

AVON NAVIGATION TRUST
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Registered Number:

00857695

England & Wales

Charity No: 244951

BOWKER, STEVENS & CO

Chartered Accountants

Halesowen, West Midlands

AVON NAVIGATION TRUST

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CHAIRMAN'S REPORT 2022

It is pleasing for myself and my fellow trustees to look at the accounts and see a very positive future for the Trust and navigation on our river through being a locally focussed independent navigation authority.

However, financial security is one thing, but it is the energy and commitment of both our volunteers and the small number of staff that sets us apart from other organisations. When Douglas Barwell reflected in 1957 about the fight to save the Avon, he said that he was furious...this lovely waterway was dying, and it would cost a fortune to keep it alive. Then he reflected very importantly that community spirit was worth more than money. I am delighted that this love for the navigation remains and flourishes today, and what a long way the Trust has come!

I am pleased that by the end of 2022 we had over 500 members and just under 100 active volunteers. It has been a concern post pandemic that charitable organisations would suffer with volunteering, but we have an engaged and dedicated volunteer base. The year also saw the revamping of volunteering after the void created by Paul Cronin stepping back as volunteer Director after such a successful number of years. James Jarvis joined Council in this role, and we saw volunteering flourish again. The work done by Alex Mellor and the team in getting the portal to be a mainstay of information and recording of input by volunteers is a very significant step forward for us a small charitable trust.

So, I would like to use this report on behalf of my fellow trustees to thank all our volunteers.

Last year saw the ambition continue in bringing forward landmark projects such as Neptune refurbishment and deployment, the restoration of one of the river's most important heritage assets in the Evesham Lock House, the rebranding and refitting of SWIC as RAWC providing the mobile volunteering centre for the whole river and the success of ANT squad which reflects the commitment to future generations on the river and, more simply, allows young people to enjoy the Avon!

In relation to using the special asset that the unique flow of the river gives, we have lodged a planning application for a white water project adjacent to Wyre Lock. It would be a facility of regional significance, compatible with our objectives and allowing a diverse range of users to enjoy the river and learn about river safety. It has attracted a wide range of representations and we await the outcome of this matter.

I wish to give a special thank you to our Chief Executive, Clive Matthews who continues to drive the Trust forward and has, during the year, dealt with the usual challenges that navigation brings such as flooding and major lock repairs as well as giving the strategic overview.

We were all shocked by Adrian Main's serious illness and continue to wish him well in recovery. The ability of others to stand up and undertake most of the miscellaneous office management duties that Adrian is an expert on, has been very positive and reassuring. As always, I am keen that the Trust is seen as a highly respected and financially sustainable independent navigation authority, and we will seek to ensure it remains so.

My thanks to all our staff team and the above and beyond they go to as part of keeping the navigation safe and operational.



JACK HEGARTY
Chairman

17 May 2023

AVON NAVIGATION TRUST

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Chief Executive Officer's Report 2022 Accounts

Overview

In the first couple of months of the year we experienced four weeks of on and off flooding with the river back in the amber by the end of February.

I am pleased to report that our river watch, flood alert and email alert systems worked well, and our on-call teams worked alongside the other tier two agencies to manage all the incidents that arose from these events. In this period ANT worked as part of the local Tactical Coordination Groups working alongside the Police, Fire & Rescue, Local Councils, Environment Agency, MOD, Paramedics etc.

This duration of flooding left the navigation with numerous major issues when the floods subsided.

The challenge in 2022 was to manage our resources to be able to maintain the navigation as well as continuing to earn income for the Trust from contract work. Even with the flooding issues I am pleased to report that we achieved this and successfully delivered some major maintenance projects and commercial contracts, relieving the uncertainty of our funding.

I am pleased to report that the total number of short-term licences sold recovered to pre-pandemic levels. Reassuringly, we saw that the number of annual licences achieved the highest number in over nine years at 1,356. Boat movements, as measured by the number of boats through Avon Lock recovered back to pre-pandemic levels and was higher than experienced in 2019.

Financial Results

I am pleased to report that our total income of £808K was the fourth highest in the Trust's history and we achieved a healthy net income of £216K. This meant that our net current assets were £451K, which was as defined by the Trust's strategy to protect the Trust from a potential period of financial uncertainty. This income was achieved by the successful delivery of several major commercial contracts in the year, despite the floods, together with healthy income from annual and short-term licenses.

Administration of the Trust

None of the festivals were run in 2022, for various reasons, except for a paired down Pershore River Festival that was restricted to paddle activities. However, we are hopeful that these will all take place in 2023.

