchase of a projector and stand. This has been done.

Comparatives for movement in funds

	At 1.1.23 £	Net Movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	726,906	(56,289)	(3,705)	666,912
Trading subsidiary	375,351	848	-	376,199
	<u>1,102,257</u>	<u>(55,441)</u>	<u>(3,705)</u>	<u>1,043,111</u>
Restricted funds				
AIM/Pilgrim Trust grants	485	(485)	-	-
Pilborough: Electric propulsion conversion	20,000	-	-	20,000
Tesco Groundwork - journey cam	944	(1,230)	286	-
President's fund	78	-	-	78
Crofton 2030	-	(3,419)	3,419	-
	<u>21,507</u>	<u>(5,134)</u>	<u>3,705</u>	<u>20,078</u>
TOTAL FUNDS	<u>1,123,764</u>	<u>(60,575)</u>	<u>-</u>	<u>1,063,189</u>

Kennet and Avon Canal Trust (The)

**Notes to the Financial Statements (continued)
for the Year Ended 31 December 2024**

16 MOVEMENT IN FUNDS (continued)

Comparatives for movement in funds (continued)

Comparative net movement in funds, included in the above are as follows:

	incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	167,579	(223,868)	(56,289)
Trading subsidiary	261,384	(260,536)	848
Consolidation adjustments	(4,463)	4,463	-
	424,500	(479,941)	(55,441)
Restricted funds			
AIM/Pilgrim Trust grants	1,122	(1,607)	(485)
Tesco Groundwork - journey cam	694	(1,924)	(1,230)
Crofton 2030	19,379	(22,798)	(3,419)
	21,195	(26,329)	(5,134)
TOTAL FUNDS	445,695	(506,270)	(60,575)

17 CHARGES

The Trustees of the National Lottery Heritage Fund hold a legal charge over the freehold property known as The Old Pumping Station, Crofton, Marlborough, Wiltshire, SN8 3DW.

18 RELATED PARTY DISCLOSURES

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

19 ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is the Board of Trustee Directors.

20 COMPANY LIMITED BY GUARANTEE

Kennet and Avon Canal Trust (The) is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

21 POST BALANCE SHEET EVENT

On 31st December 2024 The Kennet & Avon Canal Trust (Enterprise) Limited ceased trading and transferred its trade and gifted all canal boats, fixtures and fittings and other fixed assets owned to its parent company The Kennet and Avon Canal Trust Limited, registered charity number 209206. Once the remaining assets are liquidated and the closing creditors are paid, the final cash balance will be gifted to the parent company charity. The Kennet & Avon Canal Trust (Enterprise) Limited will be gifted to the parent company charity. The Kennet & Avon Canal Trust (Enterprise) Limited will then be dissolved.

Kennet and Avon Canal Trust (The)

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2024**

INCOME AND ENDOWMENTS

	2024 £	2023 £
Donations and legacies		
Grants and donations	38,462	71,026
Gift aid	8,986	9,862
Legacies	139,462	6,511
Subscriptions	17,502	18,401
	204,412	105,800
Other trading activities		
Admissions	59,146	27,262
Crofton car park	1,683	253
Fundraising	-	2,754
Rent received	15,479	35,148
	76,308	65,417
Investment income		
Interest receivable	12,940	11,302
Interest from trading subsidiary	(4,038)	(4,463)
Commercial trading operations		
Commercial trading operations	284,919	261,384
Other income		
Sundry income	10,827	6,255
Total incoming resources	585,368	445,695
EXPENDITURE		
Butty costs	4,420	3,562
Advertisement and publicity	2,112	1,323
Fundraising costs	886	696
	7,418	5,581
Commercial trading operations		
Costs of trading subsidiary	170,452	260,536
Interest on loan paid to parent	(4,038)	(4,463)
Total costs of raising funds	166,414	256,073

Kennet and Avon Canal Trust (The)

**Detailed Statement of Financial Activities (continued)
for the Year Ended 31 December 2024**

Charitable activities

Wages	24,038	44,668
Pensions	395	619
Hire of plant and machinery	-	-
Rates and water	3,664	6,389
Insurance	25,977	12,293
Light and heat	13,260	7,452
Telephone	6,293	4,011
Postage and stationery	506	359
Sundries	1,088	533
Bank charges	1,363	1,032
Grants payable	-	11,674
Health and safety	5,111	7,283
Staff training	187	1,837
Recruitment	-	-
Rent	21,358	16,584
Repairs and maintenance	34,888	43,767
Depreciation	13,569	13,001
Coal	9,839	14,145
NLHF project costs	10,396	26,554
Computer costs	4,243	6,890
Stock purchases	974	1,068
	177,149	220,159

Support costs

Governance costs

Independent examiner's remuneration	1,320	1,320
Accountancy fees	9,146	3,610
Other professional costs	2,331	19,527
	12,797	24,457
Total resources expended	363,778	506,270
Net expenditure	221,591	(60,575)

THE KENNET AND AVON CANAL TRUST, LIMITED

England & Wales - Charity number 209206

Accounts

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 December 2023
for
Kennet and Avon Canal Trust (The)

Monahans
Chartered Accountants
County Gate
County Way
Trowbridge
Wiltshire
BA14 7FJ

Kennet and Avon Canal Trust (The)

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for the Year Ended 31 December 2023

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Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2023

The trustees who are also directors of the charity and its subsidiary for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and its subsidiary for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

2023 in summary

- Income from grants, donations and legacies for the Trust as a whole was £105,800 (compared with £117,368 in 2022).
- Total charitable income was £184,311, a 13% increase on 2022.
- Commercial trading income in Enterprise decreased from £268,731 to £261,384, and this was lower than 2019 (£331,332). Operating costs, including staff, increased. All parts of the business performed below budget with overheads on the cafes causing a particular loss.
- Given project expenditure by the charity, overall cash balances fell from £430,945 at the start of the year to £359,420 at the end of the year. This was better than the figure of £310k, predicted in last year's report.
- Group reserves at the year end were £1,063,189 consisting of £666,912 unrestricted reserves, £20,078 restricted reserves and £376,199 subsidiary company reserves.

Introduction

The Trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2023 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Trust's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Our Purpose

The charitable objects of the Trust, as set out in its Articles of Association, are to:

- Promote, facilitate, and assist in the conservation, protection and improvement of the Kennet and Avon Canal and its associated watercourses, towpaths, structures and buildings;
- Advance the education of the public in general of the significance of the Kennet and Avon Canal and its associated structures;
- Protect and conserve, objects, sites and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Kennet and Avon Canal; and
- Promote and facilitate recreational use of the Kennet and Avon Canal by a wide section of the community in order to improve conditions of life for the public.

The trustees have had due regard to the Charity Commissioner's guidance on public benefit.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2023

Review of 2023

(a) Overview

The Trust's achievements are heavily reliant on the contribution of the time and expertise of about four hundred volunteers, who mainly operate through the Trust's eight Branches. Our boats are exclusively crewed by volunteers, Crofton opening days are almost entirely run by volunteers, and our events and support for canal side work are delivered by volunteers. The safety and wellbeing of our volunteers and staff is therefore a priority for Trustees.

At the end of 2023, the Group employed five members of staff (two full-time and three part-time), two at Crofton and three centrally managing boat bookings, administration and finance.

(b) Trust

The Trust operates mainly through its eight Branches.

Crofton Branch is responsible for running Crofton Beam Engines, a Grade 1 listed site housing the oldest beam engine in the world still in its original location and still able to perform its original task.

The site has continued to be managed in 2023 by a volunteer Site Manager with support from a full-time Assistant Site Manager, volunteer members of the Branch Committee, as well as about forty other regular volunteers. Urgent repairs to the chimney were completed at a cost of £23,400. The costs were met from a successful targeted fundraising campaign.

A 'resilience' review of operations at Crofton, to identify a route to financial sustainability through developing and expanding audiences was undertaken as planned using a grant from the National Lottery Heritage Fund. Discussions on how to move forward with this are continuing.

The Trust completed the purchase of the Smithy, the only building at Crofton site not owned by the Trust at a cost of £12k.

Two editions of the Trust's magazine The Butty were published, which many members have opted to receive in digital form only.

A new website was launched.

(c) Enterprise

The Trust's trading subsidiary, The Kennet and Avon Canal Trust (Enterprise) Ltd, operates public boat trips, holiday hire of boats adapted for use by disabled passengers, and a boat for use by community groups. It also licenses tea rooms at Bradford on Avon, Newbury and Aldermaston. These activities directly support delivery of the Trust's charitable objects, in particular by promoting recreational use of the canal by a wide range of the public. In addition, by paying profits to the Trust, the scope of the Trust's activities can be expanded, so that Enterprise also supports the public benefit indirectly.

In 2023, trip boats and holiday hire activities were able to run from Easter to October, with additional public services at Christmas.

Maintaining the boat fleet owned by Enterprise involves significant fixed costs, for example in respect of licences, inspection by the MCA, mooring and insurance.

Significant legal costs associated with preparing new leases meant the three licensed cafés made a small loss to Enterprise in 2023.

The reduced trading and additional costs meant that Enterprise net profits were significantly reduced.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2023

Review of 2023

(d) Administration and governance

The arrangements for administration of the Trust faced significant challenges in 2023. Trustees' decision to delegate control of all branches except Crofton to Enterprise led to disagreements and decisions that the majority of trustees did not support. There were a number of new trustees and directors, and a few resignations. The major administrative change was that trustees decided in October that the Bruce branch would be run on a fully charitable basis in 2024 and managed within the Trust rather than Enterprise.

Health and Safety continued to be reviewed at all meetings of Trust Council and the Enterprise Board, including both accidents and near misses.

Three new Trustees were appointed during the year and the Trust entered 2024 with a new Chairman and Treasurer.

A number of Trust policies have been reviewed or updated during the year, and all are published on the Trust's website

Risk management

Trustees are continuing to develop a more formal risk management framework for Trust and Enterprise activities. To support this, a corporate risk register has been prepared, and will be further developed and then reviewed on a regular basis. A risk register has already been developed for Crofton Beam Engines, and health and safety risk assessments are in place for all activities involving volunteers, employees and members of the public which have been updated during the year to reflect changes in Covid risks.

Risks relating to Trust and Enterprise activities fall under three main headings:

- **Health and Safety risks:** The health and safety of volunteers, staff and visitors is a key priority of the Trust. The Trust has established a Health and Safety Committee to keep its arrangements under review, and has a contract with a Health and Safety Advisor to carry out audits and advise on improvements. Each boat operated by Enterprise has a detailed safety manual, and crew training is an essential part of managing risks. These arrangements are overseen by the Director of Boats. Detailed risk assessments and method statements are also in place at Crofton.
- **Financial risks:** Financial risks include loss of income, failure to obtain grants for major projects, unexpected costs and losses through fraud or failure to achieve value for money in procurement. Cost risks include energy and fuel costs and unanticipated repair and regulatory costs particularly for Crofton Beam Engines, the Devizes Wharf building and the boats operated by the Enterprise subsidiary.
- **Availability of other resources:** Our ability to recruit, train, retain and motivate our volunteers becomes more challenging as fewer people are retiring early. As the work undertaken by volunteers becomes more complex through regulation and also broadens, with a greater emphasis on engaging with new visitor audiences, more formal succession plans and volunteer recruitment processes will be developed to help address this. Contingency plans are also being developed to reduce risks of staff non-availability and the loss of key volunteers.

Following the development of a formal Reserves Policy in 2019, Trustees have reviewed regularly the financial risks facing the Trust. The target minimum level of reserves, remains at £150K, given both the scale of capital commitments and continued uncertainty about both revenue and costs.

On the basis of the most recent projections, Trustees are satisfied that the Trust has sufficient balances to maintain current activities in 2024. Additional major projects will be approved only to the extent that free reserves in excess of the target minimum level are available, or external grant funding has been committed.

The Finance Manual is being reviewed in 2024.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was created by memorandum on 6th June 1962. It is governed by Articles of Association that were last updated in 2023. This document is the governing document of the charity which is a private company limited by guarantee without share capital.

Trustees are required to declare 'Persons of Significant Control' in the Companies House register. For the Trust there are no persons of significant control other than the Trustees listed. For our Enterprise trading company, the Trust has been listed as a legal entity with significant control. The declarations are available on the Companies House website.

The Trust Council (which is the Board of Directors of the company) currently comprises 8 Trustees. It meets bi-monthly to review Health and Safety issues, consider overall Trust strategy and policy, in particular in the light of reports on the management accounts, received reports from Branches and to take decisions on matters which are reserved to Trust Council such as major expenditure commitments. The Trust is not required to appoint a Company Secretary and the Treasurer also takes responsibility for governance matters.

A process of external advertising has been adopted for recruiting new Trustees. Following interview by the Chairman and at least one other Trustee, recommendations are made to the Board; if approved, new Trustees are then co-opted onto Trust Council ahead of standing for election at the following AGM. New Trustees may also be nominated by members for election at the AGM. Each year one third of Trustees stand down and may offer themselves for re-election at the AGM.

In 2024, trustees are reviewing the purpose and need for Enterprise as a separate trading company, as required by Charity Commission guidance. No decision has yet been taken nor formal advice obtained.

The Enterprise Board comprises, at the date of this report, 5 Directors (only 2 of whom are also Trustees, so that the majority are non-conflicted). It also meets bi-monthly to review in more depth health and safety issues and operational matters relating to the passenger boats, the Bruce boats, and the three tea rooms, and financial performance. As a commercial trading company, the Enterprise Board focusses particularly on budgets, financial performance, risk management and commercial viability. The Board provides regular reports to Trust Council.

The Trust's eight branches (Bath & Bristol, Bradford on Avon, Devizes, Crofton, Bruce, Hungerford, Newbury and Reading) are each run by a Branch Committee which is formally a sub-committee of the Trust Council and usually selected by a meeting of local members, but subject to veto by Trust Council. Branches undertake the Trust's work in their area and often have practical control of a boat (or boats) or other operations. Branches submit annual budget bids to Trust and Enterprise as appropriate and then have spending freedom within the approved budget subject to the provisions of a Finance Manual approved by Trust Council.

In addition, 2 members of staff provide a headquarters function supporting Trustees, Directors and branches, with a particular focus on Trust administration including matters such as insurance, managing boat booking, undertaking payments and banking, and ensuring compliance across a range of responsibilities.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trust's name is Kennet and Avon Canal Trust (The) and it is registered with Companies' House with the reference 00726331, and with the Charity Commission for England and Wales with the reference 209206.

The Trust's trading company is called The Kennet and Avon Canal Trust (Enterprise) Limited and is registered with Companies' House under the reference 02679756.

The principal and registered office for the Trust is Devizes Wharf, Couch Lane, Devizes, SN10 1EB and for Enterprise is Canal Visitor Centre, Couch Lane, Devizes, Wiltshire, SN10 1EB.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows (those marked * were also Directors of Enterprise): Trustees:

M R Bailey
A E Cannon – appointed 22 May 2023
C W Bolt* - resigned 2 November 2023
D A Copley – resigned 3 June 2023
R G H Dunton
D J Fearn – resigned 3 June 2023
J S Dixon (Treasurer) – appointed 14 March 2024
T W Mundy
G S Puddephatt * (Chairman) – appointed 30 November 2023
Z S E Puddephatt – resigned 25 July 2023
T J Pyatt* - resigned 31 May 2023
C D Sims* - resigned 12 November 2023
G P Snook
S C Hill – appointed 7 November 2023

In addition, the following were Directors of Enterprise:

D N Bone - appointed 24 February 2023, resigned 20 November 2023
C E Calder – resigned 12 November 2023
C R Churchouse - resigned 13 January 2023
J M Foley – resigned 19 April 2023
D C Hanlon
Captain P S Hanson - appointed 24 February 2023, resigned 2 Nov 2023, reappointed 27th Nov 2023
S C Hill – appointed 27 November 2023
L P Hooper – resigned 17 July 2023
P B Kettel – appointed 15 May 2023
Bryan Baker – appointed 24 Feb 2023, resigned 10 Nov 2023
G P Snook – appointed 8th March 2024

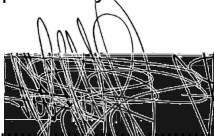
Independent Examiner

James Gare FCA DChA
Monahans
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 8FJ

Banker

Lloyds Bank plc
38 Market Place
Devizes
Wiltshire
SN10 1JD

Approved by order of the board of trustees on 20 May 2024 and signed on its behalf by:



.....
G S Puddephatt - Trustee

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2023

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Kennet & Avon Canal Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

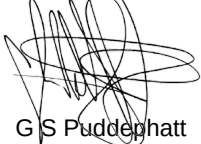
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the board



G S Puddephatt
Trustee

Date: 20 May 2024

**Independent Examiner's Report to the Trustees of
Kennet and Avon Canal Trust (The)**

Independent examiner's report to the trustees of Kennet and Avon Canal Trust (The) ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the Trust (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 Group 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 can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales.

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:

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



James Gare FCA DChA
The Institute of Chartered Accountants in England and Wales
Monahans
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 8FJ

Date: 24 May 2024

Kennet and Avon Canal Trust (The)

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	105,800	-	105,800	117,368
Other trading activities	3	44,222	21,195	65,417	40,133
Commercial trading operation	12	261,384	-	261,384	268,731
Investment income	4	6,839	-	6,839	3,054
Other income		<u>6,255</u>	<u>-</u>	<u>6,255</u>	<u>2,405</u>
Total		424,500	21,195	445,695	431,691
EXPENDITURE ON					
Raising funds		5,581	-	5,581	6,734
Charitable activities					
Charitable activities		218,287	26,329	244,616	232,548
Commercial trading operations		<u>256,073</u>	<u>-</u>	<u>256,073</u>	<u>237,523</u>
Total		<u>479,941</u>	<u>26,329</u>	<u>506,270</u>	<u>476,805</u>
NET INCOME/(EXPENDITURE)		(55,441)	(5,134)	(60,575)	(45,114)
Transfer between funds		<u>(3,705)</u>	<u>3,705</u>	<u>-</u>	<u>-</u>
Net movement in funds		(59,146)	(1,429)	(60,575)	(45,114)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,102,257</u>	<u>21,507</u>	<u>1,123,764</u>	<u>1,168,878</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,043,111</u></u>	<u><u>20,078</u></u>	<u><u>1,063,189</u></u>	<u><u>1,123,764</u></u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Balance Sheet
31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	<u>705,271</u>	<u>-</u>	<u>705,271</u>	<u>697,211</u>
CURRENT ASSETS					
Stocks	13	4,759	-	4,759	11,686
Debtors	14	13,964	-	13,964	10,740
Cash at bank and in hand		<u>339,342</u>	<u>20,078</u>	<u>359,420</u>	<u>430,945</u>
		358,065	20,078	378,143	453,371
CREDITORS					
Amounts falling due within one year	15	<u>(20,225)</u>	<u>-</u>	<u>(20,225)</u>	<u>(26,818)</u>
NET CURRENT ASSETS		<u>337,840</u>	<u>20,078</u>	<u>357,918</u>	<u>426,553</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,043,111	20,078	1,063,189	1,123,764
PROVISIONS FOR LIABILITIES		-	-	-	-
NET ASSETS		<u>1,043,111</u>	<u>20,078</u>	<u>1,063,189</u>	<u>1,123,764</u>
FUNDS	16				
Unrestricted funds				666,912	726,906
Charitable subsidiary funds				376,199	375,351
Restricted funds				<u>20,078</u>	<u>21,507</u>
TOTAL FUNDS				<u>1,063,189</u>	<u>1,123,764</u>

The charitable group is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable group as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 May 2024 and were signed on its behalf by:


.....
G S Puddephatt – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Charity Balance Sheet
31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	356,191	-	356,191	315,930
Investments	11	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
		357,191	-	357,191	316,930
CURRENT ASSETS					
Stocks	13	4,759	-	4,759	11,686
Debtors	14	105,319	-	105,319	100,294
Cash at bank and in hand		<u>214,253</u>	<u>20,078</u>	<u>234,331</u>	<u>339,839</u>
		324,331	20,078	344,409	451,819
CREDITORS					
Amounts falling due within one year	15	(14,610)	-	(14,610)	(20,336)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>309,721</u>	<u>20,078</u>	<u>329,799</u>	<u>431,483</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>666,912</u>	<u>20,078</u>	<u>686,990</u>	<u>748,413</u>
NET ASSETS		<u>666,912</u>	<u>20,078</u>	<u>686,990</u>	<u>748,413</u>
FUNDS	16				
Unrestricted funds				666,912	726,906
Restricted funds				<u>20,078</u>	<u>21,507</u>
TOTAL FUNDS				<u>686,990</u>	<u>748,413</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

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- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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.....
G S Puddephatt - Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Cash Flow Statement
for the Year Ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(25,102)</u>	<u>(8,269)</u>
Net cash provided by operating activities		<u>(25,102)</u>	<u>(8,269)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(53,262)	(68,422)
Sale of fixed assets		-	-
Interest received		<u>6,839</u>	<u>3,054</u>
Net cash provided by investing activities		<u>(46,423)</u>	<u>(65,368)</u>
Change in cash and cash equivalents in the reporting period		(71,525)	(73,637)
Cash and cash equivalents at the beginning of the reporting period		<u>430,945</u>	<u>504,582</u>
Cash and cash equivalents at the end of the reporting period		<u>359,420</u>	<u>430,945</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	(60,575)	(45,114)
Adjustments for:		
Depreciation charges	45,202	46,637
Loss on disposal of fixed assets	-	-
Interest received	(6,839)	(3,054)
(Increase)/decrease in debtors	(3,224)	889
Decrease/(increase) in stocks	6,927	(11,686)
Increase/(Decrease) in provisions for liabilities	-	(10,255)
Increase/(Decrease) in creditors	<u>(6,593)</u>	<u>14,314</u>
Net cash provided by operations	<u><u>(25,102)</u></u>	<u><u>(8,269)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	<u>430,945</u>	<u>(71,525)</u>	<u>359,420</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES

Charity information

Kennet and Avon Canal Trust (The) is a private limited company limited by guarantee and incorporated in England and Wales. The registered office is Devizes Wharf, Couch Lane, Devizes, SN10 1EB.

