

AVON NAVIGATION TRUST
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Number:

00857695

England & Wales

Charity No: 244951

AVON NAVIGATION TRUST

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CHAIRMAN'S REPORT 2023

My fellow Trustees and I can look back on last year as another successful one for the Trust. Our aspiration and motivation remains to focus our efforts to ensure we have a sustainable platform for the continuation of our Trust as a locally focussed independent navigation authority on the Avon. In many respects, the current funding pressures on other larger inland navigation authorities, especially where there is a substantial reliance on government grant funding, has exposed the risks of that funding model. We have given full support to the national fund - the waterways campaign - in 2023 with my fellow trustees, Michael Hodges and Roger Clay, leading on this.

Licence fees are an important and substantial element of our income base, and we agreed our 5-year long term licence plan in 2023. Trustees recognise the sensitivity of any licence structure, but we are confident that ours is fair and transparent. We are experiencing in recent years volatility in some aspects of the Trust income - such as contract income and short-term licences. Reducing an overdependence on these is a key part of our strategy.

Wider issues affecting the river are in the sights of the Council of Trustees and this includes climate change, where we have been working with AINA, and my thanks go to Richard Borley for being our link. We appear to be getting more frequent and sustained wet periods both outside and inside the boating seasons and this is an important matter for trustees. Also, there are growing campaigns for better water quality on rivers across the country and the Avon is no different. While this is not directly within our purview, we have supported actions to measure water quality locally.

Financial security is important, but it is the energy and commitment of both our volunteers and the small number of staff that sets us apart from other organisations. Our volunteer leadership, administration and structure changed in 2023. With over 100 active volunteers, we need to maintain a structure where volunteers can operate safely and, of course, have fun and enjoy the river. I wish to thank James Jarvis for his insight and vision in his time as Volunteer Director and wish him well. I have taken on the role of Volunteer Director combined with a new volunteer governance model under our Chief Executive, Clive Matthews.

I would like to use this report to thank all our volunteers. I and fellow trustees fully acknowledge all of your contributions, and the Council and we are pleased to see the introduction of volunteer time recording as a tangible measure of all those efforts of our volunteers.

Last year saw the continued restoration of one of the river's most important heritage assets in the Evesham Lock House and we will see the grand opening of this significant project in Autumn 2024. The skilled volunteers who have taken on the challenges of the restoration need our thanks as well as those who have helped fund the project.


Other ANT innovations continued to thrive in 2023, such as Clive's long-time ambition of ANT Squad (youth volunteering) which met every Thursday in the summer, and our trip boat 'Corsair', which brought river boat trips back to Evesham.

I wish to give a special thank you to our small staff team and our Chief Executive who continues to drive the Trust forward with great enthusiasm and boundless energy.

As always, I am keen that the Trust remains a highly respected and financially sustainable independent navigation authority, and we will seek to ensure that it remains so.

JACK HEGARTY
Chairman

2 July 2024



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Chief Executive Officer's Report 2023 Accounts

Overview

As 2023 started, Adrian Main, Office Manager and 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 smoothly running in the absence of this key member of staff. This period was a very demanding time. Adrian made a slow recovery and we were pleased to welcome him back with a phased return from mid-July. My thanks goes to all those who stepped up to run the Trust in these very difficult times, and welcome back Adrian! We are so relieved that you got through that terrible time.

In the first four months of the year, we experienced over ten weeks of on-and-off flooding with the river only back in the amber and green early in May. Then in the Autumn, the river rose mid-October and then we had flooding, four of which were major floods, all the way through the winter into 2024. This was only sustainably going down in mid-April 2024, after a total of 6 months of flooding.

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. Unfortunately, this duration of flooding, together with all the major floods, meant that we were not able to do any of our planned major works and this duration of flooding left the navigation with numerous major issues when the floods subsided. We also lost the Easter due to flooding and the season effectively finished three weeks early, which had a significant effect on our short-term licence income.

The challenge in 2023 was to manage our resources to be able to maintain the navigation, battle the floods and the damage caused by the floods, 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 maintenance projects and improvements plus several commercial contracts, which helps take the pressure off our licence income.