The Trust continued to engage Lynne Powell of Crucial PR. Lynne writes our press releases and helps with the publication of the 'Bulletin' and 'Boaters News', named 'Avon Boaters Gateway'. This professional support significantly improves the level of publicity the Trust achieves and significantly raises the Trust's profile.

We restarted all volunteering activities in 2022, post pandemic, and put in place a new volunteer training and management system called Better Impact. This new system helps us better harness the incredible enthusiasm and hard work of our supporters. Nearly all our volunteers came back after the pandemic and through the year we were joined by several new volunteers, so our volunteer numbers started to increase again. We also launched ANT SQUAD, youth volunteering based in Evesham using Neptune as the youth base. We had 12 squad members that met every other Thursday through the season to do river activities and volunteering. These people are the future boaters, volunteers, and members of the Trust. By the end of the year the number of volunteers had risen back to 95 and 4,107 volunteer hours were done in the year. The Trust continues to be proud to work closely with Maritime Volunteer Service Severn Unit (MVS) based in Tewkesbury as a key partner helping us deliver numerous projects.

As 2023 started Adrian Main, Office Manager & Company Secretary was suddenly taken seriously ill. This meant that we implemented our Business Continuity Plan for when a key staff member is absent. Our office staff and accountants stepped up and we were able to keep the Trust running smoothly in the absence of this key member of staff. This period was a very demanding time. Our thoughts and best wishes are with Adrian who is making a slow recover and it is hoped that he will be able to be back at work in the Summer. Thanks to all those who stepped up to run the Trust in these difficult times.

AVON NAVIGATION TRUST

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River Maintenance and Contract Work

Following the flooding, the team of staff and volunteers slowly worked their way upriver, undertaking clearance, dredging and asset repair work, getting the navigation to the point where safe navigation was possible.

Once the floods had subsided, we conducted a major de-water and refurbishment of Luddington Lock. The flooding delayed the start of these works, so the team had to work 7 days a week to do this major refurbishment in a time scale that meant that we were able to re-open the lock the day before Good Friday.

From Easter, following individual one to one training in the use of Better Impact and conducting 12 e-training packages, our core volunteers maintained our lock and mooring sites.

Back in 2016 we installed lock huts, either floating or land based, at all the upper locks. This has then meant that the volunteer team of Reach Masters could store their mowers and equipment at each site and continue the day-to-day maintenance of the lock sites. This rollout of the LANT principle of volunteering continues to save a significant amount of annual expense, negating the need to hire in contractors to do the mowing.

During the year I was successful in negotiating several contracts with the EA to cover clearance of various structures on the full river. This meant that we were able to improve the safety and look of the navigation while at the same time earning important contract income for the Trust. These contracts were won after demonstrating the professionalism of the Trust as a contractor to the EA, resulting in being able to negotiate a five-year partnership agreement.

In addition, we were successful in winning contracts to support the refurbishment of Clopton Bridge for the County Council and the continuation of installing a new mooring for Evesham Marina. We were also engaged to install various private moorings, conduct dredging and do tree works.

During the year we successfully negotiated a lease to install another visitor mooring. This was above Evesham at the Valley Country Park and work commenced building the mooring just before Christmas which was completed in 2023 ready for the season.

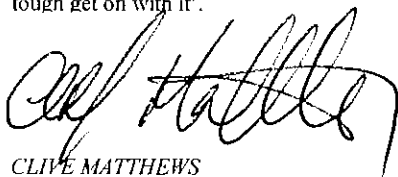
Balancing the needs of the projects against still maintaining the navigation was a major challenge. The fact that we were able to professionally support every requirement of various clients earning income for the Trust while looking after the navigation with a reduced team post-pandemic is testament to the dedication and professionalism of the ANT team of staff and volunteers.

As usual we conducted our normal dredging programme and ground works throughout the year and responded to breakdowns, as and when required.

Summary

In summary, it was another tough year post pandemic. However, hard work and determination prevailed, and we actually delivered another very successful year. We managed the resource needed to support the different projects together with opening and maintaining the navigation. We successfully achieved this difficult balancing act and went on to complete some important maintenance projects as well as maintaining our reserves, thus ensuring the future success of the waterway. The outcome we achieved showed that we were more than up to the challenge, and we delivered another successful year.

I would like to record my sincere thanks to my staff, the volunteers, and our directors for all their hard work and support ensuring that we survived another tough year, all of them stepping up to the plate. As some say, 'when the going gets tough, the tough get on with it'.



CLIVE MATTHEWS
Chief Executive Officer

17 May 2023

**REPORT OF THE TRUSTEES
for the year ended 31 December 2022**

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006 and Charity Law, present their report with the financial statements of the Charity for the year ended 31 December 2022. The financial statements comply with the Charity's governing document, Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland published in October 2019. The Directors' Report, as required by company law, is included within the body of the Report of the Trustees.