Kennet and Avon Canal Trust (The) and its group meet the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The accounts of the trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, are consolidated with the accounts of Kennet and Avon Canal Trust (The) in accordance with current legislation. Inter group income and expenditure is eliminated and all income and expenditure relates to external transactions only. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and section 24 of SORP 2019.

Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants are recognised in full in the statement of financial activities in the year to which they relate. Subscriptions are included in the statement of financial activities when received.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Fundraising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes and of raising funds through various fund raising events. Support costs include governance costs which are costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES – continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- is not depreciated
Freehold buildings	- 2% on straight line basis
Long leasehold & boats	- 5% on a straight line basis
Plant and machinery	- 25% on straight line basis
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 20% on a straight line basis

Boats are included in the accounts at deemed cost, based on historic valuations. This is a change from the previous accounting policy which was that the boats were revalued by the Directors based on current trading value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Termination benefits

The charity recognises a liability for termination benefits at the point where the charity is committed to making the payments in return for employee redundancy.

Financial instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments, as defined by FRS102. The financial assets and liabilities and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and measured at fair value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2023

2. DONATIONS AND LEGACIES

Group and charity

	2023	2022
	£	£
Grants and donations	71,026	57,000
Legacies	6,511	2,988
Gift Aid Reclaims	9,862	13,823
Subscriptions	<u>18,401</u>	<u>19,046</u>
	<u>105,800</u>	<u>92,857</u>

3. OTHER TRADING ACTIVITIES

Group and charity

	2023	2022
	£	£
Admissions	27,262	22,871
Crofton car park	253	556
Fundraising	2,754	27,670
Rent received	<u>35,148</u>	<u>13,547</u>
	<u>65,417</u>	<u>64,644</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2023

4. INVESTMENT INCOME

Group and charity

	2023	2022
	£	£
Bank interest receivable	<u>6,839</u>	<u>3,054</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Independent examiner's remuneration (excluding VAT)		
Examination and preparation of the group accounts	4,930	3,008
Preparation of accounts for the trading subsidiary	2,430	1,384
Other services	-	1,500
Depreciation – owned assets	45,202	46,637
Hire of plant and machinery	-	642
	<u> </u>	<u> </u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 (2022: none).

7. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	90,935	77,512
Pension	619	541
	<u> </u>	<u> </u>
	<u>91,554</u>	<u>78,053</u>

The average monthly number of employees during the year was as follows:

2023	2022
5	5
<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000 (2022: None).

No employees received termination benefits during the year (2022: None).

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2023

8. COMPARATIVES FOR THE STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	117,368	-	117,368
Other trading activities	15,622	24,511	40,133
Commercial trading operations	268,731	-	268,731
Investment income	3,054	-	3,054
Other income	2,405	-	2,405
Total	407,180	24,511	431,691
EXPENDITURE ON			
Raising funds	6,734	-	6,734
Charitable activities			
Charitable activities	229,044	3,504	232,548
Commercial trading operations	237,523	-	237,523
Total	473,301	3,504	476,805
NET INCOME	(66,121)	21,007	(45,114)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,168,378	500	1,168,878
TOTAL FUNDS CARRIED FORWARD	1,102,257	21,507	1,123,764

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2023

9. TAXATION

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary had a corporation tax liability of £nil for the year ended 31st December 2022 (2021: £Nil).

10. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2023	297,204	127,133	184,178	59,120
Additions	<u>12,000</u>	<u>40,555</u>	<u>-</u>	<u>707</u>
At 31 December 2023	<u>309,204</u>	<u>167,688</u>	<u>184,178</u>	<u>59,827</u>
DEPRECIATION				
At 1 January 2023	67,743	51,480	133,442	49,059
Charge for year	<u>4,004</u>	<u>6,687</u>	<u>7,225</u>	<u>1,936</u>
At 31 December 2023	<u>71,747</u>	<u>58,167</u>	<u>140,667</u>	<u>50,995</u>
NET BOOK VALUE				
At 31 December 2023	<u>237,457</u>	<u>109,521</u>	<u>43,511</u>	<u>8,832</u>
At 31 December 2022	<u>229,461</u>	<u>75,653</u>	<u>50,736</u>	<u>10,061</u>

	Boats £	Totals £
COST		
At 1 January 2023	507,000	1,174,635
Additions	<u>-</u>	<u>53,262</u>
At 31 December 2023	<u>507,000</u>	<u>1,227,897</u>
DEPRECIATION		
At 1 January 2023	175,700	477,424
Charge for year	<u>25,350</u>	<u>45,202</u>
At 31 December 2023	<u>201,050</u>	<u>522,626</u>
NET BOOK VALUE		
At 31 December 2023	<u>305,950</u>	<u>705,271</u>
At 31 December 2022	<u>331,300</u>	<u>697,211</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

10. TANGIBLE FIXED ASSETS - continued

Charity

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2023	297,204	127,133	41,767	59,120
Additions	<u>12,000</u>	<u>40,555</u>	<u>-</u>	<u>707</u>
At 31 December 2023	<u>309,204</u>	<u>167,688</u>	<u>41,767</u>	<u>59,827</u>
DEPRECIATION				
At 1 January 2023	67,743	51,480	41,012	49,059
Charge for year	<u>4,004</u>	<u>6,687</u>	<u>374</u>	<u>1,936</u>
At 31 December 2023	<u>71,747</u>	<u>58,167</u>	<u>41,386</u>	<u>50,995</u>
NET BOOK VALUE				
At 31 December 2023	<u>237,457</u>	<u>109,521</u>	<u>381</u>	<u>8,832</u>
At 31 December 2022	<u>229,461</u>	<u>75,653</u>	<u>755</u>	<u>10,061</u>
	Totals £			
COST				
At 1 January 2023	525,224			
Additions	<u>53,262</u>			
At 31 December 2023	<u>578,486</u>			
DEPRECIATION				
At 1 January 2023	209,294			
Charge for year	<u>13,001</u>			
At 31 December 2023	<u>222,295</u>			
NET BOOK VALUE				
At 31 December 2023	<u>356,191</u>			
At 31 December 2022	<u>315,930</u>			

11. FIXED ASSET INVESTMENTS

Charity

	Unlisted investment £
MARKET VALUE	
At 1 January 2023 and 31 December 2023	<u>1,000</u>
NET BOOK VALUE	
At 31 December 2023	<u>1,000</u>
At 31 December 2022	<u>1,000</u>

There were no investment assets outside the UK. Investments represent 100% of the issued share capital in The Kennet & Avon Canal Trust (Enterprise) Limited.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

12. SUBSIDIARY COMPANY

The charity has a wholly owned trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Limited, company number 02679756, which is incorporated in the United Kingdom. The principal activity of The Kennet & Avon Canal (Enterprise) Limited is to operate boat trips and sales of gifts and souvenirs.

A summary of the financial performance of the subsidiary is shown below:

	2023 £	2022 £
Turnover	248,257	264,107
Total expenditure	(260,536)	(239,661)
Other income	13,127	4,624
Profit / (loss)	<u>848</u>	<u>29,070</u>

The assets and liabilities of The Kennet & Avon Canal Trust (Enterprise) Limited were:

	2023 £	2022 £
Fixed and current assets	475,927	477,710
Liabilities and provisions	(98,728)	(101,359)
Total net assets	<u>377,199</u>	<u>376,351</u>
Share capital and reserves	<u>377,199</u>	<u>376,351</u>

Expenditure includes interest payable to the parent charity of £4,463 (2022: £2,138). This transaction has been eliminated on consolidation in the group Statement of Financial Activities.

13. STOCKS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Stocks	<u>4,759</u>	<u>11,686</u>	<u>4,759</u>	<u>11,686</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	681	-	651	-
Other debtors	1,727	5,323	-	-
Amounts owed by group undertakings	-	-	93,112	94,877
Prepayments and accrued income	<u>11,556</u>	<u>5,417</u>	<u>11,556</u>	<u>5,417</u>
	<u>13,964</u>	<u>10,740</u>	<u>105,319</u>	<u>100,294</u>

Included within amounts owed by group undertaking is an amount of £93,112 (2022: £94,877) that is falling due after more than one year.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	8,265	18,968	5,476	15,422
Social security and other taxes	626	1,376	289	304
Accruals and deferred income	<u>11,334</u>	<u>6,474</u>	<u>8,845</u>	<u>4,610</u>
	<u>20,225</u>	<u>26,818</u>	<u>14,610</u>	<u>20,336</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

16. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	726,906	(56,289)	(3,705)	666,912
Trading subsidiary	375,351	848	-	376,199
	1,102,257	(55,441)	(3,705)	1,043,111
Restricted funds				
AIM/Pilgrim Trust grants	485	(485)	-	-
Bruce Branch Project	20,000	-	-	20,000
Tesco Groundwork - journey cam	944	(1,230)	286	-
President's fund	78	-	-	78
Crofton 2030	-	(3,419)	3,419	-
	21,507	(5,134)	3,705	20,078
TOTAL FUNDS	1,123,764	(60,575)	-	1,063,189

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	167,579	(223,868)	(56,289)
Trading subsidiary	261,384	(260,536)	848
Consolidation adjustments	(4,463)	4,463	-
	424,500	(479,941)	(55,441)
Restricted funds			
AIM/Pilgrim Trust grants	1,122	(1,607)	(485)
Tesco Groundwork – journey cam	694	(1,924)	(1,230)
Crofton 2030	19,379	(22,798)	(3,419)
	21,195	(26,329)	(5,134)
TOTAL FUNDS	445,695	(506,270)	(60,575)

Purposes of restricted funds

Crofton Beam Engines has received a grant in 2022 from the Association of Independent Museums/Pilgrim Trust. This was a Conservation grant, with initial expenditure incurred in 2022. Further costs were incurred in 2023, and the final grant payment was made on successful completion. A further AIM grant was approved in November 2023 under their New Stories New Audiences programme; grant receipts and expenditure will be in 2024.

A donation of £20K was received in 2022 to fund initial design work for a new accessible boat for the Bruce Boat fleet. No expenditure has yet been incurred.

A Tesco Community Grant was agreed, and the initial grant payment received in 2022. Initially, this was to for a Bruce Boats project. However, following a decision not to proceed with that project, Trustees agreed to seek approval to redirect this to Crofton to provide iPads to support the learning and engagement programme there. This change was approved by Tesco, and the project was completed in August 2023. The balance of costs was met from general funds.

The President's Fund was set up by a donation from the Trust President to fund volunteer travel used at the discretion of the Trust Chairman.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

16. MOVEMENT IN FUNDS - continued

Purposes of restricted funds - continued

An application was made in December 2022 for a grant to the National Lottery Heritage Fund to support the Crofton 2030 project, designed to help Crofton Beam Engines retain its position as a premier heritage attraction, worthy of its Grade 1 listed status, and ensure that the Trust is able to keep the engines operating to 2030 and beyond. The project involved developing and testing ideas for increasing the number and range of people engaging with Crofton, and drawing up a Site Master Plan. The grant was approved in February 2023 and project was completed in December 2023. Trustees are considering the recommendations made.

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Net Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	822,097	(95,191)	-	726,906
Trading subsidiary	<u>346,281</u>	<u>29,070</u>	<u>-</u>	<u>375,351</u>
	1,168,378	(66,121)	-	1,102,257
Restricted funds				
AIM/Pilgrim Trust grants	-	485	-	485
Bruce Branch Project	-	20,000	-	20,000
Tesco Groundwork - journey cam	-	944	-	944
President's Fund	<u>500</u>	<u>(422)</u>	<u>-</u>	<u>78</u>
	<u>500</u>	<u>21,007</u>	<u>-</u>	<u>21,507</u>
TOTAL FUNDS	<u>1,168,878</u>	<u>(45,114)</u>	<u>-</u>	<u>1,123,764</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	140,587	(235,778)	(95,191)
Trading subsidiary	268,731	(239,661)	29,070
Consolidation adjustments	<u>(2,138)</u>	<u>2,138</u>	<u>-</u>
	407,180	(473,301)	(66,121)
Restricted funds			
AIM/Pilgrim Trust grants	3,386	(2,901)	485
Bruce Branch Project	20,000	-	20,000
Tesco Groundwork – journey cam	1,125	(181)	944
President's Fund	<u>-</u>	<u>(422)</u>	<u>(422)</u>
	<u>24,511</u>	<u>(3,504)</u>	<u>21,007</u>
TOTAL FUNDS	<u>431,691</u>	<u>(476,805)</u>	<u>(45,114)</u>

17. CHARGES

The Trustees of the National Lottery Heritage Fund hold a legal charge over the freehold property known as The Old Pumping Station, Crofton, Marlborough, Wiltshire, SN8 3DW.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

18. RELATED PARTY DISCLOSURES

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

19. ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is the Board of Trustee Directors.

20. COMPANY LIMITED BY GUARANTEE

Kennet and Avon Canal Trust (The) is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants and donations	71,026	81,511
Gift aid	9,862	13,823
Legacies	6,511	2,988
Subscriptions	<u>18,401</u>	<u>19,046</u>
	105,800	117,368
Other trading activities		
Admissions	27,262	22,871
Crofton car park	253	556
Fundraising	2,754	3,159
Rent received	<u>35,148</u>	<u>13,547</u>
	65,417	40,133
Investment income		
Interest receivable	11,302	5,192
Interest from trading subsidiary	(4,463)	(2,138)
Commercial trading operations		
Commercial trading operations	261,384	268,731
Other income		
Sundry income	<u>6,255</u>	<u>2,405</u>
Total incoming resources	445,695	431,691
EXPENDITURE		
Raising funds		
Butty costs	3,562	3,345
Advertisement & publicity	1,323	1,147
Fundraising costs	<u>696</u>	<u>2,242</u>
	5,581	6,734
Commercial trading operations		
Costs of trading subsidiary	260,536	239,661
Interest on loan paid to parent	<u>(4,463)</u>	<u>(2,138)</u>
Total costs of raising funds	256,073	237,523
Charitable activities		
Wages	44,668	40,853
Pensions	619	541
Hire of plant and machinery	-	642
Rates and water	6,389	4,194
Insurance	12,293	10,957
Light and heat	7,452	2,655
Telephone	4,011	3,545
Postage and stationery	359	269
Sundries	533	940
Bank charges	1,032	1,327
Grants payable	11,674	5,516
Carried forward	89,030	71,439

This page does not form part of the statutory financial statements

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	2023 £	2022 £
Charitable activities		
Brought forward	89,030	71,439
Health & safety	7,283	7,229
Staff training	1,837	216
Recruitment	-	115
Rent	16,584	3,020
Repairs & maintenance	43,767	114,481
Depreciation	13,001	13,113
Coal	14,145	4,707
NLHF project costs	26,554	3,504
Computer costs	6,890	4,645
Stock purchases	<u>1,068</u>	<u>895</u>
	220,159	223,364
Support costs		
Governance costs		
Independent examiner's remuneration	1,320	1,200
Accountancy fees	3,610	3,308
Other professional costs	<u>19,527</u>	<u>4,676</u>
	<u>24,457</u>	<u>9,184</u>
Total resources expended	<u>506,270</u>	<u>476,805</u>
Net expenditure	<u><u>(60,575)</u></u>	<u><u>(45,114)</u></u>

THE KENNET AND AVON CANAL TRUST, LIMITED

England & Wales - Charity number 209206

Accounts

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 December 2022
for
Kennet and Avon Canal Trust (The)

Monahans
Chartered Accountants
County Gate
County Way
Trowbridge
Wiltshire
BA14 7FJ

Kennet and Avon Canal Trust (The)

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for the Year Ended 31 December 2022

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Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2022

The trustees who are also directors of the charity and its subsidiary for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and its subsidiary for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

2022 in summary

- Following restrictions on operations in 2020 and 2021 because of Covid Regulations, a full season was operated in 2022 at Crofton and on our boats.
- Crofton Beam engines opened to the public at Easter, and the engines were steamed on 14 days. Total visitor numbers were 2,002 on 14 steaming days (2021: 881), and 1,268 on 39 non-steaming days (2021: 2,347). Visitor income at Crofton increased from £12,371 in 2021 to £22,871.
- Income from grants, donations and legacies for the Trust as a whole was £59,988 (compared with £100,130 in 2021). This included a £20k restricted donation from Bruce Branch, and £18k raised by Crofton Branch (on top of £11k in 2021) to fund boiler repairs.
- Total charitable income was £162,960, virtually unchanged from 2021 levels.
- Work started in the autumn to conserve the Wash House at Aldermaston, with expenditure in the year of £62k. A further £40k will be spent in 2023 to complete this work. The other main project expenditure in the year was £52k to rewire the Devizes Wharf building, where the electrical installation did not meet current standards.
- Commercial trading income in Enterprise increased from £164,476 in 2021 to £268,731, although this was still lower than 2019 (£331,332). Operating costs, in particular regulatory costs and fuel, have also increased.
- Passenger numbers on public boat trips were 15,634 (2021: 14,393). The number of weeks of holiday hire of Bruce Boats was 42 (2021: 41).
- Given project expenditure by the charity, overall cash balances fell from £504,582 at the start of the year to £430,945 at the end of the year. They are expected to fall further, to around £310k, by the end of 2023.

Introduction

The Trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2022 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Trust's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Our Vision and Strategy

The charitable objects of the Trust, as set out in its Articles of Association, are to:

- Promote, facilitate, and assist in the conservation, protection and improvement of the Kennet and Avon Canal and its associated watercourses, towpaths, structures and buildings;
- Advance the education of the public in general of the significance of the Kennet and Avon Canal and its associated structures;
- Protect and conserve, objects, sites and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Kennet and Avon Canal; and
- Promote and facilitate recreational use of the Kennet and Avon Canal by a wide section of the community in order to improve conditions of life for the public.

In November 2020, following a review of the Trust's future priorities, the Trustees agreed a new Vision and Strategy statement, taking full account of Charity Commission guidance on public benefit from charitable activities. This was further discussed at a strategy workshop in August 2022 to inform future priorities.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

This statement included the following aims:

- To promote the Kennet and Avon Canal to the benefit of all its users, the communities through which it passes, and its heritage.
- To be a voice for users of the Kennet and Avon Canal - whether on the water or on the towpath.
- To preserve the heritage of the canal, by promoting protection and restoration of historic features and making them accessible to visitors, canal users and local communities.
- To provide opportunities for all members of the public, and in particular community groups and those who are disadvantaged or disabled, to access the canal whether on boats or along the towpath.
- To develop new ways of enabling the public to experience the canal and its history, and widen the range of people who can engage with it.

These aims guide the priorities for the Trust, as a basis for ensuring that it continues to meet its objects for the public benefit. The Trust will seek to achieve this in the following way:

- Through our Branch structure, we will ensure that the whole length of the canal has a local champion, working to improve the canal and towpath both directly and through lobbying
- We will develop facilities for learning and community engagement along the canal
- We will identify and promote projects to protect the canal's heritage and environment
- We will encourage our trading subsidiary to continue to provide boat and other recreational facilities, supporting these with grants where they are not commercially viable but bring public benefit
- We will engage constructively with the Canal and River Trust as the canal's owner and operator, and with other heritage and community bodies, and participate in events promoting the canal
- We will report regularly on our activities to members, volunteers, funders and other stakeholders

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2022

Review of 2022

(a) Overview

After two years when operations were curtailed by Covid restrictions, we were able to operate a full season at Crofton Beam Engines (which is owned by the Trust) and on our boats in 2022. Although income was still below 2019 levels, our trading subsidiary returned to profit and has now been able to start repaying the loan from the Trust which was needed to help it survive the large loss in 2020.

The Trust's achievements are heavily reliant on the contribution of the time and expertise of about four hundred volunteers, who mainly operate through the Trust's eight Branches. Our boats are exclusively crewed by volunteers, Crofton opening days are almost entirely run by volunteers, and our events and support for canal side work are delivered by volunteers. The safety and wellbeing of our volunteers and staff is therefore a priority for Trustees.

At the end of 2022, the Group employed five members of staff (two full-time and three part-time), two at Crofton and three centrally managing boat bookings, administration and finance.

Trust Council reviewed updated financial projections for 2022 and for the five years to 2027 at its meeting in July. Trustees recognised that the cost of living crisis could have an impact on income in 2023, and that costs (particularly fuel and regulatory costs) were likely to increase significantly. This uncertainty will require the Trustees to be cautious about making new commitments beyond those already made, given the significant reduction in reserves in 2022, which will continue in 2023.

(b) Trust

The Trust operates mainly through its eight Branches.

Crofton Branch is responsible for running Crofton Beam Engines, a Grade 1 listed site housing the oldest beam engine in the world still in its original location and still able to perform its original task.

The site has continued to be managed in 2022 by a volunteer Site Manager with support from a full-time Assistant Site Manager, volunteer members of the Branch Committee, as well as about forty other regular volunteers. Boiler repairs, costing around £30k, were completed in February and it is hoped that no further major repairs will be required for perhaps ten years. The costs were met from a successful targeted fundraising campaign.

Crofton opened to the public for a total of 53 days, with the engines in steam for 14 of those days. Despite some operating issues, both engines were in steam although repairs to the pump-end valve of No 2 Engine (the 1846 Harvey of Hayle engine) are being undertaken in advance of the 2023 season. Steaming hours for the events in August and September were restricted by the low water levels in Wilton Water.