Our total number of short-term licences sold were down on the previous year due to the unprecedented amount of flooding that lost a significant number of boating days. Reassuringly, we saw that the number of annual licences achieved the highest number in over ten years at 1,414. Boat movements, as measured by the number of boats through Avon Lock were also reduced due to the effect of the floods with a late start and an early finish to the season.

Financial Results

Even with all the difficulties caused by the unprecedented flooding I am pleased to report that our total income of £865K was the fourth highest in the Trust's history and we achieved a healthy net income of £126.7K. This meant that our net current assets were £450K, 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 licences.

Administration of the Trust

Two of the festivals were held in 2023, the first time since the pandemic. These were Evesham and Pershore. ANT supported both with our 'River Avon Welcome Centre' (RAWC) acting as our stand and we ran two trip boats manned by volunteers at both festivals.

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 continue to build upon our volunteering activities from 2022, further developing our volunteer training and management system called Better Impact. This system helps us better harness the incredible enthusiasm and hard work of our supporters. Through the year we were joined by several new volunteers, so our volunteer numbers started to increase again above the levels we achieved before the pandemic. ANT SQUAD, our youth volunteering based in Evesham using Neptune as the youth base, continued to grow in its second year. We had 12 squad members that met every 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 to 105 and 4,804 volunteer hours were done in the year.

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Administration of the Trust (continued)

A major volunteer project that was started in October was the internal refurbishment of the Evesham Volunteer Training Centre. During the year, contractors had installed a new floor and foundation legs funded by a grant from Evesham Town Council. Then a team of seven volunteers led by our volunteer team leader, Jonathan Goode, worked solidly through the winter fitting out the building and turning it into a high-specification training and meeting facility (equal to any provided in a high-class hotel). Enormous congratulations and thanks go to this team of volunteers who saved the Trust tens of thousands of pounds and have given the Trust a significant asset. During 2024, following further successful grant funding applications, we will do the external ground works and install steps, toilets and changing facilities.

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 to deliver numerous projects.

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 rebuilt Pershore bottom waiting mooring. We also did major works on Nafford Lock swing bridge in partnership with Worcester County Council.

From Easter, following our season start volunteer meeting, which included a refresher on the use of Better Impact and conducting the annual e-training packages, our core volunteers maintained our lock and mooring sites.

Some years ago 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 Environment Agency (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, which is due for renegotiation in 2024.

We were also successful in winning contracts to support the refurbishment of Clopton Bridge and Binton 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 2022 we successfully negotiated a lease to install another visitor mooring. This was above Evesham at the Valley Country Park. Work commenced building the mooring just before Christmas 2022 and was completed in March 2023 ready for the season.

Balancing the needs of the projects against still maintaining the navigation while enduring unprecedented flooding 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.

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Summary

In summary, it was another very tough year, made even harder with the loss of a key staff member and unprecedented amounts of flooding. 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

2 July 2024

**REPORT OF THE TRUSTEES
for the year ended 31 December 2023**

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 2023. 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	(retired 24 June 2023)
G M A Crane	
D C Greer	
M J Hodges (Treasurer)	
J P Jarvis	(retired 24 June 2023)
M H Lyons	
B R Morgan	(retired 23 June 2023)
K V Welch	
L K Young	

The Chief Executive Officer is C Matthews

Company Secretary

A Main

Independent Examiners

Ormerod Rutter
Chartered Accountants
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Solicitors

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

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REPORT OF THE TRUSTEES **for the year ended 31 December 2023 (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.

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REPORT OF THE TRUSTEES

for the year ended 31 December 2023 (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 4.

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 4.

Financial Review

The financial highlights for the year are as follows:

- Total income amounted to £865,712 (2022 - £808,032) and total expenditure amounted to £739,028 (2022 - £591,125), resulting in net income of £126,684 (2022 - £216,907). After taking account of the net movement on the investment and movements in the life members' subscription fund, total funds increased by £126,153 (2022 - £215,943) to £2,414,677 (2022 - £2,288,524). The Trustees consider these results to be excellent.
- The unrestricted funds at 31 December 2023, excluding the life members' subscription fund, totalled £2,330,389 (2022 - £2,237,906). After deducting fixed assets of £1,940,769 (2022 - £1,798,435) this left £389,620 (2022 - £439,471) 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 4.