Reference and Administrative Details

Registered No.00857695 (England and Wales) Registered Charity No. 244951

Registered Office and Principal Office: Mill Wharf, Mill Lane, Wyre Piddle, Pershore, Worcestershire, WR10 2JF

Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees of the Company during the year and since the year-end were as follows:

J Hegarty (Chairman)
R A Borley
R Clay
P Clover
G M A Crane
D C Greer
M J Hodges (Treasurer)
J P Jarvis
M H Lyons
B R Morgan
K V Welch
L K Young

The Chief Executive Officer is C Matthews

Company Secretary

A Main

Independent Examiners

Bowker, Stevens & Co
Chartered Accountants
Suite No.2, Centre Court
Vine Lane
Halesowen
West Midlands
B63 3EB

Solicitors

Thomson & Bancks LLP
37 High Street
Pershore
Worcestershire
WR10 1AH

**REPORT OF THE TRUSTEES
for the year ended 31 December 2022 (continued)**

Reference and Administrative Details

Bankers

Barclays Bank plc
1 Churchill Place
London
E14 5HP

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Structure, Governance and Management

Governing Document

The Charity is controlled in accordance with its governing documents, the Memorandum and Articles of Association, and is a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and Appointment of New Trustees

The Council of Management, who constitute the Trustees, are appointed by the members of the company in general meeting. Any member may nominate any other member, who is willing to be elected, for election to the Council.

Organisational Structure

The powers and other constitutional matters are set out in the company's Memorandum and Articles of Association. It is governed by the Council of Management which is responsible for setting the strategic direction of the organisation and for establishing policy. The Council of Management meets regularly and delegates the day-to-day operation of the Navigation to the Chief Executive Officer and administration staff.

The Treasurer and the Chairman meet annually to consider the remuneration of the Chief Executive Officer. In order to do this, they refer to a report prepared annually by an external independent expert, which benchmarks remuneration and trends for similar roles across the sector.

Related Parties and Connected Charities

The Lower Avon Navigation Trust Limited (LANT), Registered Charity Number 203856, is a connected Charity by virtue of all of the Directors and Trustees being Directors and Trustees of both charities. The contact address for this charity is Mill Wharf, Mill Lane, Wyre Piddle, Pershore, Worcester, WR10 2JF. None of the Trustees receive remuneration or other benefit from their work with the charity.

Risk Management

It is the responsibility of the company to take all reasonable steps to ensure the safety of users, employees and voluntary workers at all locks, weirs, overnight moorings and other installations operated by the company.

The assets of the Charity are held for the administration, maintenance, improvement and development of the navigation of the River Avon.

Close co-operation and communication is maintained with the Trust's neighbouring navigation authorities, Canal and River Trust and the Environment Agency at all times.

The major risks, to which the Charity is exposed, as identified by the Council of Management, have been reviewed and systems have been established to mitigate these risks, including COVID-19 related risks.

REPORT OF THE TRUSTEES
for the year ended 31 December 2022 (continued)

Objectives and Activities and Public Benefit Statement

The company is principally engaged in the maintenance, improvement and regulation of the entire Avon Navigation. The main activities undertaken are provided in the Chief Executive Officer's Report on pages 2 to 3.

The Trustees have complied with their duty, in Section 4 of the Charities Act 2011, to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Achievements and Performance and Plans for Future Periods

Details are provided in the Chairman's Report and Chief Executive Officer's Reports on pages 1 to 3.

Financial Review

The financial highlights for the year are as follows:

- Total income amounted to £808,032 (2021 - £876,830) and total expenditure amounted to £591,125 (2021 - £758,999), resulting in net income of £216,907 (2021 - £117,831). After taking account of the net movement on the investment and movements in the life members' subscription fund, total funds increased by £215,943 (2021 - £118,563) to £2,288,524 (2021 - £2,072,581). The Trustees consider these results to be excellent.
- The unrestricted funds at 31 December 2022, excluding the life members' subscription fund, totalled £2,237,906 (2021 - £2,020,438). After deducting fixed assets of £1,798,435 (2021 - £1,542,741) this left £439,471 (2021 - £477,697) available for future expenditure.
- Further details of funding sources and how expenditure has supported the Trust's objectives are given in the Chief Executive Officer's Report on pages 2 to 3.

Reserves Policy

In 2021, a review was again undertaken of the Trust's then current operations and the reserves policy maintained in the light of those Trust operations, with reference to Charities Commission, document CC19 - 'Charity Reserves Building Resilience', and the uncertainty created by the COVID-19 pandemic. A more robust Reserves Policy was put in place for 2021 and 2022 as part of the emergency two-year strategy. The reserves policy is reviewed every three years and hence is next due to be reviewed in 2024.