Total visitor numbers were 2,002 (2021: 881) on steaming days, of which 1,685 were paying adults, 291 children and 26 carers or other complimentary admissions. Visitor numbers on non-steaming days were 1,268 (2021: 2,347), with 673 adults paying to tour the station itself. About half the visitors on steaming days, when there was a charge to enter the site and timed slots for touring the station itself, pre-booked tickets. On non-steaming days, site entry was free, with a charge to tour the station itself.

Given the limited future availability of house coal, trials of coal alternatives were carried out but with mixed success. Trustees therefore agreed to advance purchase of 20 tonnes of coal in the Autumn, both to ensure 2023 supplies and avoid expected price increases. Further trials of coal alternatives will be carried out in 2023.

Following the appointment of a new Learning and Community Engagement Officer in May, Crofton's learning offer has been developed further. There have been a number of visits to Crofton, and outreach events, including a visit by all 142 children from Burbage Primary School in May.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2022**

Trustees have agreed commercial terms with the Canal and River Trust (CRT) for purchase of the Smithy, the only building at Crofton site not owned by the Trust. The transfer is expected to complete in summer 2023. In preparation for this, a project group has been established to develop a site master plan and initial ideas for enhancing visitor and volunteer facilities, including creation of a museum in the Side Boiler House (which was used as a café until 2019) and a workshop and visitor display in the Smithy. Following discussion with the National Lottery Heritage Fund, a bid was submitted in December 2022 for a grant to fund a 'resilience' project which is designed to test the ideas for extending audiences engaging with Crofton and to develop a business plan to achieve financial sustainability and the grant was awarded in February 2023. The project will be completed by Autumn 2023, and will inform future Trust strategy for the site.

Trust activities in other branches included support for the Reading WaterFest in June and the Newbury Waterways Festival in July. Branches have also continued with their programmes of talks and social events.

Discussions have been continuing with CRT on new leases for the tea rooms at Bradford on Avon and Aldermaston. In both cases, commercial terms have been agreed. At Aldermaston, a new 25 year lease has been agreed which gave Trustees the confidence to commit to starting work on conserving the Wash house, a small building on the site which is thought to pre-date construction of the canal. This work started in October, when the previous tea room operators moved out, and is expected to be completed in time for new operators to re-open the tea room before Easter.

The Trust Museum at Devizes reopened following completion of the rewiring work, and has generally opened on two days a week with support from Devizes Branch volunteers. Trustees have not yet taken a final decision on the future of the Devizes Wharf building, which is occupied on a short-notice lease from Wiltshire Council. Discussions are also continuing with the Wiltshire and Swindon History Centre on transfer of items from the Trust's Archive, currently housed in a CRT portacabin at Caen Hill to Chippenham.

Two editions of the Trust's magazine The Butty were published, which many members have opted to receive in digital form only.

(c) Enterprise

The Trust's trading subsidiary, The Kennet and Avon Canal Trust (Enterprise) Ltd, operates public boat trips, holiday hire of boats adapted for use by disabled passengers, and a boat for use by community groups. It also licenses tea rooms at Bradford on Avon, Newbury and Aldermaston. These activities directly support delivery of the Trust's charitable objects, in particular by promoting recreational use of the canal by a wide range of the public. In addition, by paying profits to the Trust, the scope of the Trust's activities can be expanded, so that Enterprise also supports the public benefit indirectly.

In 2022, trip boats and holiday hire activities were able to run from Easter to October, as they did before the pandemic, with additional public services at Christmas.

A new hire agreement was entered into with the owners of a 12-seater trip boat to operate in Reading. The basis of the agreement is that Enterprise operates the boat, which has been named Matilda Too, and meets normal operating costs, with profits then shared with the owners, who are all members of Reading Branch.

Maintaining the boat fleet owned by Enterprise involves significant fixed costs, for example in respect of licences, inspection by the MCA, mooring and insurance.

The three licensed cafés made a small positive contribution to Enterprise in 2022, although there were significant legal costs associated with preparing new leases with operators and supporting negotiations on the new head leases with CRT. Following a tender exercise, new operators for the tea rooms at Aldermaston have been agreed, who expect to reopen the tea room before Easter.

Given these results, no further draw-down of the loan facility from Trust was required in 2022, and an initial repayment of £10k was made in January 2023.

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2022

(d) Administration and governance

The arrangements for administration of the Trust have continued to operate effectively.

Trust Council met six times during the year, as did the Enterprise Board. The Annual General Meeting of the Trust was held on 21 May. As in 2021, all meetings were held by Zoom. Health and Safety continues to be reviewed at all meetings of Trust Council and the Enterprise Board, including both accidents and near misses.

No new Trustees were appointed during the year. Recruitment of an additional trustee with particular experience of fundraising is in hand, as is recruitment of a new Treasurer to replace the current incumbent who is standing down at the 2023 AGM.

A number of Trust policies have been reviewed or updated during the year, and all are published on the Trust's website. A priority for 2023 is finalisation of a policy on Safeguarding.

Plans for 2023 and beyond

(a) Trust

Priorities for the Trust in 2023 are:

- Completing the project to conserve the Wash House at Aldermaston, and development of a visitor display in the building;
- Undertaking a 'resilience' review of operations at Crofton, to identify a route to financial sustainability through developing and expanding audiences as a basis for a further major grant application to the National Lottery Heritage Fund in late 2023 or early 2024;
- In support of this, finalising the transfer of the Smithy at Crofton from CRT.
- Completing negotiation of new leases for the tea rooms at Bradford on Avon and Aldermaston;
- Taking a decision on the future of the Devizes Wharf building; and
- Launching a new website.

In addition to these central initiatives, Branches will continue to deliver activities on a local basis, in particular through operation of the Crofton site and other Branch activities along the canal.

(b) Enterprise

Operating plans for the company's trip boat and holiday hire fleet in 2023 broadly reflect those in 2022.

No major expenditure on boats is anticipated in 2023 apart from planned repainting of Kenavon Venture (deferred from 2022, and now booked to take place in March and April). As a consequence, the company expects to be able to make further repayments of the medium-term loan from the Trust in 2023, which now stands at £60k. Full repayment is due by the end of 2025. This loan is in addition to a £25k loan to provide working capital to the company.

As part of the strategy workshop, the cost and operating implications of replacing a trip boat and/or one of the Bruce Boats with a new boat with a hybrid or all-electric engine will be investigated. Such a boat would reduce noise and emissions.

(c) Administration and governance

Apart from recruitment of at least additional Trustees with relevant skills, in particular finance and fundraising, the main priority in respect of governance will be to finalise Trust policies in respect of safeguarding and conservation, and continue to review and update existing policies in particular the environmental policy. It is also planned to update the Trust's Volunteer Handbook in 2023.

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2022

Financial Review

At Group level (Trust and Enterprise), net expenditure in 2022 was £45,114 (2021: £31,960). These figures are after charging depreciation on fixed assets of £46,637 (2021: £46,185).

There was a significant increase in income from commercial trading activities from £164,476 in 2021 to £268,731, although this was still well below the 2019 level of £311,308. However, this was partially offset by a reduction in donations, grants and legacies from £132,739 in 2021 to £92,857. Grants included the final Covid-related payments from the Government's Retail, Hospitality and Leisure Fund, as well as £5k from the Berkshire Community Foundation.

Trading results for our trading subsidiary, Enterprise, show that the company returned to profit, after losses in 2020 and 2021, with a profit after depreciation and before tax of £18,815 (2021: £36,162 loss – see note 11).

Under the terms of the Deed of Covenant entered into in 2019, Enterprise pays up to the Trust the lower of its taxable and distributable profits. Given the tax losses incurred in 2020 and 2021, no payment will be made under the Deed of Covenant. However, the company repaid £10k of the medium term loan made by the Trust in 2020 in January 2023. Enterprise Directors have confirmed that they still expect the company to be able to repay the loan by the end of 2025.

During the year, a number of major projects were undertaken. These included repairs to the boiler at Crofton Beam Engines (with the £30k costs met by donations to the Boiler Appeal) and over £50k to rewire the Devizes Wharf building to bring it up to modern standards, required to meet the terms of both our insurance and the lease from Wiltshire Council. In October, the project to conserve the Wash House at Aldermaston, which will cost £100k in total, was started. This is progressing ahead of schedule, and will be completed in Spring 2023 in time for new tea room operators to open for business before Easter.

Commitments for 2023 include completion of the Wash House project and purchase of the Smithy at Crofton.

As a result of these capital projects, cash balances decreased during the year, from £504,582 to £430,945. On the basis of approved budgets, they are expected to fall by a further £100k in 2023. Additional project approvals will only be given if Trustees are satisfied that reserves will be in excess of the target level of reserves set under the Reserves Policy.

Risk management

Trustees are continuing to develop a more formal risk management framework for Trust and Enterprise activities. Trustees agreed a Risk Management policy in January 2022. To support this, a draft corporate risk register has been prepared, and will be further developed and then reviewed on a regular basis. A risk register has already been developed for Crofton Beam Engines, and health and safety risk assessments are in place for all activities involving volunteers, employees and members of the public which have been updated during the year to reflect changes in Covid risks.

Risks relating to Trust and Enterprise activities fall under three main headings:

- **Health and Safety risks:** The health and safety of volunteers, staff and visitors is a key priority of the Trust. The Trust has established a Health and Safety Committee to keep its arrangements under review, and has a contract with a Health and Safety Advisor to carry out audits and advise on improvements. Each boat operated by Enterprise has a detailed safety manual, and crew training is an essential part of managing risks. These arrangements are overseen by the Director of Boats. Detailed risk assessments and method statements are also in place at Crofton. During 2022, Covid risk assessments were reviewed, with some of the measures introduced in 2020 relaxed, while continuing to ensure that operations involving volunteers and staff and members of the public are carried out in accordance with legal requirements (including under the Health and Safety at Work Act) and guidance from Government and from the Health and Safety Executive.
- **Financial risks:** Financial risks include loss of income, failure to obtain grants for major projects, unexpected costs and losses through fraud or failure to achieve value for money in procurement. Income generated by the Enterprise subsidiary in 2023 is particularly uncertain, as it is too early to judge the impact of the cost of living crisis on boat bookings. Cost risks include energy and fuel costs and unanticipated repair and regulatory costs particularly for Crofton Beam Engines, the Devizes Wharf building and the boats operated by the Enterprise subsidiary.
- **Availability of other resources:** Our ability to recruit, train, retain and motivate our volunteers becomes more challenging as fewer people are retiring early. As the work undertaken by volunteers becomes more complex through regulation and also broadens, with a greater emphasis on engaging with new visitor audiences, more formal succession plans and volunteer recruitment processes will be developed to help address this. Contingency plans are also being developed to reduce risks of staff non-availability and the loss of key volunteers.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2022**

Following the development of a formal Reserves Policy in 2019, Trustees have reviewed regularly the financial risks facing the Trust, and in particular the impact of the pandemic. Trustees agreed in July 2022 that the target minimum level of reserves, should remain at £150K, given both the scale of capital commitments and continued uncertainty about both revenue and costs.

On the basis of the most recent projections, Trustees are satisfied that the Trust has sufficient balances to maintain current activities in 2023. Additional major projects will be approved only to the extent that free reserves in excess of the target minimum level are available, or external grant funding has been committed.

Trustees reviewed the Finance Manual in 2022 in the light of the annual review of internal financial controls, and agreed that no changes were necessary.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was created by memorandum on 6th June 1962. It is governed by Articles of Association that were last updated in 2020. This document is the governing document of the charity which is a private company limited by guarantee without share capital. As at 31 December 2022, there were 1,079 individual and joint members and 340 life members of the Trust.

Trustees are required to declare 'Persons of Significant Control' in the Companies House register. For the Trust there are no persons of significant control other than the Trustees listed. For our Enterprise trading company, the Trust has been listed as a legal entity with significant control. The declarations are available on the Companies House website.

The Trust Council (which is the Board of Directors of the company) currently comprises ten Trustees. It meets bi-monthly to review Health and Safety issues, consider overall Trust strategy and policy, in particular in the light of reports on the management accounts, received reports from Branches and to take decisions on matters which are reserved to Trust Council such as major expenditure commitments. The Trust is not required to appoint a Company Secretary and the Treasurer also takes responsibility for governance matters.

A process of external advertising has been adopted for recruiting new Trustees. Following interview by the Chairman and at least one other Trustee, recommendations are made to the Board; if approved, new Trustees are then co-opted onto Trust Council ahead of standing for election at the following AGM. New Trustees may also be nominated by members for election at the AGM. Each year one third of Trustees stand down and may offer themselves for re-election at the AGM.

The Enterprise Board comprises, at the date of this report, eight Directors (only three of whom are also Trustees, so that the majority, including the Chairman, are non-conflicted). It also meets bi-monthly to review in more depth health and safety issues and operational matters relating to the passenger boats, the Bruce boats, and the three tea rooms, and financial performance. As a commercial trading company, the Enterprise Board focusses particularly on budgets, financial performance, risk management and commercial viability. The Board provides regular reports to Trust Council.

The Trust's eight branches (Bath & Bristol, Bradford on Avon, Devizes, Crofton, Bruce, Hungerford, Newbury and Reading) are each run by a Branch Committee which is formally a sub-committee of the Trust Council and usually selected by a meeting of local members, but subject to veto by Trust Council. Branches undertake the Trust's work in their area and often have practical control of a boat (or boats) or other operations. Branches submit annual budget bids to Trust and Enterprise as appropriate and then have spending freedom within the approved budget subject to the provisions of a Finance Manual approved by Trust Council.

In addition, three members of staff provide a headquarters function supporting Trustees, Directors and branches, with a particular focus on Trust administration including matters such as insurance, managing boat booking, undertaking payments and banking, and ensuring compliance across a range of responsibilities.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trust's name is Kennet and Avon Canal Trust (The) and it is registered with Companies' House with the reference 00726331, and with the Charity Commission for England and Wales with the reference 209206.

The Trust's trading company is called The Kennet and Avon Canal Trust (Enterprise) Limited and is registered with Companies' House under the reference 02679756.

The principal and registered office for the Trust is Devizes Wharf, Couch Lane, Devizes, SN10 1EB and for Enterprise is Canal Visitor Centre, Couch Lane, Devizes, Wiltshire, SN10 1EB.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows (those marked * were also Directors of Enterprise):
Trustees:

M R Bailey
C W Bolt* (Treasurer)
D A Copley
R G H Dunton
D J Fearn
T W Mundy
Z S E E Puddephatt
T J Pyatt*
C D Sims* (Chairman)
G P Snook

In addition, the following were Directors of Enterprise:

C E Calder
C R Churchouse (Chairman) (resigned 13 January 2023)
J M Foley
D C Hanlon
L P Hooper
G S Puddephatt
D N Bone (appointed 24 February 2023)
Captain P S Hanson (appointed 24 February 2023)

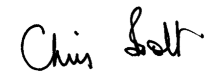
Independent Examiner

James Gare
FCA DChA
Monahans
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 8FJ

Banker

Lloyds Bank plc
38 Market Place
Devizes
Wiltshire
SN10 1JD

Approved by order of the board of trustees on 20 March 2023 and signed on its behalf by:



.....
C W Bolt - Trustee

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Kennet & Avon Canal Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

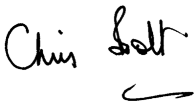
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the board



C W Bolt
Director

Date: 20 March 2023

**Independent Examiner's Report to the Trustees of
Kennet and Avon Canal Trust (The)**

Independent examiner's report to the trustees of Kennet and Avon Canal Trust (The) ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the Trust (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 Group 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 can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales.

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:

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



James Gare FCA DChA
The Institute of Chartered Accountants in England and Wales
Monahans
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 8FJ

Date: **21 April 2023**

Kennet and Avon Canal Trust (The)

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	92,857	-	92,857	132,796
Other trading activities	3	40,133	24,511	64,644	25,810
Commercial trading operation	11	268,731	-	268,731	164,476
Investment income	4	3,054	-	3,054	1,487
Other income		<u>2,405</u>	<u>-</u>	<u>2,405</u>	<u>1,609</u>
Total		407,180	24,511	431,691	326,178
EXPENDITURE ON					
Raising funds		6,734	-	6,734	4,006
Charitable activities					
Charitable activities		229,044	3,504	232,548	154,424
Commercial trading operations		237,523	-	237,523	199,708
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		473,301	3,504	476,805	358,138
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)		(66,121)	21,007	(45,114)	(31,960)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,168,378	500	1,168,878	1,200,838
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD		<u>1,102,257</u>	<u>21,507</u>	<u>1,123,764</u>	<u>1,168,878</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	10	<u>697,211</u>	<u>-</u>	<u>697,211</u>	<u>675,426</u>
CURRENT ASSETS					
Stocks	13	11,686	-	11,686	-
Debtors	14	10,740	-	10,740	9,329
Cash at bank and in hand		<u>409,438</u>	<u>21,507</u>	<u>430,945</u>	<u>504,582</u>
		431,864	21,507	453,371	513,911
CREDITORS					
Amounts falling due within one year	15	<u>(26,818)</u>	<u>-</u>	<u>(26,818)</u>	<u>(10,204)</u>
NET CURRENT ASSETS		<u>405,046</u>	<u>21,507</u>	<u>426,553</u>	<u>503,707</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,102,257	21,507	1,123,764	1,179,133
PROVISIONS FOR LIABILITIES		-	-	-	(10,255)
NET ASSETS		<u>1,102,257</u>	<u>21,507</u>	<u>1,123,764</u>	<u>1,168,878</u>
FUNDS	16				
Unrestricted funds				726,906	761,678
Charitable subsidiary funds				375,351	346,281
Restricted funds				<u>21,507</u>	<u>60,919</u>
TOTAL FUNDS				<u>1,123,764</u>	<u>1,168,878</u>

The charitable group is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

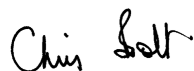
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable group as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 March 2023 and were signed on its behalf by:



.....
C W Bolt – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Charity Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	9	315,930	-	315,930	266,115
Investments	10	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
		316,930	-	316,930	267,115
CURRENT ASSETS					
Stocks	12	11,686	-	11,686	-
Debtors	13	100,294	-	100,294	102,272
Cash at bank and in hand		<u>318,332</u>	<u>21,507</u>	<u>339,839</u>	<u>457,735</u>
		430,312	21,507	451,819	560,007
CREDITORS					
Amounts falling due within one year	14	(20,336)	-	(20,336)	(4,525)
NET CURRENT ASSETS		<u>409,976</u>	<u>21,507</u>	<u>431,483</u>	<u>555,482</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>726,906</u>	<u>21,507</u>	<u>748,413</u>	<u>822,597</u>
NET ASSETS		<u>726,906</u>	<u>21,507</u>	<u>748,413</u>	<u>822,597</u>
FUNDS	15				
Unrestricted funds				726,906	761,678
Restricted funds				<u>21,507</u>	<u>60,919</u>
TOTAL FUNDS				<u>748,413</u>	<u>822,597</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

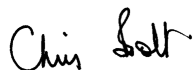
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The financial statements were approved by the Board of Trustees and authorised for issue on
and were signed on its behalf by:



.....
C W Bolt – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Cash Flow Statement
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(8,269)</u>	<u>52,978</u>
Net cash provided by operating activities		<u>(8,269)</u>	<u>52,978</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(68,422)	(6,949)
Sale of fixed assets		-	-
Interest received		<u>3,054</u>	<u>1,487</u>
Net cash provided by investing activities		<u>(65,368)</u>	<u>(5,462)</u>
Change in cash and cash equivalents in the reporting period		(73,637)	47,515
Cash and cash equivalents at the beginning of the reporting period		<u>504,582</u>	<u>457,067</u>
Cash and cash equivalents at the end of the reporting period		<u>430,945</u>	<u>504,582</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	(45,114)	(31,960)
Adjustments for:		
Depreciation charges	46,637	46,185
Loss on disposal of fixed assets	-	-
Interest received	(3,054)	(1,487)
Decrease/(increase) in debtors	889	46,410
Increase in stocks	(11,686)	-
Increase/(Decrease) in provisions for liabilities	(10,255)	-
Increase/(Decrease) in creditors	<u>14,314</u>	<u>(6,170)</u>
Net cash provided by operations	<u>(8,269)</u>	<u>52,978</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	<u>504,582</u>	<u>(73,637)</u>	<u>430,945</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES

Charity information

Kennet and Avon Canal Trust (The) is a private limited company limited by guarantee and incorporated in England and Wales. The registered office is Devizes Wharf, Couch Lane, Devizes, SN10 1EB.

Kennet and Avon Canal Trust (The) and its group meet the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The accounts of the trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, are consolidated with the accounts of Kennet and Avon Canal Trust (The) in accordance with current legislation. Inter group income and expenditure is eliminated and all income and expenditure relates to external transactions only. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and section 24 of SORP 2019.

Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants are recognised in full in the statement of financial activities in the year to which they relate. Subscriptions are included in the statement of financial activities when received.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Fundraising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes and of raising funds through various fund raising events. Support costs include governance costs which are costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES – continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- is not depreciated
Freehold buildings	- 2% on straight line basis
Long leasehold & boats	- 5% on a straight line basis
Plant and machinery	- 25% on straight line basis
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 20% on a straight line basis

Boats are included in the accounts at deemed cost, based on historic valuations. This is a change from the previous accounting policy which was that the boats were revalued by the Directors based on current trading value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Termination benefits

The charity recognises a liability for termination benefits at the point where the charity is committed to making the payments in return for employee redundancy.