Reserves Policy

In 2021, a review was 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 2023 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 2023 the Trusts unrestricted funds stood at £2,331,819 (2023 - £2,239,746) of which £1,940,769 (2022 - £1,798,435) was tied up in property, equipment, boats and vehicles. This left £391,050 (2022 - £441,311) 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 2023 (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

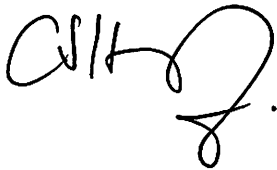
Company law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of the Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare 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



2 July 2024

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AVON NAVIGATION TRUST
FOR THE YEAR ENDED 31 DECEMBER 2023**

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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 2023 which are set out on pages 10 to 21.

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.

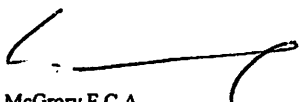
Independent Examiner's Statement

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.



Colm McGrory F.C.A.
Ormerod Rutter Chartered Accountants
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Date: 3 July 2024

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**STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
for the year ended 31 December 2023**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>2023 Total Funds</u> £	<u>2022 Total Funds</u> £
<u>Income</u>					
Donations, legacies and subscriptions	17	25,092	35,000	60,092	20,796
Investment income	17	8,415	-	8,415	1,308
<u>Income from charitable activities</u>					
Maintenance, improvement and regulation of the Avon Navigation	17	755,792	-	755,792	756,449
<u>Rent receivable and other income</u>	17	<u>41,413</u>	<u>-</u>	<u>41,413</u>	<u>29,479</u>
<u>Total Income</u>		<u>830,712</u>	<u>35,000</u>	<u>865,712</u>	<u>808,032</u>
<u>Expenditure</u>					
<u>Expenditure on Charitable Activities</u>					
Maintenance, improvement and regulation of the Avon Navigation	17	486,921	920	487,841	421,542
Support and governance costs	17	<u>251,187</u>	<u>-</u>	<u>251,187</u>	<u>169,583</u>
<u>Total expenditure</u>	17	<u>738,108</u>	<u>920</u>	<u>739,028</u>	<u>591,125</u>
<u>Net Income for the year</u>		<u>92,604</u>	<u>34,080</u>	<u>126,684</u>	<u>216,907</u>
Unrealised gain/(loss) on investment	7	(121)	- (121)	(334)	
Movement in life members subscription fund	12	(410)	- (410)	(630)	
<u>Net Movement in funds for the year</u>		<u>92,073</u>	<u>34,080</u>	<u>126,153</u>	<u>215,943</u>
<u>Reconciliation of funds</u>					
Total fund balances brought forward at 1 January 2023		<u>2,239,746</u>	<u>48,778</u>	<u>2,288,524</u>	<u>2,072,581</u>
<u>Total fund balances carried forward at 31 December 2023</u>		<u>2,331,819</u>	<u>82,858</u>	<u>2,414,677</u>	<u>2,288,524</u>

All income and expenditure derive from continuing activities.

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

AVON NAVIGATION TRUST

(Registered No: 00857695)

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**BALANCE SHEET
as at 31 December 2023**

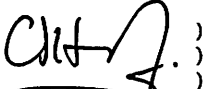
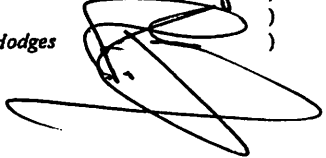
		<u>2023</u>		<u>2022</u>	
	<u>Notes</u>	£	£	£	£
<u>Fixed Assets</u>					
Intangible assets	5	2,925		5,850	
Tangible assets	6	1,981,294		1,825,402	
Investments	7	<u>7,007</u>		<u>6,762</u>	
			1,991,226		1,838,014
<u>Current Assets</u>					
Stock		12,615		11,608	
Debtors	8	9,516		11,514	
Investments - short term deposits	9	176,327		168,279	
Cash at bank and in hand		<u>449,683</u>		<u>411,199</u>	
			648,141		602,600
<u>Liabilities</u>					
Creditors: amounts falling due within one year	10a	<u>197,690</u>		<u>152,090</u>	
<u>Net Current Assets</u>			<u>450,451</u>		<u>450,510</u>
<u>Total Assets less Current Liabilities</u>			<u>2,441,677</u>		<u>2,288,524</u>
<u>Creditors: Amounts falling due after more than one year</u>	10b		<u>(27,000)</u>		<u>-</u>
<u>Net Assets</u>			<u>2,414,677</u>		<u>2,288,524</u>
<u>The Funds of the Trust</u>					
Unrestricted funds including unrealised gains on investments	11	2,330,389		2,237,906	
Life members subscription fund	11	1,430		1,840	
Restricted funds	11	<u>82,858</u>		<u>48,778</u>	
<u>Total Trust Funds</u>			<u>2,414,677</u>		<u>2,288,524</u>