The Trustees consider that minimum reserves need to be held to cover one of two eventualities or emergencies:

- 1 In the event the company has to be wound up because of unavoidable external changes, the Trustees estimate this would take three to six months and hence three to six months of core costs including redundancy costs need to be held. This amounts to an estimated £218,000
- 2 To cover a major breakdown such as a lock collapse or weir failure ~~together with~~ severe flooding (such as in 2007) and pandemic combined. In the case of a lock collapse, reserves would be required for rebuild costs and to cover potential loss of short term licence income while works were undertaken. In the case of severe flooding and pandemic, reserves would be required to cover a reduction of income for up to three years.
The Trustees estimate that the reserves required in the worst case would be £360,000.

The Trustees therefore consider a minimum reserve of £360,000 is adequate to cover one of the two of eventualities. They also note that ANT has fixed assets of over £1 million including several properties that could be mortgaged if more emergency funds were required above the reserves of £360,000.

However, based on current steady state gap analysis as documented in the bi-monthly Engineering Report, a further £408,000 of works expenditure is required to achieve steady state. Therefore the Trustees consider that the upper limit on reserves should be £360,000 plus £408,000 = £768,000 in addition to restricted reserves. Hence the reserves policy for 2021 is to hold in unrestricted reserves a minimum of £360,000 and a maximum of £768,000, in addition to the restricted reserves (currently £51,000), but excluding fixed assets.

At 31 December 2022 the Trusts unrestricted funds stood at £2,239,746 (2021 - £2,022,908) of which £1,798,435 (2021 - £1,542,741) was tied up in property, equipment, boats and vehicles. This left £441,311 (2021 - £480,167) of available reserves. This is in line with the reserves policy.

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REPORT OF THE TRUSTEES

for the year ended 31 December 2022 (continued)

Investment Policy

It was noted that investments could be required to be accessed at short notice in the event of an eventuality as described in the reserves policy and agreed that fund access should reflect this potential need.

The Trustees seek to keep £5,000 in the M & G share account, a minimum of £180,000 in the COIF account and £175,000 in the current account, a total of £360,000 in line with the reserves policy. A second COIF account is available to hold restricted funds.

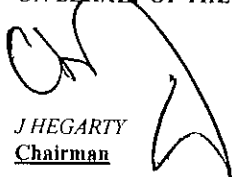
Statement of Trustees Responsibilities

Company law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of the Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

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

ON BEHALF OF THE BOARD:



J HEGARTY
Chairman

17 May 2023

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AVON NAVIGATION TRUST
FOR THE YEAR ENDED 31 DECEMBER 2022**

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I report to the charity Trustees on my examination of the financial statements of the company for the year ended 31 December 2022 which are set out on pages 9 to 20.

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 financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements 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 financial statements 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.

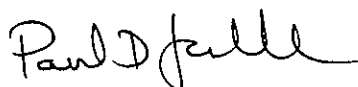
Independent Examiner's Statement

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, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the company as required by Section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements 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.



Paul Jackson F.C.A.
Bowker, Stevens & Co
Suite No.2, Centre Court
Vine Lane
Halesowen
West Midlands
B63 3EB

17 May 2023

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
for the year ended 31 December 2022

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>2022 Total Funds</u> £	<u>2021 Total Funds</u> £
<u>Income</u>					
Donations, legacies and subscriptions	17	20,796	-	20,796	32,432
Investment income	17	1,308	-	1,308	292
<u>Income from charitable activities</u>					
Maintenance, improvement and regulation of the Avon Navigation	17	756,449	-	756,449	827,864
Rent receivable and other income	17	29,479	-	29,479	16,242
<u>Total Income</u>		808,032	-	808,032	876,830
<u>Expenditure</u>					
<u>Expenditure on Charitable Activities</u>					
Maintenance, improvement and regulation of the Avon Navigation	17	420,647	895	421,542	606,023
Support and governance costs	17	169,583	-	169,583	152,976
<u>Total expenditure</u>	17	590,230	895	591,125	758,999
<u>Net Income for the year</u>		217,802 (	895)	216,907	117,831
Unrealised gain/(loss) on investment	7	(334 )	- (	334)	812
Movement in life members subscription fund	12	(630 )	- (	630)	(80)
<u>Net Movement in funds for the year</u>		216,838 (	895)	215,943	118,563
<u>Reconciliation of funds</u>					
Total fund balances brought forward at 1 January 2022		<u>2,022,908</u>	<u>49,673</u>	<u>2,072,581</u>	<u>1,954,018</u>
<u>Total fund balances carried forward at 31 December 2022</u>		<u>2,239,746</u>	<u>48,778</u>	<u>2,288,524</u>	<u>2,072,581</u>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