Financial instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments, as defined by FRS102. The financial assets and liabilities and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and measured at fair value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2022

2. DONATIONS AND LEGACIES

Group and charity

	2022	2021
	£	£
Grants and donations	57,000	81,734
Legacies	2,988	18,396
Gift Aid Reclaims	13,823	9,555
Subscriptions	<u>19,046</u>	<u>23,111</u>
	<u>92,857</u>	<u>132,796</u>

3. OTHER TRADING ACTIVITIES

Group and charity

	2022	2021
	£	£
Admissions	22,871	12,371
Crofton car park	556	860
Fundraising	27,670	-
Rent received	<u>13,547</u>	<u>12,579</u>
	<u>64,644</u>	<u>25,810</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2022

4. INVESTMENT INCOME

Group and charity

	2022	2021
	£	£
Bank interest receivable	<u>3,054</u>	<u>1,487</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Independent examiner's remuneration (excluding VAT)		
Examination and preparation of the group accounts	3,008	3,400
Preparation of accounts for the trading subsidiary	1,384	1,200
Other services	1,500	1,450
Depreciation – owned assets	46,637	46,184
Hire of plant and machinery	642	670
	<u> </u>	<u> </u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 (2021: none).

7. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	77,512	69,355
Pension	541	423
Other costs	-	147
	<u> </u>	<u> </u>
	<u>78,053</u>	<u>69,925</u>

The average monthly number of employees during the year was as follows:

2022	2021
5	4
<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000 (2021: None).

No employees received termination benefits during the year (2021: None).

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2022

8. COMPARATIVES FOR THE STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	132,796	-	132,796
Other trading activities	25,810	-	25,810
Commercial trading operations	164,476	-	164,476
Investment income	1,487	-	1,487
Other income	1,609	-	1,609
Total	326,178	-	326,178
EXPENDITURE ON			
Raising funds	4,006	-	4,006
Commercial trading operations		-	
Charitable activities			
Charitable activities	135,424	19,000	154,424
Commercial trading operations	199,708	-	199,708
Total	339,138	19,000	358,138
NET INCOME	(12,960)	(19,000)	(31,960)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,120,919	79,919	1,200,838
TOTAL FUNDS CARRIED FORWARD	1,107,959	60,919	1,168,878

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2022

9. TAXATION

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary had a corporation tax liability of £nil for the year ended 31st December 2022 (2021: £Nil).

10. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2022	297,204	65,302	178,684	58,023
Additions	-	61,831	5,494	1,097
At 31 December 2022	<u>297,204</u>	<u>127,133</u>	<u>184,178</u>	<u>59,120</u>
DEPRECIATION				
At 1 January 2022	63,739	46,821	122,562	47,315
Charge for year	<u>4,004</u>	<u>4,659</u>	<u>10,880</u>	<u>1,744</u>
At 31 December 2022	<u>67,743</u>	<u>51,480</u>	<u>133,442</u>	<u>49,059</u>
NET BOOK VALUE				
At 31 December 2022	<u>229,461</u>	<u>75,653</u>	<u>50,736</u>	<u>10,061</u>
At 31 December 2021	<u>233,465</u>	<u>18,481</u>	<u>56,122</u>	<u>10,708</u>

	Boats £	Totals £
COST		
At 1 January 2022	507,000	1,106,213
Additions	-	68,422
At 31 December 2022	<u>507,000</u>	<u>1,174,635</u>
DEPRECIATION		
At 1 January 2022	150,350	430,787
Charge for year	<u>25,350</u>	<u>46,637</u>
At 31 December 2022	<u>175,700</u>	<u>477,424</u>
NET BOOK VALUE		
At 31 December 2022	<u>331,300</u>	<u>697,211</u>
At 31 December 2021	<u>356,650</u>	<u>675,426</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

10. TANGIBLE FIXED ASSETS - continued

Charity

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2022	297,204	65,302	41,767	58,023
Additions	<u>-</u>	<u>61,831</u>	<u>-</u>	<u>1,097</u>
At 31 December 2022	<u>297,204</u>	<u>127,133</u>	<u>41,767</u>	<u>59,120</u>
DEPRECIATION				
At 1 January 2022	63,739	46,821	38,306	47,315
Charge for year	<u>4,004</u>	<u>4,659</u>	<u>2,706</u>	<u>1,744</u>
At 31 December 2022	<u>67,743</u>	<u>51,480</u>	<u>41,012</u>	<u>49,059</u>
NET BOOK VALUE				
At 31 December 2022	<u>229,461</u>	<u>75,653</u>	<u>755</u>	<u>10,061</u>
At 31 December 2021	<u>233,465</u>	<u>18,481</u>	<u>3,461</u>	<u>10,708</u>
	Totals £			
COST				
At 1 January 2022	462,296			
Additions	<u>62,928</u>			
At 31 December 2022	<u>525,224</u>			
DEPRECIATION				
At 1 January 2022	196,181			
Charge for year	<u>13,113</u>			
At 31 December 2022	<u>209,294</u>			
NET BOOK VALUE				
At 31 December 2022	<u>315,930</u>			
At 31 December 2021	<u>266,115</u>			

11. FIXED ASSET INVESTMENTS

Charity

	Unlisted investment £
MARKET VALUE	
At 1 January 2022 and 31 December 2022	<u>1,000</u>
NET BOOK VALUE	
At 31 December 2022	<u>1,000</u>
At 31 December 2021	<u>1,000</u>

There were no investment assets outside the UK. Investments represent 100% of the issued share capital in The Kennet & Avon Canal Trust (Enterprise) Limited.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

12. SUBSIDIARY COMPANY

The charity has a wholly owned trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Limited, company number 02679756, which is incorporated in the United Kingdom. The principal activity of The Kennet & Avon Canal (Enterprise) Limited is to operate boat trips and sales of gifts and souvenirs.

A summary of the financial performance of the subsidiary is shown below:

	2022 £	2021 £
Turnover	268,731	164,476
Total expenditure	239,661	200,638
Other income	-	-
Profit / (loss)	<u>29,070</u>	<u>(36,162)</u>

The assets and liabilities of The Kennet & Avon Canal Trust (Enterprise) Limited were:

	2022 £	2021 £
Fixed and current assets	477,710	460,392
Liabilities and provisions	(101,359)	(113,111)
Total net assets	<u>376,351</u>	<u>347,281</u>
Share capital and reserves	<u>376,351</u>	<u>347,281</u>

Expenditure includes interest payable to the parent charity of £2,138 (2021: £930). This transaction has been eliminated on consolidation in the group Statement of Financial Activities.

13. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Stocks	<u>11,686</u>	<u>-</u>	<u>11,686</u>	<u>-</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	-	-	-	-
Other debtors	5,323	2,216	-	-
Amounts owed by group undertakings	-	-	94,877	97,177
Prepayments and accrued income	<u>5,417</u>	<u>7,113</u>	<u>5,417</u>	<u>5,095</u>
	<u>10,740</u>	<u>9,329</u>	<u>100,294</u>	<u>102,272</u>

Included within amounts owed by group undertaking is an amount of £94,877 (2021: £97,177) that is falling due after more than one year.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	18,968	3,608	15,422	202
Social security and other taxes	1,376	866	304	243
Accruals and deferred income	<u>6,474</u>	<u>5,730</u>	<u>4,610</u>	<u>4,080</u>
	<u>26,818</u>	<u>10,204</u>	<u>20,336</u>	<u>4,525</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

16. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	822,097	(95,191)	-	726,906
Trading subsidiary	346,281	29,070	-	375,351
	1,168,378	(66,121)	-	1,102,257
Restricted funds				
AIM/Pilgrim Trust grants	-	485	-	485
Bruce Branch Project	-	20,000	-	20,000
Tesco Groundwork - journey cam	-	944	-	944
President's Fund	500	(422)	-	78
	500	21,007	-	21,507
TOTAL FUNDS	<u>1,168,878</u>	<u>(45,114)</u>	<u>-</u>	<u>1,123,764</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	140,587	(235,778)	(95,191)
Trading subsidiary	268,731	(239,661)	29,070
Consolidation adjustments	(2,138)	2,138	-
	407,180	(473,301)	(66,121)
Restricted funds			
AIM/Pilgrim Trust grants	3,386	(2,901)	485
Bruce Branch Project	20,000	-	20,000
Tesco Groundwork - journey cam	1,125	(181)	944
President's Fund	-	(422)	(422)
	24,511	(3,504)	21,007
TOTAL FUNDS	<u>431,691</u>	<u>(476,805)</u>	<u>(45,114)</u>

Purposes of restricted funds

The President's fund was set up by a donation from the Trust President to fund volunteer travel expenditure, to be used at the discretion of the Trust Chairman.

Crofton Beam Engines has received two grants from the Association of Independent Museums/Pilgrim Trust. One was for a Collection Care audit, which was completed in March 2022. The second was a Conservation grant for work to be completed by March 2023; further expenditure will be incurred, and the second instalment of the grant payment received, in 2023.

A donation of £20K has been received to fund initial design work for a new accessible boat for the Bruce Boat fleet. No expenditure has yet been incurred

A Tesco Community Grant has been received to provide four smart televisions with external camera and cabling for the Bruce Boat fleet. Further expenditure will be incurred, and the final instalment of the grant payment received, in 2023.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Net Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	738,476	23,202	60,419	822,097
Trading subsidiary	382,443	(36,162)	-	346,281
	1,120,919	(12,960)	60,419	1,168,378
Restricted funds				
Our Crofton Story (NLHF Project) Fund	60,419	-	(60,419)	-
Bradford on Avon Projects Fund	5,000	(5,000)	-	-
Bedwyn Wharf Development Fund	5,000	(5,000)	-	-
Archimedean Screw Conservation Fund	9,000	(9,000)	-	-
President's Fund	500	-	-	500
	79,919	(19,000)	(60,419)	500
TOTAL FUNDS	1,200,838	(31,960)	-	1,168,878

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	162,632	(139,430)	23,202
Trading subsidiary	164,476	(200,638)	(36,162)
Consolidation adjustments	(930)	930	-
	326,178	(339,138)	(12,960)
Restricted funds			
Bradford on Avon Projects Fund	-	(5,000)	(5,000)
Bedwyn Wharf Development Fund	-	(5,000)	(5,000)
Archimedean Screw Conservation Fund	-	(9,000)	(9,000)
	-	(19,000)	(19,000)
TOTAL FUNDS	326,178	(358,138)	(31,960)

17. CHARGES

The Trustees of the National Lottery Heritage Fund hold a legal charge over the freehold property known as The Old Pumping Station, Crofton, Marlborough, Wiltshire, SN8 3DW.

18. RELATED PARTY DISCLOSURES

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

19. ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is the Board of Trustee Directors.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

20. COMPANY LIMITED BY GUARANTEE

Kennet and Avon Canal Trust (The) is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants and donations	57,000	81,734
Gift aid	13,823	9,555
Legacies	2,988	18,396
Subscriptions	<u>19,046</u>	<u>23,111</u>
	92,857	132,796
Other trading activities		
Admissions	22,871	12,371
Crofton car park	556	860
Fundraising	27,670	-
Rent received	<u>13,547</u>	<u>12,579</u>
	64,644	25,810
Investment income		
Bank interest receivable	5,192	2,417
Interest from trading subsidiary	(2,138)	(930)
Commercial trading operations		
Commercial trading operations	268,731	164,476
Other income		
Sundry income	<u>2,405</u>	<u>1,609</u>
Total incoming resources	431,691	326,178
EXPENDITURE		
Raising funds		
Butty costs	3,345	2,489
Advertisement & Publicity	1,147	524
Fundraising costs	<u>2,242</u>	<u>993</u>
	6,734	4,006
Commercial trading operations		
Costs of trading subsidiary	239,661	200,638
Interest on loan paid to parent	<u>(2,138)</u>	<u>(930)</u>
Total costs of raising funds	237,523	199,708
Charitable activities		
Wages	40,853	37,146
Pensions	541	423
Hire of plant and machinery	642	670
Rates and water	4,194	752
Insurance	10,957	9,874
Light and heat	2,655	2,258
Telephone	3,545	4,381
Postage and stationery	269	149
Sundries	940	838
Bank charges	1,327	1,161
Grants payable	5,516	-
Carried forward	71,439	57,652

This page does not form part of the statutory financial statements

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	2022 £	2021 £
Charitable activities		
Brought forward	71,439	57,652
Health & safety	7,229	7,667
Staff training	216	72
Recruitment	115	75
Rent	3,020	1,200
Repairs & maintenance	114,481	56,602
Depreciation	13,113	11,381
Coal	4,707	5,301
NLHF project costs	3,504	-
Computer costs	4,645	4,513
Stock purchases	<u>895</u>	<u>-</u>
	223,364	144,463
Support costs		
Governance costs		
Independent examiner's remuneration	1,200	1,200
Accountancy fees	3,308	4,050
Other professional costs	<u>4,676</u>	<u>4,711</u>
	<u>9,184</u>	<u>9,961</u>
Total resources expended	<u>476,805</u>	<u>358,138</u>
Net expenditure	<u><u>(45,114)</u></u>	<u><u>(31,960)</u></u>

THE KENNET AND AVON CANAL TRUST, LIMITED

England & Wales - Charity number 209206

Accounts

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 December 2021
for
Kennet and Avon Canal Trust (The)

MHA Monahans
Chartered Accountants
Fortescue House, Court Street
Trowbridge
Wiltshire
BA14 8FA

Kennet and Avon Canal Trust (The)

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for the Year Ended 31 December 2021

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Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2021

The trustees who are also directors of the charity and its subsidiary for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and its subsidiary for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

2021 in summary

- Restrictions on operations because of Covid Regulations still had an impact on income in 2021, although this was less than in 2020. Commercial trading income increased from £54,912 in 2020 to £164,476, although our trading subsidiary still made a loss after depreciation. Visitor income at Crofton Beam Engines also increased, from £4,461 to £14,860.
- As a consequence, the overall Group results showed net expenditure of £31,960 (2020: net expenditure of £116,885). Income from grants and donations was lower than in the previous year (£81,734; 2020 £94,954), as was income from legacies (£18,396; 2020: £50,000).
- Because capital expenditure was less than the depreciation charge, cash balances at the end of the year increased to £504,582 (2020: £457,067), and free reserves remain well above the target level of £150,000.
- Passenger numbers on public boat trips were 14,393 (2020: 1,358). The number of weeks of holiday hire of Bruce Boats was 41 (2020: 17).
- Crofton Beam Engines opened to the public in mid-May, and the engines were steamed on seven days. Total visitor numbers were 881 on steaming days (2020: 0), and 2,347 on non-steaming days (2020: 1,760), with 879 adults and children touring the station itself (2020: 946).
- Other achievements in the year included transferring membership data to a new system, and issuing two editions of The Butty to members.

Introduction

The Trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2021 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Trust's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Our Vision and Strategy

The charitable objects of the Trust, as set out in its Articles of Association, are to:

- Promote, facilitate, and assist in the conservation, protection and improvement of the Kennet and Avon Canal and its associated watercourses, towpaths, structures and buildings;
- Advance the education of the public in general of the significance of the Kennet and Avon Canal and its associated structures;
- Protect and conserve, objects, sites and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Kennet and Avon Canal; and
- Promote and facilitate recreational use of the Kennet and Avon Canal by a wide section of the community in order to improve conditions of life for the public.

In November 2020, following a review of the Trust's future priorities, the Trustees agreed a new Vision and Strategy statement, taking full account of Charity Commission guidance on public benefit from charitable activities.

This statement included the following aims:

- To promote the Kennet and Avon Canal to the benefit of all its users, the communities through which it passes, and its heritage.

- To be a voice for users of the Kennet and Avon Canal - whether on the water or on the towpath.
- To preserve the heritage of the canal, by promoting protection and restoration of historic features and making them accessible to visitors, canal users and local communities.
- To provide opportunities for all members of the public, and in particular community groups and those who are disadvantaged or disabled, to access the canal whether on boats or along the towpath.
- To develop new ways of enabling the public to experience the canal and its history, and widen the range of people who can engage with it.

These aims guide the priorities for the Trust, as a basis for ensuring that it continues to meet its objects for the public benefit. The Trust will seek to achieve this in the following way:

- Through our Branch structure, we will ensure that the whole length of the canal has a local champion, working to improve the canal and towpath both directly and through lobbying
- We will develop facilities for learning and community engagement along the canal
- We will identify and promote projects to protect the canal's heritage and environment
- We will encourage our trading subsidiary to continue to provide boat and other recreational facilities, supporting these with grants where they are not commercially viable but bring public benefit
- We will engage constructively with the Canal and River Trust as the canal's owner and operator, and with other heritage and community bodies, and participate in events promoting the canal
- We will report regularly on our activities to members, volunteers, funders and other stakeholders

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2021

Review of 2021

(a) Overview

At the end of 2021, the Group employed three members of staff, one at Crofton and two managing administration and finance. The Trust's achievements are therefore heavily reliant on the contribution of the time and expertise of about four hundred volunteers, who mainly operate through the Trust's eight Branches. Our boats are exclusively crewed by volunteers, Crofton opening days are almost entirely run by volunteers, and our events and support for canal side work are delivered by volunteers. The safety and wellbeing of our volunteers and staff is therefore a priority for Trustees.

Our plans for 2021 were again affected by the Covid-19 pandemic. These delayed the planned start date for 2021 activities, with Crofton Beam Engines reopening on 22 May and trip boat operations restarting around the same time.

Our café licensees were also impacted severely by Covid restrictions in the early part of the year. The Enterprise Board agreed to share the financial impact by waiving rents in February 2021.

Trust Council reviewed updated financial projections for 2021 and for the five years to 2026 at its meeting in July. These showed that with an expected recovery in visitor income, coupled with the changes in staffing structures and other cost saving measures agreed in 2020, the Group would continue to generate surpluses, although Crofton Beam Engines would probably not achieve its cash neutral target by 2025. However, it was unlikely that the Trust would be able to progress all the projects identified by Branches without significant external fundraising.

(b) Trust

The Trust operates mainly through its eight Branches.

Crofton Branch is responsible for running Crofton Beam Engines, a Grade 1 listed site housing the oldest beam engine in the world still in its original location and still able to perform its original task. 2020 saw the formal completion of a major project to tell 'Our Crofton Story: Its Buildings and Its People'.

The site has continued to be managed in 2021 by a volunteer Site Manager with support from a full-time Assistant Site Manager, volunteer members of the Branch Committee, as well as about forty other regular volunteers. In 2021, the focus at Crofton has been opening to visitors, including seven steaming days, and taking steps to ensure that the engines can continue to operate. Limited progress has been made in developing the learning programme, in part because of Covid and in part because of the resignation of the part-time Learning and Community Engagement Officer in August when her other part-time role at the University of Bath was made full-time.

The site was open to visitors from 22 May for a total of 40 days, with the engines steamed on seven of those days. In order to manage visitor flow around the station on steaming days, all visitors to the site required a timed ticket, and were encouraged to purchase this in advance through the Art Tickets platform. Total visitor numbers were 881 (including 125 children) on steaming days and with 2,347 on non-steaming days. On non-steaming days, site entry was free, with a charge to tour the station itself; 879 visitors (including 81 children) toured the station.

Following a full boiler survey during the year, repair work to the boiler has been agreed costing around £30K. Subject to any unforeseeable issues arising, this work should enable the boiler to operate for a further ten years with only normal annual maintenance. H A McEwen, who carried out the previous boiler repairs in 2017, have been commissioned to undertake the work, which started in January 2022. To fund the work, a Boiler Appeal was launched at the end of August 2021; this is already more than half way to the target level of £30K.

Also during the year, cracks were identified in the pump-end parallel motion of No 2 engine (the 1846 Harvey & Co. engine). Following disassembly, the affected parts have been subject to further assessment, and remedial steps – consistent with the Grade 1 listed status of the engines – is being developed. In the meantime, only No 1 engine can be steamed.

In November, Crofton Branch secured grant funding for a Collection Care audit. This was carried out in December by Peter Meehan, a qualified conservator. His report will form an important input to the procedures and documentation being developed to support Crofton's planned application for accreditation under the Arts Council scheme for museums. Earlier in the year, Peter had carried out conservation work on the Archimedes Screw Pump exhibited at Crofton, largely funded by grants from the Association of Independent Museums/Pilgrim Trust and the Wiltshire Community Foundation.

The Canal and River Trust has agreed in principle to transfer ownership of the Smithy at Crofton – the only building retained by the then British Waterways Board when the Trust purchased the site in 1968 – and detailed proposals are awaited.

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2021

Some of the other Branches, such as Reading, have continued with their programme of talks, although these were mainly held electronically. The Reading Branch was also involved in organising the Reading Waterfest held on 19 June, a joint venture with Reading Borough Council. Visitor numbers and admission times were restricted in accord with applicable regulations.

Trust central staff continued to work mainly from home, with the Devizes office generally open only one day a week. To enable Trust Council to determine the long term future of the building, a survey was commissioned in the summer, which identified a number of issues which could require major expenditure in the medium term, as well as some urgent short term work such as a full rewiring. This work is now being carried out, and Trust Council has commissioned further studies to allow a firm decision to be reached during 2022 on whether to enter into a new lease of the building, which is owned by Wiltshire Council.

The Trust Museum at Devizes reopened in June, with a volunteer on hand to welcome visitors and to ensure that Covid protocols were met. However, it closed again in November, to allow for the rewiring to proceed.

Two editions of the Trust's magazine The Butty were published although many members opted to receive the Autumn edition in digital form only. In line with the new membership rules introduced in 2021, only members 'opting in' to receive a hard copy will receive one from Spring 2022 onwards. During 2021, the transfer of membership information to Donorfy was completed, and, from 4 January 2022 direct debits were transferred from Lloyds Teledebit to GoCardless. These new arrangements simplify the management of the membership system, and will also integrate better with the new Trust website which is currently being developed.

(c) Enterprise

The Trust's trading subsidiary, The Kennet and Avon Canal Trust (Enterprise) Ltd, operates public boat trips, holiday hire of adapted for use by disabled passengers, and a boat for use by community groups. It also licenses cafés at Bradford on Avon, Devizes Newbury and Aldermaston. These activities directly support delivery of the Trust's charitable objects, in particular by promoting recreational use of the canal by a wide range of the public. In addition, by paying profits to the Trust, the scope of the Trust's activities can be expanded, so that Enterprise also supports the public benefit indirectly.

In a normal year, trip boats and holiday hire activities run from Easter to October, with additional public services at Christmas. All the trip boats operated in 2021, although trips generally did not start until late May. As in 2020, capacity was reduced in order to ensure social distancing between different households. Bruce Boat holiday hires also restarted in the late Spring.

Because of the pandemic, and also river conditions at the eastern end of the canal, the Reading trip boat, Matilda, was only able to operate a very limited service. As it was not possible to negotiate terms for the continued lease of the boat which would enable it to make profits, the lease was terminated in October and the boat returned to its owner.

The remaining four trip boats were all able to operate Christmas services.

Maintaining the boat fleet owned by Enterprise involves significant fixed costs, for example in respect of licences, inspection by the MCA, mooring and insurance. [As a consequence of lower income, boat activities therefore made a significant loss in 2020.] Following agreement to a loan facility of £100K from Trust in 2020, Enterprise drew down a further £20K during 2021, and is expected to require a further draw-down in Spring 2022. The Directors of Enterprise remain confident that the loan can be repaid by the latest date in the loan agreement of December 2025. However, as a condition of agreement to 2022 budget bids, Trust Council has asked the Enterprise Board to carry out a strategic review, with external commercial input, to be completed by the end of June 2022.

The four licensed cafés continued to make a positive contribution to Enterprise, although with a rent waiver in February (reflecting the continued impact of Covid) and some additional building maintenance costs this was much smaller than in previous years. Given various operational issues, the licence to operate the café at Devizes Wharf was terminated on 31 October 2021; future café operations there will depend on Trust Council's decision on the future of the site.

Terms for a new 15 year lease from the Canal and River Trust of the tea room at Bradford on Avon, which formally expired in December 2021, have now been agreed, and a new licence agreement will be put in place with the current operators once the lease has been signed. A formal sub-lease with the operator of the tea room at Aldermaston is also close to being finalised.

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2021

(d) Administration and governance

The arrangements for administration of the Trust put in place in 2020 have continued to operate effectively.

Two Trustees were co-opted during the year, and they will be putting themselves forward for election at the 2022 AGM. One Trustee stood down during the year. Trust Council has agreed that it should recruit an additional trustee with particular experience of fundraising; this will be done by external recruitment.

Portfolio role descriptions are being developed for all Trustees. Those for the Chairman and Treasurer have already been agreed.

Further policies have been developed or updated during the year, and are published on the Trust's website. This included a full review of the Health and Safety policy and supporting Safety Instructions. Health and Safety continues to be reviewed at all meetings of Trust Council and the Enterprise Board, including both accidents and near misses. Given the particular safety issues at Crofton Beam Engines, a separate Safety Management System is being developed to document procedures there. This mirrors the Boat Safety Management Manual, which each trip boat maintains as a condition of licensing by the Maritime and Coastguard Agency.

Plans for 2022 and beyond

(a) Trust

At its January 2022 meeting, Trust Council agreed its priorities for 2022. These include:

- Building on the measures taken in 2021 to strengthen links between Trust Council and Branches, continuing to hold meetings of all Branch Chairs and Trustees every six months;
- Completing the project to replace the Trust's website, and then develop proposals to increase Trust membership;
- Taking decisions on future plans for Devizes Wharf and on plans to conserve the Wash House at Aldermaston by mid-2022.

In addition to these central initiatives, Branches will continue to deliver activities on a local basis, in particular through operation of the Crofton site and other Branch activities including supporting water festivals at Reading and Newbury.

(b) Enterprise

Operating plans for the company's trip boat and holiday hire fleet in 2022 are based on Covid restrictions having only a limited impact. This should allow the company to return to more normal levels of profit, so that it can repay the loan from Trust and in due course resume making payments of its profits to support the charitable work of the Trust.

No major expenditure on boats is anticipated in 2022 apart from planned repainting of Kenavon Venture. In line with its general policy on the funding of major projects, Trust Council approved the budget for this work on condition that the Devizes Branch sought to raise 50% of the total cost of £10K locally.

As part of the strategic review requested by Trust Council, the cost and operating implications of replacing a trip boat and/or one of the Bruce Boats with a new boat with hybrid or all-electric engine will be investigated. Such a boat would reduce noise and emissions.

Bruce Branch is also planning to introduce new Discovery Trips from Bedwyn to Crofton in partnership between with Crofton Branch, delayed from 2021 because of the pandemic.

(c) Administration and governance

Apart from recruitment of at least one additional Trustee, the main priority in respect of governance will be to agree Trust policies in respect of safeguarding and conservation, and continue to review and update existing policies in particular the environmental policy. It is also planned to update the Trust's Volunteer Handbook in 2022. Branch constitutions will also be reviewed to ensure that they reflect current good practice.

Kennet and Avon Canal Trust (The)
Report of the Trustees
for the Year Ended 31 December 2021

Financial Review

At Group level (Trust and Enterprise), net expenditure in 2021 was £31,960 (2020: £116,885). These figures are after charging depreciation on fixed assets of £46,185 (2020: £46,961).

There was a significant increase in income from commercial trading activities from £54,912 in 2020 to £164,476, although this was still well below the 2019 level of £311,308. However, this was partially offset by a reduction in donations, grants and legacies from £257,049 in 2020 to £132,739. Although some further local authority grants to leisure businesses were received in 2021, 2020 figures also included receipts under the Coronavirus Job Retention Scheme ('furlough') and grants from the Wolfson Foundation (£35,000, which was unrestricted) and the Wiltshire Community Foundation (£15,000).

Trading results for our trading subsidiary, Enterprise, show that the company returned a net loss, after depreciation, of £36,162 (see note 11), although this was significantly less than the loss in 2020 of £145,663. 2022 budgets envisage a return to profitability for trading activities.

Under the terms of the Deed of Covenant entered into in 2019, Enterprise pays up to the Trust the lower of its taxable and distributable profits. As no profits were made in 2021, no payment will be made, and indeed a further drawdown of the loan facility from Trust agreed in 2020 was required. Enterprise Directors have confirmed that they still expect the company to be able to repay the loan by the end of 2025.

As a result of lower losses by Enterprise, and capital expenditure below the level of the depreciation charge, cash balances increased during the year, from £457,067 to £504,582. On the basis of commitments made in 2021, in particular for the repair of the boiler at Crofton and for rewiring of the Devizes Wharf building, Trustees expect reserves to fall in 2022. Additional projects approvals will only be given if Trustees are satisfied that reserves will in excess of the target level of reserves set under the Reserves Policy.

Risk management

Trustees are continuing to develop a more formal risk management framework for Trust and Enterprise activities. Trustees agreed a Risk Management policy in January 2022. To support this, a draft corporate risk register has been prepared, and will be further developed and then reviewed on a regular basis. A risk register has already been developed for Crofton Beam Engines, and health and safety risk assessments are in place for all activities involving volunteers, employees and members of the public which have been updated during the year to reflect changes in Covid risks.

Risks relating to Trust and Enterprise activities fall under three main headings:

- **Health and Safety risks:** The health and safety of volunteers, staff and visitors is a key priority of the Trust. The Trust has established a Health and Safety Committee to keep its arrangements under review, and has a contract with a Health and Safety Advisor to carry out audits and advise on improvements. Each boat operated by Enterprise has a detailed safety manual, and crew training is an essential part of managing risks. These arrangements are overseen by the Director of Boats. Detailed risk assessments and method statements are also in place at Crofton. During 2020, additional Covid risk assessments were developed before boat trips and holiday hire restarted, and before Crofton reopened, to ensure that both preparatory work by volunteers and operations with members of the public were carried out in accordance with legal requirements (including under the Health and Safety at Work Act) and guidance from Government and from the Health and Safety Executive.
- **Financial risks:** Financial risks include loss of income, failure to obtain grants for major projects, unexpected costs and losses through fraud or failure to achieve value for money in procurement. The Finance Manual was developed further in 2020 to clarify procedures in relation to the letting of contracts.
- **Availability of other resources:** Our ability to recruit, train, retain and motivate our volunteers becomes more challenging as fewer people are retiring early. In 2020, the pandemic has also required some volunteers to self-isolate. As the work undertaken by volunteers becomes more complex through regulation and also broadens, with a greater emphasis on engaging with new visitor audiences, more formal succession plans and volunteer recruitment processes will be developed to help address this. Contingency plans are also being developed to reduce risks of staff non-availability.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2021

Following the development of a formal Reserves Policy in 2019, Trustees have reviewed regularly the financial risks facing the Trust, and in particular the impact of the pandemic. Trustees agreed in July 2021 that the target level of free reserves, which had been increased to £200K in July 2020, should revert to the previous level of £150K. This will be reviewed again in July 2022.

On the basis of the most recent projections, Trustees are satisfied that the Trust has sufficient balances to maintain current activities in 2022. Major projects will be approved only to the extent that free reserves in excess of the target minimum level are available, or external grant funding has been committed.

Trustees agreed a further update to the Finance Manual in 2021, and this will be reviewed again in 2022 in the light of any issues identified following the annual assessment of internal financial controls.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was created by memorandum on 6th June 1962. It is governed by Articles of Association that were updated at the AGM in 2020 in particular to confirm that General Meetings may be held by electronic means. This document is the governing document of the charity which is a private company limited by guarantee without share capital.

Trustees are required to declare 'Persons of Significant Control' in the Companies House register. For the Trust there are no persons of significant control other than the Trustees listed. For our Enterprise trading company, the Trust has been listed as a legal entity with significant control. The declarations are available on the Companies House website.

There is currently no formal process for recruiting new Trustees. New Trustees are generally recommended by existing Trustees, and are then co-opted onto Trust Council ahead of standing for election at the following AGM. New Trustees may also be nominated by members for election at the AGM. Each year one third of Trustees stand down or offer themselves for re-election at the AGM. One of the recommendations of the strategy review was that a more formal process should be adopted to define portfolios for Trust Council members, with open recruitment in order to refresh membership. Portfolio specifications are now being developed, and it is intended generally to use open recruitment for future appointments.

The Trust Council (which is the Board of Directors of the company) currently comprises ten Trustees. It meets bi-monthly to review Health and Safety issues, consider overall Trust strategy and policy, in particular in the light of reports on the management accounts, and to take decisions on matters which are reserved to Trust Council such as major expenditure commitments. The Trust is not required to appoint a Company Secretary and the Treasurer also takes responsibility for governance matters.

The Enterprise Board currently comprises nine Directors (only three of whom are also Trustees, so that the majority, including the Chairman, are non-conflicted). It also meets bi-monthly to review in more depth health and safety issues and operational matters relating to the passenger boats, the Bruce boats, and the three cafés, and financial performance. As a commercial trading company, the Enterprise Board focusses particularly on budgets, financial performance, risk management and commercial viability. The Board provides regular reports to Trust Council.

The Trust's eight branches (Bath & Bristol, Bradford on Avon, Devizes, Crofton, Bruce, Hungerford, Newbury and Reading) are each run by a Branch Committee which is formally a sub-committee of the Trust Council and usually selected by a meeting of local members, but subject to veto by Trust Council. Branches undertake the Trust's work in their area and often have practical control of a boat (or boats) or other operations. Branches submit annual budget bids to Trust and Enterprise as appropriate and then have spending freedom within the approved budget subject to the provisions of the Finance Manual.

In addition, two members of staff provide a headquarters function supporting Trustees, Directors and branches, with a particular focus on Trust administration including matters such as insurance, managing boat booking, undertaking payments and banking, and ensuring compliance across a range of responsibilities.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trust's name is Kennet and Avon Canal Trust (The) and it is registered with Companies' House with the reference 00726331, and with the Charity Commission for England and Wales with the reference 209206.

The Trust's trading company is called The Kennet and Avon Canal Trust (Enterprise) Limited and is registered with Companies' House under the reference 02679756.

The principal and registered office for the Trust is Devizes Wharf, Couch Lane, Devizes, SN10 1EB and for Enterprise is Canal Visitor Centre, Couch Lane, Devizes, Wiltshire, SN10 1EB.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2021

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows (those marked * were also Directors of Enterprise):
Trustees:

M R Bailey
C W Bolt* (Treasurer)
D A Copley
R G H Dunton
D J Fearn
T W Mundy
Z S E E Puddephatt (appointed 7 June 2021)
T J Pyatt* (appointed 20 September 2021)
C D Sims* (Chairman)
G P Snook
P J Turvey (resigned 30 November 2021)

In addition, the following were Directors of Enterprise:

C E Calder (appointed 14 June 2021)
C R Churchouse (Chairman)
J M Foley
D C Hanlon
L P Hooper (appointed 24 March 2021)
G S Puddephatt

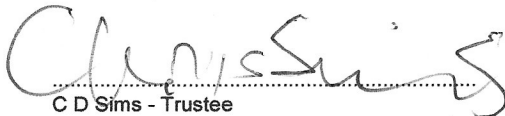
Independent Examiner

James Gare
FCA DChA
MHA Monahans
Chartered Accountants
Fortescue House, Court Street
Trowbridge
Wiltshire
BA14 8FA

Banker

Lloyds Bank plc
38 Market Place
Devizes
Wiltshire
SN10 1JD

Approved by order of the board of trustees on 21 March 2022 and signed on its behalf by:


C D Sims - Trustee

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2021

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Kennet & Avon Canal Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the board



C D Sims
Director

Date: 18 March 2022

**Independent Examiner's Report to the Trustees of
Kennet and Avon Canal Trust (The)**

Independent examiner's report to the trustees of Kennet and Avon Canal Trust (The) ('the Company')

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

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales.

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:

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.



James Gare FCA DChA
The Institute of Chartered Accountants in England and Wales
MHA Monahans
Chartered Accountants
Fortescue House, Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: **6 April 2022**

Kennet and Avon Canal Trust (The)

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		132,796	-	132,796	257,049
Other trading activities	3	25,810	-	25,810	14,073
Commercial trading operation	11	164,476	-	164,476	54,912
Investment income	4	1,487	-	1,487	1,566
Other income		<u>1,609</u>	<u>-</u>	<u>1,609</u>	<u>9,298</u>
Total		326,178	-	326,178	336,898
 EXPENDITURE ON					
Raising funds		4,006	-	4,006	7,891
 Charitable activities					
Charitable activities		135,424	19,000	154,424	236,224
Commercial trading operations		<u>199,708</u>	<u>-</u>	<u>199,708</u>	<u>209,668</u>
 Total		<u>339,138</u>	<u>19,000</u>	<u>360,138</u>	<u>453,783</u>
 NET INCOME/(EXPENDITURE)		(12,960)	(19,000)	(31,960)	(116,885)
 RECONCILIATION OF FUNDS					
 Total funds brought forward		<u>1,120,919</u>	<u>79,919</u>	<u>1,200,838</u>	<u>1,317,723</u>
 TOTAL FUNDS CARRIED FORWARD		<u>1,107,959</u>	<u>60,919</u>	<u>1,168,878</u>	<u>1,200,838</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Balance Sheet
31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	9	<u>615,007</u>	<u>60,419</u>	<u>675,426</u>	<u>714,661</u>
		615,007	60,419	675,426	714,661
CURRENT ASSETS					
Debtors	12	9,329	-	9,329	55,739
Cash at bank and in hand		<u>504,082</u>	<u>500</u>	<u>504,582</u>	<u>457,067</u>
		513,411	500	513,911	512,806
CREDITORS					
Amounts falling due within one year	13	(10,204)	-	(10,204)	(16,374)
NET CURRENT ASSETS		<u>503,207</u>	<u>500</u>	<u>503,707</u>	<u>496,432</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,118,214	60,919	1,179,133	1,211,093
PROVISIONS FOR LIABILITIES		(10,255)	-	(10,255)	(10,255)
NET ASSETS		<u>1,107,959</u>	<u>60,919</u>	<u>1,168,878</u>	<u>1,200,838</u>
FUNDS	14				
Unrestricted funds				761,678	738,476
Charitable subsidiary funds				346,281	382,443
Restricted funds				<u>60,919</u>	<u>79,919</u>
TOTAL FUNDS				<u>1,168,878</u>	<u>1,200,838</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 March 2022 and were signed on its behalf by:


C D Sims – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Charity Balance Sheet
31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	9	205,696	60,419	266,115	273,841
Investments	10	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
		206,696	60,419	267,115	274,841
CURRENT ASSETS					
Debtors	12	102,272	-	102,272	118,160
Cash at bank and in hand		<u>457,235</u>	<u>500</u>	<u>457,735</u>	<u>431,363</u>
		559,507	500	560,007	549,523
CREDITORS					
Amounts falling due within one year	13	(4,525)	-	(4,525)	(5,969)
NET CURRENT ASSETS		<u>554,982</u>	<u>500</u>	<u>555,482</u>	<u>543,554</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>761,678</u>	<u>60,919</u>	<u>822,597</u>	<u>818,395</u>
NET ASSETS		<u>761,678</u>	<u>60,919</u>	<u>822,597</u>	<u>818,395</u>
FUNDS	14				
Unrestricted funds				761,678	738,476
Restricted funds				<u>60,919</u>	<u>79,919</u>
TOTAL FUNDS				<u>822,597</u>	<u>818,395</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

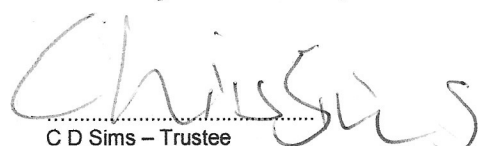
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 March 2022 and were signed on its behalf by:


C D Sims – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>52,978</u>	<u>(103,926)</u>
Net cash provided by operating activities		<u>52,978</u>	<u>(103,926)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,949)	(4,591)
Sale of fixed assets		-	1,250
Interest received		<u>1,487</u>	<u>1,658</u>
Net cash provided by investing activities		<u>(5,462)</u>	<u>(1,683)</u>
Change in cash and cash equivalents in the reporting period		47,515	(105,609)
Cash and cash equivalents at the beginning of the reporting period		<u>457,067</u>	<u>562,676</u>
Cash and cash equivalents at the end of the reporting period		<u>504,582</u>	<u>457,067</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	(31,960)	(116,885)
Adjustments for:		
Depreciation charges	46,185	46,961
Loss on disposal of fixed assets	-	900
Interest received	(1,487)	(1,658)
Decrease/(increase) in debtors	46,410	(15,785)
Increase/(Decrease) in provisions for liabilities		(2,912)
Increase/(Decrease) in creditors	<u>(6,170)</u>	<u>(14,547)</u>
Net cash provided by operations	<u><u>52,978</u></u>	<u><u>(103,926)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>457,067</u>	<u>47,516</u>	<u>504,582</u>
	<u>457,067</u>	<u>47,516</u>	<u>504,582</u>
Total	<u><u>457,067</u></u>	<u><u>47,516</u></u>	<u><u>504,582</u></u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Charity information

Kennet and Avon Canal Trust (The) is a private limited company limited by guarantee and incorporated in England and Wales. The registered office is Devizes Wharf, Couch Lane, Devizes, SN10 1EB.

Kennet and Avon Canal Trust (The) and its group meet the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The accounts of the trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, are consolidated with the accounts of Kennet and Avon Canal Trust (The) in accordance with current legislation. Inter group income and expenditure is eliminated and all income and expenditure relates to external transactions only. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and section 24 of SORP 2019.

Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants are recognised in full in the statement of financial activities in the year to which they relate. Subscriptions are included in the statement of financial activities when received.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Fundraising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes and of raising funds through various fund raising events. Support costs include governance costs which are costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES – continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- is not depreciated
Freehold buildings	- 2% on straight line basis
Long leasehold & Boats	- 5% on a straight line basis
Plant and machinery	- 25% on straight line basis
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 20% on a straight line basis

Boats are included in the accounts at deemed cost, based on historic valuations. This is a change from the previous accounting policy which was that the boats were revalued by the Directors based on current trading value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Termination benefits

The charity recognises a liability for termination benefits at the point where the charity is committed to making the payments in return for employee redundancy.

Financial instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments, as defined by FRS102. The financial assets and liabilities and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and measured at fair value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements
for the Year Ended 31 December 2021

2. DONATIONS AND LEGACIES

Group and charity

	2021	2020
	£	£
Grants and donations	81,734	105,354
National Lottery Heritage Fund	-	55,681
Coronavirus Job Retention Scheme	-	11,232
Legacies	18,396	50,000
Gift Aid Reclaims	9,555	6,268
Subscriptions	23,111	24,473
Fundraising	-	4,041
	<u>132,796</u>	<u>257,049</u>

3. OTHER TRADING ACTIVITIES

Group and charity

	2021	2020
	£	£
Admissions	12,371	3,241
Crofton car park	860	645
Rent received	<u>12,579</u>	<u>10,187</u>
	<u>25,810</u>	<u>14,073</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2021

4. INVESTMENT INCOME

Group and charity

	2021	2020
	£	£
Bank interest receivable	<u>1,487</u>	<u>1,566</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Independent examiner's remuneration (excluding VAT)		
Examination and preparation of the Group Accounts	3,400	3,900
Preparation of accounts for the trading subsidiary	1,200	1,250
Other services	1,450	265
Depreciation – owned assets	11,380	11,097
Hire of plant and machinery	670	669
Deficit on disposal of fixed assets	<u>-</u>	<u>900</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 (2020: One Trustee was reimbursed for travel expenses totalling £56).

7. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	37,146	79,668
Social security costs	-	1,859
Pension	423	1,056
Other costs	147	801
	<u>37,716</u>	<u>83,384</u>

The average monthly number of employees during the year was as follows:

2021	2020
<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000 (2020: None).

No employees received termination benefits during the year. (2020: £16,000)

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2021

8. COMPARATIVES FOR THE STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	169,736	87,313	257,049
Other trading activities	14,073	-	14,073
Commercial trading operations	54,912	-	54,912
Investment income	1,566	-	1,566
Other income	9,298	-	9,298
Total	249,585	87,313	336,898
EXPENDITURE ON			
Raising funds	7,891	-	7,891
Commercial trading operations	209,668	-	209,668
Charitable activities			
Charitable activities	148,964	87,260	236,224
Total	366,523	87,260	453,783
NET INCOME	(116,938)	53	(116,885)
Transfer between funds	(1,877)	1,877	-
Net movement in funds	(118,815)	1,930	(116,885)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,239,734	77,989	1,317,723
TOTAL FUNDS CARRIED FORWARD	1,120,919	79,919	1,200,838

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements – continued
for the Year Ended 31 December 2021

9. TAXATION

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary had a corporation tax liability of £Nil for the year ended 31st December 2021 (2020: £Nil).

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2021	297,204	65,302	174,954	54,804
Additions	<u>-</u>	<u>-</u>	<u>3,730</u>	<u>3,219</u>
At 31 December 2021	<u>297,204</u>	<u>65,302</u>	<u>178,684</u>	<u>58,023</u>
DEPRECIATION				
At 1 January 2021	59,735	45,253	109,327	45,288
Charge for year	<u>4,004</u>	<u>1,568</u>	<u>13,235</u>	<u>2,027</u>
At 31 December 2021	<u>63,739</u>	<u>46,821</u>	<u>122,562</u>	<u>47,315</u>
NET BOOK VALUE				
At 31 December 2021	<u>233,465</u>	<u>18,481</u>	<u>56,122</u>	<u>10,708</u>
At 31 December 2020	<u>237,469</u>	<u>20,049</u>	<u>65,627</u>	<u>9,516</u>

	Boats £	Totals £
COST		
At 1 January 2021	507,000	1,099,264
Additions	<u>-</u>	<u>6,949</u>
At 31 December 2021	<u>507,000</u>	<u>1,106,213</u>
DEPRECIATION		
At 1 January 2021	125,000	384,603
Charge for year	<u>25,350</u>	<u>46,184</u>
At 31 December 2021	<u>150,350</u>	<u>430,787</u>
NET BOOK VALUE		
At 31 December 2021	<u>356,650</u>	<u>675,426</u>
At 31 December 2020	<u>382,000</u>	<u>714,661</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

9. TANGIBLE FIXED ASSETS - continued

Charity

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2021	297,204	65,302	41,332	54,804
Additions	<u>-</u>	<u>-</u>	<u>435</u>	<u>3,219</u>
At 31 December 2021	<u>297,204</u>	<u>65,302</u>	<u>41,767</u>	<u>58,023</u>
DEPRECIATION				
At 1 January 2021	59,735	45,253	34,525	45,288
Charge for year	<u>4,004</u>	<u>1,568</u>	<u>3,781</u>	<u>2,027</u>
At 31 December 2021	<u>63,739</u>	<u>46,821</u>	<u>38,306</u>	<u>47,315</u>
NET BOOK VALUE				
At 31 December 2021	<u>233,465</u>	<u>18,481</u>	<u>3,461</u>	<u>10,708</u>
At 31 December 2020	<u>237,469</u>	<u>20,049</u>	<u>6,807</u>	<u>9,516</u>
	Totals £			
COST				
At 1 January 2021	458,642			
Additions	<u>3,654</u>			
At 31 December 2021	<u>462,296</u>			
DEPRECIATION				
At 1 January 2021	184,801			
Charge for year	<u>11,380</u>			
At 31 December 2021	<u>196,181</u>			
NET BOOK VALUE				
At 31 December 2021	<u>266,115</u>			
At 31 December 2020	<u>273,841</u>			

10. FIXED ASSET INVESTMENTS

Charity

	Unlisted investment £
MARKET VALUE	
At 1 January 2021 and 31 December 2021	<u>1,000</u>
NET BOOK VALUE	
At 31 December 2021	<u>1,000</u>
At 31 December 2020	<u>1,000</u>

There were no investment assets outside the UK. Investments represent 100% of the issued share capital in The Kennet and Avon Canal Trust (Enterprise) Limited.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. SUBSIDIARY COMPANY

The charity has a wholly owned trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, company number 02679756, which is incorporated in the United Kingdom. The principal activity of The Kennet & Avon Canal (Enterprise) Ltd is to operate boat trips and sales of gifts and souvenirs.

A summary of the financial performance of the subsidiary is shown below:

	2021 £	2020 £
Turnover	164,476	54,870
Total expenditure	200,638	(210,575)
Other income	-	10,042
Profit / (loss)	<u>(36,162)</u>	<u>(145,663)</u>

The assets and liabilities of The Kennet & Avon Canal Trust (Enterprise) Ltd were:

	2021 £	2020 £
Current assets	460,392	474,126
Current liabilities	(113,111)	(90,683)
Total net assets	<u>347,281</u>	<u>383,443</u>
Share capital and reserves	347,281	383,443

Expenditure includes interest payable to the parent charity of £930. This transaction has been eliminated on consolidation in the group Statement of Financial Activities.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	-	42,221	-	40,819
Other debtors	2,216	3,989	-	685
Amounts owed by group undertakings	-	-	97,177	70,023
Prepayments and accrued income	<u>7,113</u>	<u>9,529</u>	<u>5,095</u>	<u>6,633</u>
	<u>9,329</u>	<u>55,739</u>	<u>102,272</u>	<u>118,160</u>

Included within amounts owed by group undertaking is an amount of £97,177 (2020: £70,023) that is falling due after more than one year.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	3,608	11,224	202	2,069
Social security and other taxes	866	-	243	-
Accruals and deferred income	<u>5,730</u>	<u>5,150</u>	<u>4,080</u>	<u>3,900</u>
	<u>10,204</u>	<u>16,374</u>	<u>4,525</u>	<u>5,969</u>

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

14. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	738,476	23,202	60,419	822,097
Trading subsidiary	382,443	(36,162)	-	346,281
Restricted funds				
Our Crofton Story (NLHF Project) Fund	60,419	-	(60,419)	-
Bradford on Avon Projects Fund	5,000	(5,000)	-	-
Bedwyn Wharf Development Fund	5,000	(5,000)	-	-
Archimedean Screw Conservation Fund	9,000	(9,000)	-	-
President's Fund	500	-	-	500
	<u>79,919</u>	<u>(19,000)</u>	<u>(60,419)</u>	<u>500</u>
TOTAL FUNDS	<u>1,200,838</u>	<u>(31,960)</u>	<u>-</u>	<u>1,168,878</u>

The transfer between Our Crofton Story (NLHF Project) Fund of £60,419 to the unrestricted fund was deemed appropriate because Kennet and Avon Canal Trust (The) had satisfied the restriction through completion of the project.

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	162,632	(139,430)	23,202
Trading subsidiary	164,476	(200,638)	(36,162)
Consolidation adjustments	(930)	930	-
Restricted funds			
Bradford on Avon Projects Fund	-	(5,000)	(5,000)
Bedwyn Wharf Development Fund	-	(5,000)	(5,000)
Archimedean Screw Conservation Fund	-	(9,000)	(9,000)
	<u>-</u>	<u>(19,000)</u>	<u>(19,000)</u>
TOTAL FUNDS	<u>326,121</u>	<u>(358,081)</u>	<u>(31,960)</u>

Purposes of restricted funds

Crofton houses the world's oldest fully working beam engine. Our Crofton Story (NLHF Project) fund was created to conserve Crofton whilst developing out interpretation, activities and visitor facilities and secure Crofton for future generations. The project was accepted as complete by NHLF in December 2020.

The Bradford on Avon Projects Fund, Bedwyn Wharf Development Fund and Archimedean Screw Conservation Fund were established following receipt of restricted grants in 2020, and the associated work was completed in 2021.

The President's fund was set up by a donation from the Trust President to fund volunteer' travel expenditure, to be used at the discretion of the Trust Chairman.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Net Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	711,628	28,725	(1,877)	738,476
Trading subsidiary	528,106	(145,663)	-	382,443
Restricted funds				
Marina Project	1,220	-	(1,220)	-
Our Crofton Story (NLHF Project) Fund	76,269	(20,347)	4,497	60,419
Bradford on Avon Projects Fund	-	5,000	-	5,000
Bedwyn Wharf Development Fund	-	5,000	-	5,000
Archimedean Screw Conservation Fund	-	9,000	-	9,000
Crofton Donation Box Fund	-	1,400	(1,400)	-
President's Fund	500	-	-	500
	<u>77,989</u>	<u>53</u>	<u>1,877</u>	<u>79,919</u>
TOTAL FUNDS	<u>1,317,723</u>	<u>(116,885)</u>	<u>-</u>	<u>1,200,838</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	195,581	(166,856)	28,725
Trading subsidiary	64,912	(210,575)	(145,663)
Consolidation adjustments	(10,908)	10,908	-
Restricted funds			
Marina Project	-	-	-
Our Crofton Story (NLHF Project) Fund	55,681	(76,028)	(20,347)
Bradford on Avon Projects Fund	5,000	-	5,000
Bedwyn Wharf Development Fund	5,000	-	5,000
Archimedean Screw Conservation Fund	9,000	-	9,000
Crofton Donation Box Fund	1,400	-	1,400
Coronavirus Job Retention Scheme Grant	11,232	(11,232)	-
	<u>87,313</u>	<u>(87,260)</u>	<u>53</u>
TOTAL FUNDS	<u>336,898</u>	<u>(453,783)</u>	<u>(116,885)</u>

15. CHARGES

The Trustees of the National Lottery Heritage Fund hold a legal charge over the freehold property known as The Old Pumping Station, Crofton, Marlborough, Wiltshire, SN8 3DW.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

17. ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is the Board of Trustee Directors.

Kennet and Avon Canal Trust (The)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

18. COMPANY LIMITED BY GUARENTEE

Kennet and Avon Canal Trust (The) is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
National Lottery Heritage Fund	-	55,681
Grants and donations	81,734	105,354
Gift aid	9,555	6,268
Legacies	18,396	50,000
Subscriptions	23,111	24,473
Coronavirus Job Retention Scheme	-	11,232
Fundraising	-	4,041
	<u>132,796</u>	<u>257,049</u>
Other trading activities		
Admissions	12,371	3,241
Crofton car park	860	645
Rent received	<u>12,579</u>	<u>10,187</u>
	25,810	14,073
Investment income		
Bank interest receivable	2,417	2,474
Interest from trading subsidiary	(930)	(908)
Commercial trading operations		
Commercial trading operations	164,476	64,912
Grant from trading subsidiary	-	(10,000)
Other income		
Sundry income	<u>1,609</u>	<u>9,298</u>
Total incoming resources	326,178	336,898
EXPENDITURE		
Raising funds		
Butty costs	2,489	3,018
Advertisement & Publicity	524	1,769
Fundraising costs	<u>993</u>	<u>3,104</u>
	4,006	7,891
Commercial trading operations		
Costs of trading subsidiary	200,638	210,576
Interest on loan paid to parent	<u>(930)</u>	<u>(908)</u>
Total costs of raising funds	203,714	217,559
Charitable activities		
Wages	37,146	79,668
Social security	-	1,859
Pensions	423	1,056
Hire of plant and machinery	670	669
Rates and water	752	2,045
Insurance	9,874	8,402
Light and heat	2,258	5,841
Telephone	4,381	3,966
Postage and stationery	149	638
Sundries	838	725
Bank charges	1,161	1,150
Grants payable	-	1,684
Carried forward	57,652	107,703

This page does not form part of the statutory financial statements

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
Charitable activities		
Brought forward	57,652	107,703
Health & safety	7,667	4,526
Staff training	72	561
Recruitment	75	240
Rent	1,200	1,200
Repairs & maintenance	56,602	36,146
Depreciation	11,381	11,097
Coal	5,301	528
NLHF project costs	-	66,047
Computer costs	4,513	1,209
Travel costs	-	448
	<u>144,463</u>	<u>229,705</u>
Support costs		
Governance costs		
Independent examiner's remuneration	1,200	1,200
Accountancy fees	4,050	3,048
Other professional costs	<u>4,711</u>	<u>2,272</u>
	<u>9,961</u>	<u>6,520</u>
Total resources expended	<u>358,138</u>	<u>453,784</u>
Net income	<u>(31,960)</u>	<u>(116,885)</u>

THE KENNET AND AVON CANAL TRUST, LIMITED

England & Wales - Charity number 209206

Accounts

Charity number: CC209206
Company number: 00726331

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Trustees' report and consolidated financial statements
for the year ended 31st December 2020

The Kennet & Avon Canal Trust
(A company limited by guarantee)

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Trustees' annual report (incorporating the directors' report)
for the year ended 31st December 2020

2020 in summary

- Income in 2020 was severely impacted by the Covid pandemic, with commercial trading income reduced from £311,308 in 2019 to £54,912, resulting in a loss being made by our trading subsidiary.
- This was partially offset by additional grants and donations (£94,954; 2019: 20,783) and legacies (£50,000; 2019 £1,000). As a consequence, the overall Group results showed net expenditure of £116,885 (2019: £33,748).
- Cash balances at the end of the year were £457,067 (2019: £562,676), and free reserves remain well above the target level of £200,000.
- Passenger numbers on public boat trips were 1,358 (2019: 18,628). The number of weeks of holiday hire of Bruce Boats was 17 (2019: 65).
- Crofton Beam Engines opened to the public in mid-July, but it was not possible to steam the engines. Total visitor numbers were 1,760, with 946 paying to tour the station itself (2019: 5,531, of which 2,043 were on non-steaming days). New interpretation panels and video screens were installed before reopening, as part of the major Lottery-funded Our Crofton Story project, which was successfully completed in December.
- Other achievements in the year included updating the Articles, to clarify that General Meetings may be held electronically, and issuing one printed and one electronic edition of The Butty to members.

Introduction

The Trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31st December 2020 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Trust's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Our Vision and Strategy

The charitable objects of the Trust, as set out in its Articles of Association, are to:

- a) promote, facilitate, and assist in the conservation, protection and improvement of the Kennet and Avon Canal and its associated watercourses, towpaths, structures and buildings;
- b) advance the education of the public in general of the significance of the Kennet & Avon Canal and its associated structures;
- c) protect and conserve, objects, sites and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Kennet & Avon Canal; and
- d) promote and facilitate recreational use of the Kennet and Avon Canal by a wide section of the community in order to improve conditions of life for the public.

Trustees' annual report (incorporating the directors' report)
for the year ended 31st December 2020

In November 2020, following a review of the Trust's future priorities, the Trustees agreed a new Vision and Strategy statement, taking full account of Charity Commission guidance on public benefit from charitable activities.

This statement included the following aims:

- To promote the Kennet and Avon Canal to the benefit of all its users, the communities through which it passes, and its heritage.
- To be a voice for users of the Kennet and Avon Canal - whether on the water or on the towpath.
- To preserve the heritage of the canal, by promoting protection and restoration of historic features and making them accessible to visitors, canal users and local communities.
- To provide opportunities for all members of the public, and in particular community groups and those who are disadvantaged or disabled, to access the canal whether on boats or along the towpath.
- To develop new ways of enabling the public to experience the canal and its history, and widen the range of people who can engage with it.

These aims will guide the future priorities for the Trust, as a basis for ensuring that it continues to meet its objects for the public benefit. The Trust will seek to achieve this in the following way:

- Through our Branch structure, we will ensure that the whole length of the canal has a local champion, working to improve the canal and towpath both directly and through lobbying
- We will develop facilities for learning and community engagement along the canal
- We will identify and promote projects to protect the canal's heritage and environment
- We will encourage our trading subsidiary to continue to provide boat and other recreational facilities, supporting these with grants where they are not commercially viable but bring public benefit
- We will engage constructively with the Canal and River Trust as the canal's owner and operator, and with other heritage and community bodies, and participate in events promoting the canal
- We will report regularly on our activities to members, volunteers, funders and other stakeholders

Review of 2020

(a) Overview

The Trust's achievements are heavily reliant on the contribution of the time and expertise of about four hundred volunteers, who mainly operate through the Trust's eight Branches. Our boats are exclusively crewed by volunteers, Crofton opening days are almost entirely run by volunteers, and our events and support for canal side work are delivered by volunteers. The safety and wellbeing of our volunteers and staff is therefore a priority for Trustees.

Our plans for 2020 were affected very significantly by the Covid-19 pandemic. Even before the first national lockdown in March, Trustees had taken the decision to suspend operations. Two members of staff were put on furlough, with the other two working from home to carry out essential administrative tasks, including making refunds to those who had made bookings for boat holiday hire or public boat trips.

Trust Council and the Enterprise Board continued to meet by electronic means, and plans were developed, in line with legal restrictions and Government guidance, to allow operations to restart in a Covid-secure way. The target was set to reopen Crofton Beam Engines to the public from mid-July, with some public boat trips and holiday hire restarting in August. This was achieved, as described in more detail below, although visitor numbers and therefore income were obviously much below budgeted levels.

Trustees' annual report (incorporating the directors' report)
for the year ended 31st December 2020

Our café licensees were also impacted severely by Covid restrictions, and were either closed or were only able to offer takeaway services for significant periods during the year, and into 2021. The Enterprise Board agreed to share the financial impact by waiving rents for one month in 2020 and again in February 2021.

Trust Council reviewed updated financial projections for 2020 and for the five years to 2025 at its meeting in July. It recognised the need to reduce administrative costs as well as increasing income both from membership subscriptions and donations and grants, and agreed to set up a strategic review to be undertaken by a sub-group of Trust Council with input from Branches. As well as updating the Vision and Strategy for the Trust, this review resulted in revised financial targets for Bruce Boats and Crofton, measures to reduce the central administrative costs of the Trust, and proposals to refresh the membership offer and update the membership system.

(b) Trust

The Trust operates mainly through its eight Branches.

Crofton Branch is responsible for running Crofton Beam Engines, a Grade 1 listed building housing the oldest beam engine in the world still in its original location and still able to perform its original task. 2020 saw the formal completion of the project to tell 'Our Crofton Story: Its Buildings and Its People'. This major £750K project, supported by the National Lottery Heritage Fund (NHLF), started in 2017, and in 2018 and 2019 involved major restoration work to the buildings, and the provision of disabled and staff toilets.

In 2020, the focus has been on delivering the Activity Plan: this has included installation of a new play area in June, of new interpretation panels around the site in July with video screens showing films of the engines in action (including the Shell film from the 1950s narrated by John Betjeman), and provision of additional visitor facilities such as cycle racks and picnic tables. These works were completed before the site reopened to visitors on 18 July.

By agreement with the Heritage Fund, additional items were added to the project such as replacement Boiler House doors, and work on the electrical system within the Pumping Station itself to address issues identified in an electrical inspection carried out after the end of the season.

The Activity Plan also includes development of formal and informal learning programmes. On the basis of a commitment from the Trust to fund the post for a two year period from the end of the Lottery project, a Learning and Community Engagement Officer was appointed in September to lead this work, and we were able to host a visit of sixth form students in October. Using the skills of volunteers, a large demountable model of the engines was designed and produced, to be used as a learning aid.

The project has been independently evaluated, a process which has involved comparing achievements with the commitments originally made to the Heritage Fund, interviews with Trustees, volunteers and staff, contractors and other stakeholders, as well as surveys of visitor reaction. This evaluation report was formally accepted by the Heritage Fund in December, allowing the final grant payment to be made. Project expenditure was just under £700,000, £61,000 below budget. Over the period of the project, volunteer time input was 1,400 days, valued by the Heritage Fund at £220K.

Crofton Branch also secured a grant under the South West Museum Development Programme's 'Small Grant Big Improvement' project for the purchase of a contactless donation box. This was installed at the beginning of September, and generated useful donations in particular over the Heritage Open Days weekend, when entry to the station was free of charge.

Following the resignation of the full-time Site Manager, who left in April, the site has been managed in 2020 by a volunteer Site Manager with support from a full-time Assistant Site Manager, who returned from furlough in mid-June. The site was open to visitors from 18 July for a total of 33 days, although it was not possible to steam the engines or hold any special events. On each day, six or seven volunteers were on duty to ensure the safety of visitors with additional sanitisation and cleaning, and to manage visitor numbers to

Trustees' annual report (incorporating the directors' report)
for the year ended 31st December 2020

ensure adequate social distancing. The measures put in place received very favourable feedback from visitors, and will provide a model for 2021 opening.

Some of the other Branches, such as Reading, have continued with their programme of talks, although these were held electronically.

Bath/Bristol Branch funded the purchase of a new sign to be installed at Dundas Wharf. This continues the Branch's collaboration with the Canal and River Trust (CRT) to enhance the western end of the canal.

Because of the pandemic, events such as the Newbury waterways festival, for which the Newbury Branch had obtained grants from the Greenham Trust, the Englefield Trust and Newbury Town Council, and the Reading Waterfest jointly operated in partnership with Reading Borough Council were not able to be held. It is hoped that these events can be held in 2021.

Similarly, the Trust Museum at Devizes was closed from the initial lockdown. It is hoped that it will reopen after Easter 2021, with new operating arrangements to ensure that it is Covid-secure.

Two editions of the Trust's magazine The Butty were published, although the Autumn edition was issued only in electronic format.