BALANCE SHEET
as at 31 December 2022

		2022	2021
		£	£
	Notes		
Fixed Assets			
Intangible assets	5	5,850	8,775
Tangible assets	6	1,825,402	1,576,453
Investments	7	6,762	6,775
		1,838,014	1,592,003
Current Assets			
Stock		11,608	11,505
Debtors	8	11,514	98,459
Investments - short term deposits	9	168,279	167,291
Cash at bank and in hand		411,199	315,364
		602,600	592,619
Liabilities			
Creditors: amounts falling due within one year	10	152,090	112,041
Net Current Assets		450,510	480,578
Net Assets		2,288,524	2,072,581
The Funds of the Trust			
Unrestricted funds including unrealised gains on investments	11	2,237,906	2,020,438
Life members subscription fund	11	1,840	2,470
Restricted funds	11	48,778	49,673
Total Trust Funds		2,288,524	2,072,581

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

For the year to 31 December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for ensuring that the Trust keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the Trust as at the end of the 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 Trust.

The financial statements were approved by the Board of Trustees on 17 May 2023 and were signed on its behalf by:

J Hegarty¹

M. Hodges

Trustees

STATEMENT OF CASH FLOWS
for the year to 31 December 2022

	<u>Notes</u>	<u>£</u>	<u>2022</u> <u>£</u>	<u>£</u>	<u>2021</u> <u>£</u>
<u>Net cash flow from operating activities</u>	14		403,900		54,505
<u>Cash flow from investing activities</u>					
Payments to acquire tangible fixed assets		(308,064)		(156,291)	
Payments to acquire investments		(321)		(272)	
Interest received		987		20	
Dividends received		321		272	
<u>Net cash flow from investing activities</u>			(307,077)		(156,271)
<u>Net cash flow from financing activities</u>			-		-
<u>Net increase/(decrease) in cash and cash equivalents</u>			96,823		(101,766)
<u>Cash and cash equivalents at 31 December 2021</u>			482,655		584,421
<u>Cash and cash equivalents at 31 December 2022</u>			579,478		482,655
<u>Cash and cash equivalents consists of</u>					
Cash at bank and in hand			411,199		315,364
Short term deposits			168,279		167,291
<u>Cash and cash equivalents at 31 December 2022</u>			579,478		482,655

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

1 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Basis of preparation

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 issued in October 2019 (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Trust meets the definition of a public benefit entity under FRS102. The financial statements are prepared on the going concern basis under the historical cost convention unless otherwise stated in the relevant accounting policy note.

The company is a private company limited by guarantee. The company's presentation and functional currency is Pound Sterling. The accounts are rounded to the nearest pound.

The company's registered number, registered office address and principal office address are listed on page 4.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves of the Trust to be able to continue as a going concern.

Income

All income is recognised gross, without netting off related expenditure. Donations, interest and investment income are recognised when received. Tax refunds received under gift-aid are recognised when the incoming resource to which they relate is received. Legacies are recognised when the Trust becomes unconditionally entitled to receive them. Grants are recognised when the Trust has entitlement to funds, any attached performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Subscriptions represent amounts receivable relating to the accounting period. Tolls are recognised when received. Mooring fees, contract work, rent and other similar income are recognised when the Trust becomes contractually entitled to the income. Realised gains or losses are recognised when investments are sold and unrealised gains or losses on investments are recognised through the Statement of Financial Activities.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under headings that aggregate all costs related to the category. They exclude time or materials freely given by members. Expenditure on charitable activities includes all costs related to the maintenance, improvement and regulation of the entire Avon Navigation.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Intangible fixed assets

Research expenditure is written off to expenditure in the Statement of Financial Activities in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. Intangible fixed assets are amortised on a straight line basis over their expected useful lives and provision is made for any impairment. The expected useful lives of intangible assets are as follows:

Website

5 years

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

1 Accounting Policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Major infrastructure improvements and major plant	-	2.5% straight line basis
Machinery and Equipment	-	10% straight line basis
Workboats and Tugs	-	2.5% straight line basis
Motor Vehicles	-	10% straight line basis
Computer Equipment	-	25% straight line basis
Website	-	20% straight line basis
Other plant	-	5% straight line basis

Legacy and donated assets

Legacy and donated assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices. However, where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

Stock

Stock is valued on a first in first out basis at the lower of cost and estimated selling price less costs to complete and sell. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in income or expenditure.