(c) Enterprise

The Trust's trading subsidiary, the Kennet and Avon Canal Trust (Enterprise) Ltd, operates five public boat trips, holiday hire of four boats adapted for use by disabled passengers, and a boat for use by community groups. It also licenses cafés at Bradford on Avon, Devizes Newbury and Aldermaston. (The café at Crofton did not operate in 2020.) These activities directly support delivery of the Trust's charitable objects, in particular by promoting recreational use of the canal by a wide range of the public. Profits on these activities are paid to the Trust, and thereby support the public benefit both directly and indirectly.

In a normal year, trip boats and holiday hire activities run from Easter to October, with additional public services at Christmas. Because of the pandemic, only two of the trip boats were able to operate in 2020 (Barbara McLellan, based at Bradford on Avon, and the Rose of Hungerford), starting in August. However, capacity was significantly reduced in order to ensure social distancing between different households. Bruce Boat holiday hires also restarted in August, but were then impacted by introduction of the 'rule of six' which precluded groups involving different households from hiring boats. Barbara McLellan was also able to operate limited Christmas services.

Neither Jubilee (the narrowboat based at Newbury) or Matilda (the leased boat based at Reading) operated in 2020, because it was not possible to achieve social distancing on these smaller boats. although some crew training was undertaken between lockdowns. Kenavon Venture also did not operate in 2020, and significant work was required to address issues with its hull in order to meet the requirements of the Maritime and Coastguard Agency (MCA), which regulates boats with a capacity in excess of 12.

Maintaining the boat fleet owned by Enterprise involves significant fixed costs, for example in respect of licences, inspection by the MCA, mooring and insurance. As a consequence of lower income, boat activities therefore made a significant loss in 2020. Recognising the potential of the boat fleet to return to profit in the medium term, the Trust agreed to make a short term loan to Enterprise in April, which was consolidated and extended in a further loan agreed in August which is to be repaid over a maximum of five years. In accordance with Charity Commission guidance, formal loan agreements were signed, which also provided for the payment of interest.

Following a tender exercise, a new licensee was appointed to operate the café at Devizes from 1 April 2020. Because of the first lockdown, the actual opening was delayed.

The four licensed cafés continued to make a positive contribution to Enterprise, although opening hours and the service offered were also seriously impacted by Covid restrictions. The Enterprise Board agreed in 2020

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for the year ended 31st December 2020

that in future relationships with café licensees should generally be the responsibility of the relevant Branch, to improve communication and to develop the role of the cafés in providing information to visitors about the Trust and the canal.

(d) Administration and governance

Up to March, two full time and one part time members of staff (including the Trust Administrator) were based at the Devizes office. After being furloughed, the Trust Administrator left at the end of August, and was not replaced. The other two members of staff have been mainly working from home since March, with the office generally only open on one day a week.

Other cost saving measures included switching energy suppliers at Devizes, which followed an earlier switch at Crofton.

These and other measures have resulted in a significant reduction in Trust and Enterprise central costs. A revised basis of allocating Devizes office costs between Trust and Enterprise has therefore been agreed, to reflect the change in activities.

Given the turnover of the Group, a full audit of the accounts is not required. The Trustees therefore decided in December that in future accounts should be subject to Independent Examination rather than audit, which has also resulted in a reduction in costs for both Trust and Enterprise. This does not change Trustees' duties as Directors under the Companies Act to ensure that the accounts show a true and fair view.

Plans for 2021 and beyond

(a) Trust

Towards the end of 2020, the Trust was successful in getting grant funding from the Wiltshire Community Foundation to meet the costs of three heritage-related projects to be undertaken in 2021:

- A scoping study, being undertaken by a local firm of architects, to develop proposals for upgrading Bedwyn Wharf in a style sympathetic to the canal and its history. Subject to funding, and agreement with CRT, the full scheme will be developed further during 2021;
- Repairs to the Tea Room at Bradford on Avon, which was probably built soon after the canal was opened, possibly as the lock keeper's cottage, using traditional materials; and
- Conservation of the Archimedean Screw displayed at Crofton, for which partial grant funding had already been obtained from the Pilgrim Trust, during August 2021, with opportunities for visitors to meet the conservator learn about the techniques being used.

Other projects being taken forward in 2021 include:

- Restoring the Wash House at Aldermaston Wharf as a Visitor Centre linked to the Tea Room, following agreement to a new five year lease with CRT; and
- Installing better lighting in the canal and visitor centre in the Stone Building on Newbury Wharf, and working with the local authority and other community groups to improve the Wharf area, including renovating the crane and putting up signage.

At Crofton, plans are in place to reopen to visitors as soon as restrictions on heritage sites are lifted, hopefully in mid-May, with steaming recommencing soon afterwards. Following the last boiler inspection, major work will be required to the boiler in the coming winter if it is to continue steaming in 2022. A detailed survey will be undertaken to identify the best option. In parallel, investigations of alternative fuels will be undertaken, given the expected phasing out of coal supplies. The Trust has joined the Association of British Transport and Engineering Museums, which is a member of the Heritage Fuels Alliance, to ensure it can learn from trials being undertaken elsewhere.

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for the year ended 31st December 2020

Development of the learning programme will be continued, covering the whole range from Key Stages 1 and 2 through to university students, with continued collaboration with the University of Bath, and with students from the Atomic Weapons Establishment to develop the ground-breaking mechatronics project as part of a five-year partnership. Crofton Beam Engines took part in the Festival of Tomorrow, organised by STEAM museum in Swindon in February 2021. Discussions are under way with CRT on the transfer of ownership of the Smithy (the only major building on the site still owned by CRT); once this is agreed, plans will be developed which could include using this building for educational purposes.

Other initiatives started as part of the Lottery-funded project at Crofton will be continued, in particular extending the number of oral history interviews and expanding the virtual archive of historic Crofton documents. This is being done in close liaison with the Trust's central Archive, located at Caen Hill, to ensure a commonality of approach. Further work to prepare for a formal application for accreditation of Crofton under the Arts Council scheme will be undertaken, with the aim of making an application in the first half of 2022.

Recruitment of a new General Manager for Crofton will be taken forward, with the aim of making an appointment in the summer. Communications with volunteers and the public will continue to be developed, through the website and social media.

Along the whole canal, Branches will be encouraged to take a greater role in monitoring the condition of both physical assets and the general canal environment, including its ecology and biodiversity.

(b) Enterprise

Operating plans for the company's trip boat and holiday hire fleet in 2021 assume a gradual relaxation of Covid restrictions, which could lead to a further small financial loss in 2021. There may therefore need to be a further drawdown of the loan facility agreed with the Trust in 2020. Nonetheless, Directors remain confident that the loan can be fully repaid by the end of 2025, as required by the Loan Agreement, and that the company can then resume making payments of its profits to support the charitable work of the Trust.

Following major work to Kenavon Venture over winter 2020-21, with a possible repainting to be undertaken next winter, no major expenditure on boats is anticipated in 2021. Regular maintenance costs are included within approved budgets. The next update of the medium term plan will include a maintenance plan for all the boats owned by Enterprise.

A decision will be taken later in 2021 on whether to renew the lease of the Reading trip boat (Matilda). Investigations are also proceeding on the cost and operating implications of replacing the engine on one of the Bruce Boats with a hybrid or all-electric engine, which would reduce noise and emissions.

Bruce Branch is also planning to introduce new Discovery Trips from Bedwyn to Crofton in partnership between with Crofton Branch, and running 'Caring for Carers' trips.

Following agreement of a new lease with CRT for the Tea Rooms at Aldermaston, a new licence will be put in place for their operation in 2021. Preparations will also be made for renewing the lease and licence of the Tea Rooms at Bradford on Avon, which expire at the end of 2021.

(c) Administration and governance

During 2021, it is planned to replace the current membership and direct debit systems. The aim is to link these to a new Trust website, which will enable membership applications to be made online, and for members to update their contact information online. The new website will also facilitate other future enhancements, such as making digital records from the Archive more generally available, and including a 'virtual tour' of the Devizes Museum.

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for the year ended 31st December 2020

In line with the new Vision and Strategy, communications between Trust Council and Branches (which are formally sub-committees of the Board) are being improved. Branch constitutions will also be reviewed to ensure that they reflect current good practice.

Financial Review

At Group level (Trust and Enterprise), net expenditure in 2020 was £116,885 (2019: £33,748). These figures include expenditure on 'Our Crofton Story'.

There was a significant reduction in income from commercial trading activities from £311,308 in 2019 to only £54,912. However, this was partially offset by an increase in donations, grants and legacies from £146,295 in 2019 to £257,049. The 2020 figure includes local authority grants to leisure businesses, receipts under the Coronavirus Job Retention Scheme ('furlough') and grants from the Wolfson Foundation (£35,000, which was unrestricted) and the Wiltshire Community Foundation (£15,000).

Trading results for our trading subsidiary, Enterprise, show that the company returned a net loss (see note 5) of £145,663 (2019 £38,019). Given the high level of fixed costs in operating a fleet of boats (such as boat licensing, mooring costs, crew licensing and overheads), the significant reduction in turnover was only offset to a small extent by reductions in expenditure.

Under the terms of the Deed of Covenant entered into in 2019, Enterprise pays up to the Trust the lower of its taxable and distributable profits. Given that the payment made in respect of 2019 was significantly less than its net profit, a repayment of £25,000 of the long term working capital loan from the Trust was made in accordance with the terms of the Loan Agreement.

Two additional Loan Agreements were entered into in 2020. The first advanced an emergency loan of £40,000 to cover costs during the first lockdown. Given the continuing impact of the pandemic, this was replaced in August with a £100,000 loan facility, of which £60,000 has been drawn down to date. Before entering into these Loan Agreements, Trustees satisfied themselves that they were in accordance with charity law and the Trust's charitable objects, and in particular that there was a reasonable prospect of them being repaid. Enterprise directors are required to confirm every six months that they expect the medium term loan to be repaid by the due date of 31 December 2025.

Cash balances declined during the year, from £562,676 to £457,067. Of this, £79,919 is in respect of Restricted Funds where grants that have been received in advance of the associated project being completed, as shown in Note 19. Nonetheless, free reserves held by Trust at the end of 2020 were £524,054. This remains well in excess of the target level of reserves set under the Reserves Policy.

Risk management

Trustees are developing a more formal risk management framework for Trust and Enterprise activities. This will include a corporate risk register, and risk registers for the main activities of the Group. A risk register has already been developed for Crofton Beam Engines, and health and safety risk assessments are in place for all activities involving volunteers, employees and members of the public which have been updated during the year to include Covid risks.

Risks relating to Trust and Enterprise activities fall under three main headings:

- **Health and Safety risks:** The health and safety of volunteers, staff and visitors is a key priority of the Trust. The Trust has established a Health and Safety Committee to keep its arrangements under review, and has a contract with a Health and Safety Advisor to carry out audits and advise on improvements. Each boat operated by Enterprise has a detailed safety manual, and crew training is an essential part of managing risks. These arrangements are overseen by the Director of Boats. Detailed risk assessments and method statements are also in place at Crofton. During 2020, additional Covid risk assessments were developed before boat trips and holiday hire restarted, and

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before Crofton reopened, to ensure that both preparatory work by volunteers and operations with members of the public were carried out in accordance with legal requirements (including under the Health and Safety at Work Act) and guidance from Government and from the Health and Safety Executive.

- Financial risks: Financial risks include loss of income, failure to obtain grants for major projects, unexpected costs and losses through fraud or failure to achieve value for money in procurement. The Finance Manual was developed further in 2020 to clarify procedures in relation to the letting of contracts.
- Availability of other resources: Our ability to recruit, train, retain and motivate our volunteers becomes more challenging as fewer people are retiring early. In 2020, the pandemic has also required some volunteers to self-isolate. As the work undertaken by volunteers becomes more complex through regulation and also broadens, with a greater emphasis on engaging with new visitor audiences, more formal succession plans and volunteer recruitment processes will be developed to help address this. Contingency plans are also being developed to reduce risks of staff non-availability.

Following the development of a formal Reserves Policy in 2019, Trustees have reviewed regularly the financial risks facing the Trust, and in particular the impact of the pandemic. In the light of this, the Reserves Policy was amended in July 2020 to increase the target level of free reserves to £200,000. Given the continuing impact of the pandemic, Trustees confirmed in January 2021 that this minimum level of reserves should be maintained until the next review. This will be undertaken in July 2021, alongside consideration of revised five year projections for both Trust and Enterprise.

On the basis of the most recent projections, Trustees are satisfied that the Trust has sufficient balances to undertake the new activities and projects in 2021 identified in this report which support its charitable objects. In particular, the target level of reserves includes a funds to restore the Wash House at Aldermaston. Other major projects will be approved only to the extent that free reserves in excess of the target minimum level are available, or external grant funding has been committed.

Trustees agreed an update to the Finance Manual in 2020, and this will be reviewed in the light of any issues identified following the annual assessment of internal financial controls.

Structure, governance and management

The Trust was created by memorandum on 6th June 1962. It is governed by Articles of Association that were updated at the AGM in 2020 in particular to confirm that General Meetings may be held by electronic means. This document is the governing document of the charity which is a private company limited by guarantee without share capital.

Trustees are required to declare 'Persons of Significant Control' in the Companies House register. For the Trust there are no persons of significant control other than the Trustees listed. For our Enterprise trading company, the Trust has been listed as a legal entity with significant control. The declarations are available on the Companies House website.

There is currently no formal process for recruiting new Trustees. New Trustees are generally recommended by existing Trustees, and are then co-opted onto Trust Council ahead of standing for election at the following AGM. New Trustees may also be nominated by members for election at the AGM. Each year one third of Trustees stand down or offer themselves for re-election at the AGM. One of the recommendations of the strategy review was that a more formal process should be adopted to define portfolios for Trust Council members, with open recruitment in order to refresh membership.

The **Trust Council** (which is the Board of Directors of the company) currently comprises nine Trustees. It meets bi-monthly to review Health and Safety issues, consider overall Trust strategy and policy, in particular in the light of reports on the management accounts, and to take decisions on matters which are reserved to

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Trust Council such as major expenditure commitments. The Trust is not required to appoint a Company Secretary and, following the resignation of the previous post holder during the year, it was decided not to appoint a new Secretary.

The **Enterprise Board** currently comprises seven Directors (only two of whom are also Trustees, so that the majority, including the Chairman, are non-conflicted). It also meets bi-monthly to review in more depth health and safety issues relating to the passenger boats, the Bruce boats, and the five cafés, and financial performance. As a commercial trading company, the Enterprise Board focusses particularly on budgets, financial performance, risk management and commercial viability. The Board provides regular reports to Trust Council.

The Trust's **eight branches** (Bath & Bristol, Bradford on Avon, Devizes, Crofton, Bruce, Hungerford, Newbury and Reading) are each run by a Branch Committee which is formally a sub-committee of the Trust Council and usually elected by a meeting of local members, but subject to veto by Trust Council. Branches undertake the Trust's work in their area and often have practical control of a boat (or boats) or other operations. Branches submit annual budget bids to Trust and Enterprise as appropriate and then have spending freedom within the approved budget subject to the provisions of the Finance Manual.

In addition, two members of staff provide a headquarters function supporting Trustees, Directors and branches, with a particular focus on Trust administration including matters such as insurance, managing boat booking, undertaking payments and banking, and ensuring compliance across a range of responsibilities.

Fundraising standards information

The Trust does not carry out significant fundraising activities.

Reference and administrative details

The Trust's name is The Kennet and Avon Canal Trust and it is registered with Companies' House with the reference 00726331, and with the Charity Commission in England and Wales with the reference 209206. The Trust's trading company is called The Kennet & Avon Canal Trust (Enterprise) Limited and is registered with Companies' House under the reference 02679756. The principal and registered office for the Trust is Devizes Wharf, Couch Lane, Devizes, SN10 1EB and for Enterprise is Canal Visitor Centre, Couch Lane, Devizes, Wiltshire, SN10 1EB.

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Trustees' annual report (incorporating the directors' report)
for the year ended 31st December 2020

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows (those marked * were also Directors of Enterprise):

Trustees	M E Bailey
	C W Bolt* (Treasurer)
	D A Copley
	R G H Dunton
	D J Fearn
	D A Line (appointed 6 July 2020, resigned 19 October 2020)
	L E Mundy (resigned 28 September 2020)
	T W Mundy
	C D Sims* (Chairman)
	G P Snook
	P J Turvey

In addition, the following were Directors of Enterprise:

T J Pyatt (appointed 15 May 2020)
C R Churchouse (Chairman)
S B Eveleigh (resigned 31 December 2020)
J M Foley
D C Hanlon
G S Puddephatt

Advisers

Independent Examiner	Kerry Lawrance FCA
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Accountants	Compass Accountants Limited The Tanneries East Street Titchfield Hampshire PO14 4AR
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Bankers	Lloyds TSB Bank plc 38 Market Place Devizes Wiltshire SN10 1JD
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The Kennet & Avon Canal Trust
(A company limited by guarantee)

Trustees' annual report (incorporating the directors' report)
for the year ended 31st December 2020

Statement of trustees' responsibilities

The trustees (who are also directors of The Kennet & Avon Canal Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 operation.

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

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

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board

C D Sims
Director



Date:

16th March 2021

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Independent Examiner's Report to the Trustees of the Kennet & Avon Canal Trust

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2020 which are set out on pages 13 to 28.

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

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 of the Institute of Chartered Accountants in England and Wales.

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.



Kerry Lawrance FCA
Institute of Chartered Accountants in England and Wales.

Venture House, The Tanneries
East Street, Titchfield
Hampshire
PO14 4AR

Date: 18 MARCH 2021

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31st December 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	Unrestricted funds £	Restricted funds £	2019 Total £
Income from:							
Donations and legacies	2	169,736	87,313	257,049	70,629	75,666	146,295
Commercial trading operations	5	54,912	-	54,912	311,308	-	311,308
Other trading activities	3	14,073	-	14,073	56,217	-	56,217
Investment income	4	1,566	-	1,566	842	-	842
Other income		9,298	-	9,298	2,369	-	2,369
Total income		249,585	87,313	336,898	441,365	75,666	517,031
Expenditure on:							
Raising funds	6	7,891	-	7,891	19,437	-	19,437
Commercial trading operations	5	209,668	-	209,668	273,289	-	273,289
Charitable activities	7	148,964	87,260	236,224	152,605	105,448	258,053
Total expenditure		366,523	87,260	453,783	445,331	105,448	550,779
Net income/(expenditure)		(116,938)	53	(116,885)	(3,966)	(29,782)	(33,748)
Transfer between funds		(1,877)	1,877	-	(11,343)	11,343	-
Net movement in funds		(118,815)	1,930	(116,885)	(15,309)	(18,439)	(33,748)
Reconciliation of funds:							
Total funds brought forward		1,239,734	77,989	1,317,723	1,255,043	96,428	1,351,471
Total funds carried forward		1,120,919	79,919	1,200,838	1,239,734	77,989	1,317,723

The notes on pages 17 to 28 form an integral part of these financial statements.

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Consolidated Balance Sheet

as at 31st December 2020

Company number: 00726331

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	13		714,661		759,181
Current assets					
Debtors	15	55,739		39,954	
Cash at bank and in hand		457,067		562,676	
		<u>512,806</u>		<u>602,630</u>	
Creditors: amounts falling due within one year	16	<u>(16,374)</u>		<u>(30,921)</u>	
Net current assets			<u>496,432</u>		<u>571,709</u>
Total assets less current liabilities			<u>1,211,093</u>		<u>1,330,890</u>
Provisions for liabilities			<u>(10,255)</u>		<u>(13,167)</u>
Net assets			<u><u>1,200,838</u></u>		<u><u>1,317,723</u></u>
Funds	17				
Unrestricted funds			738,476		711,628
Charitable subsidiary funds			382,443		528,106
Total unrestricted income funds			<u>1,120,919</u>		<u>1,239,734</u>
Restricted funds			79,919		77,989
Total funds			<u><u>1,200,838</u></u>		<u><u>1,317,723</u></u>

The group was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The financial statements are prepared in accordance with the provisions available to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and signed on its behalf by

C D Sims
Director



Date:

16 March 2021

The notes on pages 17 to 28 form an integral part of these financial statements.

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Balance sheet

as at 31st December 2020

Company number: 00726331

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13	273,841		283,064	
Investments	14	1,000		1,000	
		<u>274,841</u>		<u>284,064</u>	
Current assets					
Debtors	15	118,160		139,242	
Cash at bank and in hand		431,363		377,222	
		<u>549,523</u>		<u>516,464</u>	
Creditors: amounts falling due within one year	16	<u>(5,969)</u>		<u>(10,911)</u>	
Net current assets		<u>543,554</u>		<u>505,553</u>	
Net assets		<u>818,395</u>		<u>789,617</u>	
Funds	17				
Unrestricted income funds		738,476		711,628	
Restricted income funds		79,919		77,989	
Total funds		<u>818,395</u>		<u>789,617</u>	

The company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The financial statements are prepared in accordance with the provisions available to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and signed on its behalf by

C D Sims
Director

Date:


 16 March 2021

The notes on pages 17 to 28 form an integral part of these financial statements.