Taxation

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

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the Trust. 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.

Financial instruments

The Trust only has financial assets and liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

1 Accounting Policies (continued)

Investments

The investments held as fixed assets have been revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities. Current asset investments are included in the financial statements at their market value at the Balance Sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Life members subscriptions

Credit is taken on a straight line basis over 10 years from life members subscriptions

Pensions

The Trust operates two defined contribution pension schemes for the benefit of its employees. Contributions are expensed as they become payable.

2 Staff costs	2022	2021
	£	£
Wages and salaries	323,639	270,427
Employer's National Insurance	28,877	22,524
Defined contribution pension costs	16,570	14,656
	369,086	307,607

An allocation of the staff costs by the Trust is as follows:

Infrastructure improvements/workboat refurbishments	75,595	31,488
Charitable activities support	22,073	-
Administration and customer service	93,047	84,486
Relief lock keepers	7,109	-
Contract works	46,968	67,997
Major works	104,902	119,405
Minor works	19,392	4,231
	369,086	307,607

The average number of employees excluding Trustees during the year was:

	No	No
Administration	1	1
Customer service	3	3
Operational	7	5
	11	9

The key management personnel of the Trust comprise the Trustees and the Chief Executive Officer. The total employee benefits of the key management personnel of the Trust was £103,245 comprising salary £73,402, allowances £9,600, bonus £8,909, pension contributions £11,334 (2021 - £96,097 comprising salary £67,468, allowances £9,600, bonus £8,909, pension contributions £10,120).

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

£80,001 to £90,000	-	1
£90,001 to £100,000	1	-

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

3 Trustees remuneration

The charity's Trustees were not paid nor received any other benefits from employment within the Trust (2021 -£nil). During the year £nil was reimbursed as trustees' expenses (2021 -£nil). Details of payments made to related parties for professional services during the year are shown in note 15 to the financial statements.

4 Amount paid to Independent Examiner

	£	£
Independent Examiners fee	1,600	1,500
Accounts preparation and AGM attendance	6,000	5,705
	7,600	7,205

5 Intangible Fixed Assets

	Website £	Total £
Cost:		
Additions	14,625	14,625
31 December 2022	14,625	14,625
Amortisation:		
1 January 2022	5,850	5,850
Charge for the year	2,925	2,925
31 December 2022	8,775	8,775
Net Book Value:		
31 December 2022	5,850	5,850
31 December 2021	8,775	8,775

6 Tangible Fixed Assets

	Freehold Property £	Infrastructure Improvements £	Machinery and Office Equipment £	Workboats and Tugs £	Motor Vehicles £	Total £
Cost:						
1 January 2022	184,675	906,834	525,731	473,031	41,898	2,132,169
Additions	129,822	151,091	22,540	4,611	-	308,064
31 December 2022	314,497	1,057,925	548,271	477,642	41,898	2,440,233
Depreciation:						
1 January 2022	-	107,003	258,665	169,835	20,213	555,716
Charge for the year	-	24,945	20,500	9,938	3,732	59,115
31 December 2022	-	131,948	279,165	179,773	23,945	614,831
Net Book Value:						
31 December 2022	314,497	925,977	269,106	297,869	17,953	1,825,402
31 December 2021	184,675	799,831	267,066	303,196	21,685	1,576,453

No depreciation has been provided in respect of freehold property as the Trustees consider the current market value to be substantially in excess of cost. The Trust had no capital commitments at 31 December 2022 (2021: £NIL).

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

7 Investments	2022 £	2021 £
The Equities Investment Fund for Charities (23.358 Accumulation Units) Cost: £6,121 (2021 £5,800)		
Market value at 1 January 2022	6,775	5,691
Dividends reinvested	321	272
Unrealised (loss)/gain on investment	(334)	812
Market value at 31 December 2022	6,762	6,775
8 Debtors		
Trade debtors	7,466	11,726
Other debtors	-	11,866
Prepayments and accrued income	4,048	74,867
	11,514	98,459
9 Current Asset Investments		
Short-Term Deposits	168,279	167,291
10 Creditors: amounts falling due within one year		
Trade creditors	32,120	5,585
Social security and other taxes	29,271	8,019
Accruals and deferred income	20,240	19,585
Payments on account	57,196	43,537
Other creditor	13,263	35,315
	152,090	112,041

The amount shown as 'other creditor' relates to an insurance claim for Evesham Lockhouse received in an earlier year. The Evesham Lock House is being renovated and changed into a multi-use activity centre.