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Cash flow statement

for the year ended 31st December 2020

	2020 Charity £	2020 Group £	2019 Group £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	54,449	(103,926)	33,596
Cash flows from investing activities:			
Interest income	1,566	1,658	842
Purchase of fixed assets	(1,874)	(4,591)	(38,188)
Sale of fixed assets	-	1,250	-
Net cash provided by (used in) investing activities	(308)	(1,683)	(37,346)
Cash flows from financing activities:			
Repayment of borrowing	-	-	-
Net cash provided by (used in) financing activities	-	-	-
Increase in cash and cash equivalents in the year	54,141	(105,609)	(3,750)
Cash and cash equivalents at 1 January 2020	377,222	562,676	566,426
Cash and cash equivalents at 31 December 2020	431,363	457,067	562,676
 Net income/expenditure for the reporting period	28,778	(116,885)	(33,748)
Depreciation and impairment	11,097	46,961	50,493
Interest income	(1,566)	(1,658)	(842)
Loss on disposal of fixed assets	-	900	537
Decrease/(increase) in stocks	-	-	1,567
Decrease/(increase) in debtors	21,082	(15,785)	10,918
(Decrease)/increase in creditors	(4,942)	(14,547)	1,320
Increase/(Decrease) in provisions for liabilities	-	(2,912)	3,351
Net cash provided by (used in) operating activities	54,449	(103,926)	33,596

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31st December 2020

1 Accounting policies

1.1. Charity information

The Kennet & Avon Canal Trust is a private company limited by guarantee and incorporated in England and Wales. The registered office is Devizes Wharf, Couch Lane, Devizes, SN10 1EB.

The Kennet & Avon Canal Trust and its group meet the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

1.2. Basis of accounting

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, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The accounts of the trading subsidiary, The Kennet & Avon Canal (Enterprise) Ltd, are consolidated with the accounts of The Kennet & Avon Canal Trust in accordance with current legislation. Inter group income and expenditure is eliminated and all income and expenditure relates to external transactions only. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and section 24 of SORP 2019.

1.3. Fund accounting

Unrestricted funds are donations and other income received or generated by the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants are recognised in full in the statement of financial activities in the year to which they relate. Subscriptions are included in the statement of financial activities when received.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Notes to the financial statements
for the year ended 31st December 2020

1.5. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Fundraising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes and of raising funds through various fund raising events.

Support costs include governance costs which are costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

1.6. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated 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:

Freehold land	- is not depreciated
Freehold buildings	- 2% straight line
Leasehold properties	- 5% straight line
Plant and machinery	- 25% straight line
Fixtures and fittings	- 15% reducing balance
Computer equipment	- 20% straight line

1.7. Stock

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

1.8. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

1.9. Termination benefits

The charity recognises a liability for termination benefits at the point where the charity is committed to making the payments in return for employee redundancy.

1.10. Financial Instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.11. Going concern

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31st December 2020

2. Donations and legacies

Group and Parent

	Unrestricted funds £	Restricted funds £	2020 Total £	Unrestricted funds £	Restricted funds £	2019 Total £
Grants and donations	84,954	20,400	105,354	18,533	2,250	20,783
National Lottery Heritage Fund	-	55,681	55,681	-	70,771	70,771
Coronavirus Job Retention Scheme	-	11,232	11,232	-	-	-
Legacies	50,000	-	50,000	1,000	-	1,000
Subscriptions	24,473	-	24,473	25,794	-	25,794
Gift Aid Reclaims	6,268	-	6,268	12,576	-	12,576
Crofton Projects	-	-	-	-	2,645	2,645
Fundraising	4,041	-	4,041	12,726	-	12,726
	<u>169,736</u>	<u>87,313</u>	<u>257,049</u>	<u>70,629</u>	<u>75,666</u>	<u>146,295</u>

3. Income from other trading activities

Group and Parent

	Unrestricted funds £	2020 Total £	Unrestricted funds £	2019 Total £
Admissions	3,241	3,241	39,289	39,289
Crofton Car Park	645	645	5,503	5,503
Rent Received	10,187	10,187	11,425	11,425
	<u>14,073</u>	<u>14,073</u>	<u>56,217</u>	<u>56,217</u>

4. Investment income

Group and Parent

	Unrestricted funds £	2020 Total £	Unrestricted funds £	2019 Total £
Bank interest receivable	1,566	1,566	842	842
	<u>1,566</u>	<u>1,566</u>	<u>842</u>	<u>842</u>

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31st December 2020

5. Trading subsidiaries

The charity controls the companies listed below by holding a controlling interest in the equity share capital: -

Name of subsidiary	Country of incorporation	% Equity share capital held
The Kennet & Avon Canal (Enterprise) Ltd	England & Wales	100
Company number - 02679756		

The Kennet & Avon Canal (Enterprise) Ltd

The wholly owned subsidiary, Kennet & Avon Canal Trust (Enterprise) Ltd, operates boat trips and sales of gifts and souvenirs. A summary of the trading results are shown below:

Summary of trading results

	2020	2019
	£	£
Turnover	54,870	301,268
Total expenditure	(210,575)	(273,289)
Other income	10,042	10,040
Net profit for the year	(145,663)	38,019
Amount gift-aided to the charity	-	(10,850)
Retained profit	(145,663)	27,169

The assets and liabilities of The Kennet & Avon Canal (Enterprise) Ltd were:

Assets	474,126	675,360
Liabilities	(90,683)	(146,254)
Funds	383,443	529,106

Expenditure includes interest payable to the parent Charity of £908. Other income includes a grant transferred from the parent charity of £10,000. These transactions have been eliminated on consolidation in the group SOFA.

6. Expenditure on raising funds

Group and Parent

	Unrestricted funds	2020 Total	Unrestricted funds	2019 Total
	£	£	£	£
Costs of generating donations and legacies	7,891	7,891	19,437	19,437
	<u>7,891</u>	<u>7,891</u>	<u>19,437</u>	<u>19,437</u>

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31st December 2020

7. Activities undertaken directly

Group and Parent

	Unrestricted funds £	Restricted funds £	2020 Total £	Unrestricted funds £	Restricted funds £	2019 Total £
Wages & Salaries	61,197	18,471	79,668	58,886	25,606	84,492
Employer's NIC	832	1,027	1,859	2,617	613	3,230
Employer's pension costs	1,056	-	1,056	1,140	403	1,543
Health & safety	4,526	-	4,526	5,886	58	5,944
Staff training	561	-	561	269	-	269
Recruitment	165	75	240	-	35	35
Rent	1,200	-	1,200	3,260	-	3,260
Rates	2,045	-	2,045	2,357	-	2,357
Coal	528	-	528	6,859	-	6,859
Light & heat	5,841	-	5,841	9,607	-	9,607
Repairs & maintenance	36,146	-	36,146	16,301	2,928	19,229
NLHF project costs	-	66,047	66,047	-	73,220	73,220
Insurance	8,402	-	8,402	11,348	-	11,348
Computer costs	1,209	-	1,209	1,016	1,030	2,046
Hire of office equipment	669	-	669	781	-	781
Travel costs	94	354	448	1,088	269	1,357
Telephone	3,966	-	3,966	3,720	-	3,720
Other office expenses	725	-	725	1,844	-	1,844
Printing, postage & stationery	638	-	638	2,326	-	2,326
Depreciation	9,811	1,286	11,097	11,524	1,286	12,810
Bank charges	1,150	-	1,150	1,711	-	1,711
Grants payable	1,683	-	1,683	-	-	-
Governance & support costs	6,520	-	6,520	10,065	-	10,065
	<u>148,964</u>	<u>87,260</u>	<u>236,224</u>	<u>152,605</u>	<u>105,448</u>	<u>258,053</u>

8. Governance and support costs

Group and Parent

The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to governance. Governance costs and other support costs are then apportioned to charitable activities in the year. Refer to the table below for the analysis of support and governance costs.

	Governance costs £	2020 Total £	Governance costs £	2019 Total £
Accountancy fees	3,048	3,048	2,958	2,958
Independent examination fee	1,200	1,200	-	-
Auditor remuneration	-	-	4,860	4,860
Other professional costs	2,272	2,272	2,247	2,247
	<u>6,520</u>	<u>6,520</u>	<u>10,065</u>	<u>10,065</u>

Notes to the financial statements
for the year ended 31st December 2020

9. Net incoming resources for the year

Parent

	2020	2019
	£	£
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	11,097	12,810
Independent examiner's remuneration	1,200	-
Auditors' remuneration	-	4,860
Auditors' remuneration from non-audit work	-	2,958
	<u> </u>	<u> </u>

10. Employees

Parent

Employment costs	2020	2019
	£	£
Wages and salaries	79,668	84,492
Social security costs	1,859	3,230
Pension costs	1,056	1,543
Other costs	801	304
	<u>83,384</u>	<u>89,569</u>

No employee received emoluments of more than £60,000 (2019: None).

During this financial year 1 redundancy was identified and termination benefits of £16,000 (2019: £Nil) were paid.

Number of employees

The average monthly numbers of employees (including the trustees) during the year was as follows:

2020	2019
Number	Number
<u>2</u>	<u>5</u>

No trustee received remuneration during the year (2019: £Nil). One trustee was reimbursed for travel expenses totaling £56 (2019: £62).

11. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2020	2019
	£	£
Pension charge	<u>1,056</u>	<u>1,543</u>

Notes to the financial statements
for the year ended 31st December 2020

12. Taxation

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary had a corporation tax liability of £Nil for the year ended 31st December 2020 (2019: £Nil).

13. Tangible fixed assets

<u>Group</u>	Freehold land and buildings £	Leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Boats £	Total £
Cost						
At 1 January 2020	297,204	65,302	175,267	53,400	507,000	1,098,173
Additions	-	-	3,187	1,404	-	4,591
Disposals	-	-	(3,500)	-	-	(3,500)
At 31 December 2020	<u>297,204</u>	<u>65,302</u>	<u>174,954</u>	<u>54,804</u>	<u>507,000</u>	<u>1,099,264</u>
Depreciation						
At 1 January 2020	55,731	43,685	96,367	43,559	99,650	338,992
Charge for the year	4,004	1,568	14,310	1,729	25,350	46,961
On disposals	-	-	(1,350)	-	-	(1,350)
At 31 December 2020	<u>59,735</u>	<u>45,253</u>	<u>109,327</u>	<u>45,288</u>	<u>125,000</u>	<u>384,603</u>
Net book values						
At 31 December 2020	<u>237,469</u>	<u>20,049</u>	<u>65,627</u>	<u>9,516</u>	<u>382,000</u>	<u>714,661</u>
At 31 December 2019	<u>241,473</u>	<u>21,617</u>	<u>78,901</u>	<u>9,840</u>	<u>407,350</u>	<u>759,181</u>

<u>Parent</u>	Freehold land and buildings £	Leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Boats £	Total £
Cost						
At 1 January 2020	297,204	65,302	40,862	53,400	-	456,768
Additions	-	-	470	1,404	-	1,874
Disposals	-	-	-	-	-	-
At 31 December 2020	<u>297,204</u>	<u>65,302</u>	<u>41,332</u>	<u>54,804</u>	<u>-</u>	<u>458,642</u>
Depreciation						
At 1 January 2020	55,731	43,685	30,729	43,559	-	173,704
Charge for the year	4,004	1,568	3,796	1,729	-	11,097
On disposals	-	-	-	-	-	-
At 31 December 2020	<u>59,735</u>	<u>45,253</u>	<u>34,525</u>	<u>45,288</u>	<u>-</u>	<u>184,801</u>
Net book values						
At 31 December 2020	<u>237,469</u>	<u>20,049</u>	<u>6,807</u>	<u>9,516</u>	<u>-</u>	<u>273,841</u>
At 31 December 2019	<u>241,473</u>	<u>21,617</u>	<u>10,133</u>	<u>9,841</u>	<u>-</u>	<u>283,064</u>

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31st December 2020

14. Fixed asset investments

<u>Parent</u>	Subsidiary undertakings shares £	Total £
Cost		
At 1 January 2020 and		
At 31 December 2020	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

Investments represent 100% of the issued share capital in The Kennet and Avon Canal Trust (Enterprise) Limited.

15. Debtors

<u>Group</u>	2020 £	2019 £
Trade debtors	42,221	4,253
Other debtors	3,989	9,536
Prepayments and accrued income	9,529	26,165
	<u>55,739</u>	<u>39,954</u>
	<u>55,739</u>	<u>39,954</u>
 <u>Parent</u>	 2020 £	 2019 £
Trade debtors	40,819	-
Amounts owed by subsidiary and associated undertakings	70,023	113,077
Other debtors	685	-
Prepayments and accrued income	6,633	26,165
	<u>118,160</u>	<u>139,242</u>
	<u>118,160</u>	<u>139,242</u>

The Kennet & Avon Canal Trust
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Notes to the financial statements
for the year ended 31st December 2020

16. Creditors: amounts falling due within one year

Group

	2020	2019
	£	£
Trade creditors	11,224	7,321
Other taxes and social security	-	2,100
Accruals	5,150	21,500
	<u>16,374</u>	<u>30,921</u>

Parent

	2020	2019
	£	£
Trade creditors	2,069	1,763
Other taxes and social security	-	1,648
Accruals	3,900	7,500
	<u>5,969</u>	<u>10,911</u>

17. Analysis of net assets between funds

Group

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2020 as represented by:			
Tangible fixed assets	654,242	60,419	714,661
Current assets	493,306	19,500	512,806
Current liabilities	(16,374)	-	(16,374)
Provisions	(10,255)	-	(10,255)
	<u>1,120,919</u>	<u>79,919</u>	<u>1,200,838</u>

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2019 as represented by:			
Tangible fixed assets	697,477	61,704	759,181
Current assets	586,345	16,285	602,630
Current liabilities	(30,921)	-	(30,921)
Provisions	(13,167)	-	(13,167)
	<u>1,239,734</u>	<u>77,989</u>	<u>1,317,723</u>

The Kennet & Avon Canal Trust
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Notes to the financial statements
for the year ended 31st December 2020

Parent

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2020 as represented by:			
Tangible fixed assets	213,422	60,419	273,841
Investment assets	1,000	-	1,000
Current assets	530,023	19,500	549,523
Current liabilities	(5,969)	-	(5,969)
	<u>738,476</u>	<u>79,919</u>	<u>818,395</u>

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2019 as represented by:			
Tangible fixed assets	221,360	61,704	283,064
Investment assets	1,000	-	1,000
Current assets	500,179	16,285	516,464
Current liabilities	(10,911)	-	(10,911)
	<u>711,628</u>	<u>77,989</u>	<u>789,617</u>

18. Unrestricted funds

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2020 £
Unrestricted funds	711,628	195,581	(166,856)	(1,877)	738,476
Trading subsidiary	528,106	64,912	(210,575)	-	382,443
Consolidation adjustments	-	(10,908)	10,908	-	-
	<u>1,239,734</u>	<u>249,585</u>	<u>(366,523)</u>	<u>(1,877)</u>	<u>1,120,919</u>
	At 1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2019 £
Unrestricted funds	754,106	140,907	(172,042)	(11,343)	711,628
Trading subsidiary	500,937	300,458	(273,289)	-	528,106
	<u>1,255,043</u>	<u>441,365</u>	<u>(445,331)</u>	<u>(11,343)</u>	<u>1,239,734</u>

The Kennet & Avon Canal Trust
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Notes to the financial statements
for the year ended 31st December 2020

19. Restricted funds

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2020 £
Marina project	1,220	-	-	(1,220)	-
Our Crofton Story (NLHF Project) fund	76,269	55,681	(76,028)	4,497	60,419
President's fund	500	-	-	-	500
Bradford on Avon Projects fund	-	5,000	-	-	5,000
Bedwyn Wharf Development fund	-	5,000	-	-	5,000
Archimedean Screw conservation fund	-	9,000	-	-	9,000
Crofton Donation Box fund	-	1,400	-	(1,400)	-
Coronavirus Job Retention Scheme Grant	-	11,232	(11,232)	-	-
	<u>77,989</u>	<u>87,313</u>	<u>(87,260)</u>	<u>1,877</u>	<u>79,919</u>
	At 1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2019 £
Marina project	1,220	-	-	-	1,220
Crofton Projects fund	-	2,645	(2,492)	(153)	-
Our Crofton Story (NLHF Project) fund	94,958	70,771	(101,520)	12,060	76,269
Acramans Crane fund	250	-	(250)	-	-
President's fund	-	500	-	-	500
Bristol City - Small Grant Big Improvement (SGBI)	-	1,750	(1,186)	(564)	-
	<u>96,428</u>	<u>75,666</u>	<u>(105,448)</u>	<u>11,343</u>	<u>77,989</u>

Purposes of restricted funds

The Marina Project funds were originally intended to be used towards a British Waterways funded research project into the feasibility of a marina at Foxhangers in 2004. As this is no longer a viable use for these restricted funds, it was agreed that they should be used to fund a joint project with the Canal & River Trust. The funds were used in the year to purchase a fingerpost installed at Dundas Wharf by the Bath & Bristol Branch.

The Crofton Projects fund comprises funds donated towards projects at Crofton, including conservation of the Archimedean Screw.

Crofton houses the world's oldest fully working beam engine. Our Crofton Story (NLHF Project) fund was created to conserve Crofton whilst developing our interpretation, activities and visitor facilities and secure Crofton for future generations. The project was accepted as complete by NLHF in December 2020.

The President's fund was set up by a donation from the Trust President to fund volunteers' travel expenditure, to be used at the discretion of the Trust Chairman.

The Coronavirus Job Retention Scheme Grant was used to pay staff during the pandemic.

20. Charges

The Trustees of the National Lottery Heritage Fund hold a legal charge over the freehold property known as The Old Pumping Station, Crofton, Marlborough, Wiltshire, SN8 3DW.

The Kennet & Avon Canal Trust
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Notes to the financial statements
for the year ended 31st December 2020

21. Related party transactions

There are no related party transactions that require disclosure.

22. Ultimate parent undertaking

The ultimate controlling party is the Board of Trustee Directors.

23. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	562,676	(105,609)	457,067
Net funds	<u>562,676</u>	<u>(105,609)</u>	<u>457,067</u>

24. Company limited by guarantee

The Kennet & Avon Canal Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

25. Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2020 £	2019 £
Financial assets		
Debt instruments measured at amortised cost:		
- Trade debtors (note 15)	42,221	4,253
- Other debtors (note 15)	3,989	3,845
	<u>46,210</u>	<u>8,098</u>
Financial liabilities		
Measured at amortised cost		
- Trade creditors (note 16)	11,224	7,321
- Other taxes and social security (note 16)	-	2,100
	<u>11,224</u>	<u>9,421</u>

The Kennet & Avon Canal Trust
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The following pages do not form part of the statutory accounts.

The Kennet & Avon Canal Trust
(A company limited by guarantee)

Detailed statement of financial activities

For the year ended 31 December 2020

	2020		2019	
	£	£	£	£
Income				
Voluntary income:				
Donations and legacies				
Grants and donations		105,354		20,783
National Lottery Heritage Fund		55,681		70,771
Coronavirus Job Retention Scheme		11,232		-
Legacies		50,000		1,000
Subscriptions		24,473		25,794
Gift Aid Reclaims		6,268		12,576
Crofton Projects		-		2,645
Fundraising		4,041		12,726
		<u>257,049</u>		<u>146,295</u>
Other trading activities				
Admissions		3,241		39,289
Crofton Car Park		645		5,503
Rent Received		10,187		11,425
		<u>14,073</u>		<u>56,217</u>
Investment income				
Bank interest receivable		2,474		842
Interest from trading subsidiary		(908)		-
		<u>1,566</u>		<u>842</u>
Commercial trading operations				
Commercial trading operations		64,912		311,308
Grant from parent to trading subsidiary		(10,000)		-
		<u>54,912</u>		<u>311,308</u>
Total incoming resources from generating funds		<u>327,600</u>		<u>514,662</u>
Other income				
Sundry Income		9,298		2,369
Gift aid from trading subsidiary		-		10,850
Gift aid paid by trading		-		(10,850)
		<u>9,298</u>		<u>2,369</u>
Total income		<u><u>336,898</u></u>		<u><u>517,031</u></u>

The Kennet & Avon Canal Trust
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Detailed statement of financial activities

For the year ended 31 December 2020

	2020		2019	
	£	£	£	£
Expenditure				
Raising funds:				
Costs of raising funds:				
Butty costs	3,018		6,085	
Advertisement & Publicity	1,769		4,623	
Fundraising costs	3,104		8,729	
		7,891		19,437
Total cost of raising funds		7,891		19,437
Commercial trading operations				
Costs of trading subsidiaries		210,576		273,289
Interest on loan paid to parent		(908)		-
		209,668		273,289
Total costs of raising funds		217,559		292,726
Charitable activities				
Activities undertaken directly				
Wages & Salaries	79,668		84,492	
Employer's NIC	1,859		3,230	
Employer's pension costs	1,056		1,543	
Health & safety	4,526		5,944	
Staff training	561		269	
Recruitment	240		35	
Rent	1,200		3,260	
Rates	2,045		2,357	
Coal	528		6,859	
Light & heat	5,841		9,607	
Repairs & maintenance	36,146		19,229	
NLHF project costs	66,047		73,220	
Insurance	8,402		11,348	
Computer costs	1,209		2,046	
Hire of office equipment	669		781	
Travel costs	448		1,357	
Telephone	3,966		3,720	
Other office expenses	725		1,844	
Printing, postage & stationery	638		2,326	
Depreciation (unrestricted)	11,097		12,810	
Grants payable	1,683		-	
Bank charges	1,150		1,711	
		229,704		247,988
Total charitable activity expenditure		229,704		247,988

The Kennet & Avon Canal Trust
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Detailed statement of financial activities

For the year ended 31 December 2020

	2020		2019	
	£	£	£	£
Governance costs				
Activities undertaken directly				
Accountancy fees	3,048		2,958	
Auditor remuneration	-		4,860	
Independent examiner's fee	1,200		-	
Other professional costs	2,272		2,247	
	<u> </u>	6,520	<u> </u>	10,065
Total governance costs		<u>6,520</u>		<u>10,065</u>
		<u> </u>		<u> </u>
Total expenditure		<u>453,783</u>		<u>550,779</u>
		<u> </u>		<u> </u>
Net income/(expenditure)				
for the year		<u>(116,885)</u>		<u>(33,748)</u>