11 Movement In Funds	At 01/01/2022 £	Income £	Expenditure £	Investment Gains/ (Losses) £	At 31/12/2022 £
Unrestricted Funds					
Unrealised gain on investment	975	-	- (334)		641
General Fund	2,019,463	808,032	(590,230)	-	2,237,265
	2,020,438	808,032	(590,230)	(334)	2,237,906
Restricted Funds					
David Hutchings Memorial Fund	8,477	-	-	-	8,477
SWWT Extension Project	7,484	-	-	-	7,484
Neptune	33,712	- (895)		-	32,817
	49,673	0 (895)		-	48,778
Life members Subscription Fund (Note 12)	2,470	- (630)		-	1,840
Total Funds	2,072,581	808,032	(591,755)	(334)	2,288,524

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

Purposes of the Restricted Funds

David Hutchings Memorial Fund:	This donation is to provide a memorial to David Hutchings.
White Water Project	This covers grants from Wychavon District Council for the White Water Project
SWWT Extension Project	Following from the amalgamation of the Stratford and Warwick Waterways Trust the funds of SWWT were transferred to ANT and held for the sole use of promoting and facilitating the extension of navigation from Alveston to Warwick.
Neptune:	Donations were for the refurbishment of the vessel 'Neptune'.

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
12 Life Members Subscription Fund		
Balance at 1 January 2022	2,470	2,550
Subscriptions received	-	550
Charge for the year	(630)	(630)
Balance at 31 December 2022	1,840	2,470

13 Analysis of Net Assets between Funds

	<u>Restricted Funds</u>	<u>Life Members Subscription Fund</u>	<u>Other Unrestricted Funds</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Intangible fixed assets	-	-	5,850	5,850
Tangible fixed assets	32,817	-	1,792,585	1,825,402
Investments	-	-	6,762	6,762
Current assets	15,961	1,840	584,799	602,600
Current liabilities	-	-	(152,090)	(152,090)
Total Net Assets	48,778	1,840	2,237,906	2,288,524

14 Reconciliation of net movement in funds to net cash flow from operating activities

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Net movement in funds	215,943	118,563
Dividends received	(321)	(272)
Interest received	(987)	(20)
Amortisation of intangible fixed assets	2,925	2,925
Depreciation of tangible fixed assets	59,115	53,999
Loss/(profit) on investments	334	(812)
(Increase)/Decrease in stock	(103)	1,962
Decrease/(increase) in debtors	86,945	16,332
Increase/(decrease) in creditors	40,049	(138,172)
Net cash flow from operating activities	403,900	54,505

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2022 (continued)

15 Related Party Disclosures

The Trust has a close working relationship with The Lower Avon Navigation Trust Limited ('LANT'). The balance owing by LANT at 31 December 2022 was £nil (2021 - £nil).

On 29 September 2021, Lynne Young (also known as Lynne Powell) became a director. Lynne has faithfully served the Trust for many years. Lynne also writes, designs and produces bulletins and other publications for the Trust, trading as Crucial PR. During the period she was a director, she supplied such services to the Trust amounting to £8,107 (2021 -£7,200). The terms were at, or better than normal market value and no monies were owing to Crucial PR at the balance sheet date. The majority of charges by Crucial PR relate to publicity materials.

16 Comparative amounts for the Statement of Financial Activities

The total funds shown for 2021 in the Statement of Financial Activities are split between unrestricted and restricted funds as follows:

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<u>Income</u>			
Donations, legacies and subscriptions	20,868	11,564	32,432
Investment income	292	-	292
<u>Income from charitable activities</u>			
Maintenance, improvement and regulation of the Avon Navigation	827,864	-	827,864
<u>Rent receivable and other income</u>	<u>16,242</u>	<u>-</u>	<u>16,242</u>
<u>Total Income</u>	<u>865,266</u>	<u>11,564</u>	<u>876,830</u>
<u>Expenditure</u>			
<u>Expenditure on Charitable Activities</u>			
Maintenance, improvement and regulation of the Avon Navigation	593,564	12,459	606,023
Support and governance costs	<u>152,976</u>	<u>-</u>	<u>152,976</u>
<u>Total expenditure</u>	<u>746,540</u>	<u>12,459</u>	<u>758,999</u>
<u>Net Income for the year</u>	118,726 (	895)	117,831
Unrealised (loss)/gain on investment	812	-	812
Movement in life members subscription fund	(80 )	- (	80)
<u>Net Movement in funds for the year</u>	119,458 (	895)	118,563
<u>Reconciliation of funds</u>			
Total fund balances brought forward at 1 January 2021	<u>1,903,450</u>	<u>50,568</u>	<u>1,954,018</u>
<u>Total fund balances carried forward at 31 December 2021</u>	<u>2,022,908</u>	<u>49,673</u>	<u>2,072,581</u>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31st December 2022 (continued)

17 Revenue Account

		2022			2021		
		Charitable Activities	Other	Total	Charitable Activities	Other	Total
	Notes	£	£	£	£	£	£
Income							
Donations, legacies, grants and subscriptions	A	20,796	-	20,796	27,642	4,790	32,432
Tolls (Registration fees)	B	478,846	-	478,846	446,392	-	446,392
Mooring fees		18,783	-	18,783	19,665	-	19,665
Compensation annuity - Canal and River Trust		400	-	400	400	-	400
Contract work		252,681	-	252,681	355,881	-	355,881
Investment income	C	-	1,308	1,308	-	292	292
Evesham Hydro		5,739	-	5,739	5,526	-	5,526
Rent receivable	D	-	19,493	19,493	-	8,532	8,532
Sale of trust goods and other income		-	9,986	9,986	-	7,710	7,710
		777,245	30,787	808,032	855,506	21,324	876,830
Expenditure							
		2022			2021		
		Charitable Activities	Support & Governance Costs	Total	Charitable Activities	Support & Governance Costs	Total
		£	£	£	£	£	£
Wages and salaries		200,444	93,047	293,491	191,633	84,486	276,119
Maintenance costs and materials	E	41,946	-	41,946	158,119	-	158,119
Cost of trust goods		-	2,155	2,155	-	1,962	1,962
Property management and maintenance		-	10,248	10,248	-	3,244	3,244
Hire of plant		1,528	-	1,528	2,297	-	2,297
Insurance		24,564	1,234	25,798	20,778	1,115	21,893
Electricity and gas		10,900	-	10,900	11,811	-	11,811
Vehicle and boat expenses		34,793	-	34,793	28,344	-	28,344
Depreciation and amortisation		62,040	-	62,040	56,924	-	56,924
Governance costs: Accountancy charges		-	7,600	7,600	-	7,205	7,205
Rent of land		-	235	235	-	230	230
Telephone and postage		-	16,564	16,564	-	16,575	16,575
Printing, stationery and publicity		-	11,688	11,688	-	12,719	12,719
Bank charges		-	7,947	7,947	-	7,061	7,061
Computer expenses		5,919	9,094	15,013	-	8,855	8,855
Water and waste collection		17,627	-	17,627	19,712	-	19,712
Sundry expenses		-	5,741	5,741	-	5,599	5,599
Professional charges and subscriptions		4,160	-	4,160	17,473	-	17,473
Health and safety		8,497	4,030	12,527	4,108	3,925	8,033
Staff training		1,278	-	1,278	-	-	0
Bad debts		4,025	-	4,025	93,359	-	93,359
Volunteers expenses		3,821	-	3,821	1,465	-	1,465
		421,542	169,583	591,125	606,023	152,976	758,999

Professional charges include £nil (2021 - £9,250) paid to a firm for a combination of RYA certificated instruction services, applications for grants, website development and other miscellaneous services. No other amounts were paid to fundraisers during the year.

AVON NAVIGATION TRUST

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**NOTES TO THE REVENUE ACCOUNT
for the year to 31st December 2022 (continued)**

	2022	2021
	£	£
<u>Note A - Donations, Legacies, Grants and Subscriptions</u>		
Gordon Gray Trust	10,000	-
Johnsons Property	1,000	-
Wake Engineering	3,000	-
Aspire Business	-	1,000
Groundwork UK - Tesco plc	-	1,000
White Water - Wychavon District Council	-	11,564
Job Retention Scheme grants	-	13,779
Miscellaneous donations and subscriptions	6,796	5,089
	<u>20,796</u>	<u>32,432</u>

Note B - Tolls (Registration fees)

	No.	£	No.	£
Annual - Commercial Craft		58,180		58,896
- Private Craft	1,356	353,466	1,329	338,404
Short Term	1,985	54,783	1,826	49,092
Enforcement - recovered		12,417		-
	<u>3,341</u>	<u>478,846</u>	<u>3,155</u>	<u>446,392</u>

Note C - Investment Income

	£	£
Interest received	987	20
Other investment income	321	272
	<u>1,308</u>	<u>292</u>

Note D - Rent Receivable

Avon Lock Cottage	-	840
Holiday Cottages	11,633	-
Strensham Lock House	7,860	7,692
	<u>19,493</u>	<u>8,532</u>

Note E - Maintenance Costs and Materials

Major works (inc. locks and navigation works)	22,514	31,013
Costs of contract services	2,386	107,841
Building repairs and decoration	4,107	3,898
Minor works items	12,939	15,367
	<u>41,946</u>	<u>158,119</u>