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 2023, 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 2 July 2024 and were signed on its behalf by:

J Hegarty )
M Hodges )
Trustees

STATEMENT OF CASH FLOWS
for the year to 31 December 2023

		<u>£</u>	<u>2023</u> <u>£</u>	<u>£</u>	<u>2022</u> <u>£</u>
	<u>Notes</u>				
<u>Net cash flow from operating activities</u>	14		253,828		403,900
<u>Cash flow from investing activities</u>					
Payments to acquire tangible fixed assets		(222,645)		(308,064)	
Receipts from sales of tangible fixed assets		7,300		-	
Payments to acquire investments		(366)		(321)	
Interest received		8,049		987	
Dividends received		366		321	
<u>Net cash flow from investing activities</u>			(207,296)		(307,077)
<u>Net cash flow from financing activities</u>			-		-
<u>Net increase in cash and cash equivalents</u>			46,532		96,823
<u>Cash and cash equivalents at 31 December 2022</u>			579,478		482,655
<u>Cash and cash equivalents at 31 December 2023</u>			626,010		579,478
<u>Cash and cash equivalents consists of</u>					
Cash at bank and in hand			449,683		411,199
Short term deposits			176,327		168,279
<u>Cash and cash equivalents at 31 December 2023</u>			626,010		579,478

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (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 5.

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
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**NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (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
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 2023 (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	2023	2022
	£	£
Wages and salaries	383,225	323,639
Employer's National Insurance	34,478	28,877
Defined contribution pension costs	18,929	16,570
	436,632	369,086

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

Infrastructure improvements/workboat refurbishments	74,766	75,595
Charitable activities support	27,001	22,073
Administration and customer service	146,230	93,047
Relief lock keepers	9,424	7,109
Contract works	50,113	46,968
Major works	92,393	104,902
Minor works	36,705	19,392
	436,632	369,086

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

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

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 £116,221 comprising salary £86,143, allowances £9,600, bonus £7,557, pension contributions £12,921 (2022 - £103,245 comprising salary £73,402, allowances £9,600, bonus £8,909, pension contributions £11,334).

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

£90,001 to £100,000	-	1
£100,001 to £110,000	1	-

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (continued)

3 Trustees remuneration

The charity's Trustees were not paid nor received any other benefits from employment within the Trust (2022 -£nil). During the year £nil was reimbursed as trustees' expenses (2022 -£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

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Independent Examiners fee	2,300	1,600
Accounts preparation and AGM attendance	-	6,000
	<u>2,300</u>	<u>7,600</u>

5 Intangible Fixed Assets

	<u>Website</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Cost:		
1 January 2023	14,625	14,625
Additions	-	-
31 December 2023	14,625	14,625
Amortisation:		
1 January 2023	8,775	8,775
Charge for the year	2,925	2,925
31 December 2023	11,700	11,700
Net Book Value:		
31 December 2023	<u>2,925</u>	<u>2,925</u>
31 December 2022	<u>5,850</u>	<u>5,850</u>

6 Tangible Fixed Assets

	<u>Freehold</u>	<u>Infrastructure</u>	<u>Machinery and Office</u>	<u>Workboats</u>	<u>Motor</u>	<u>Total</u>
	<u>Property</u>	<u>Improvements</u>	<u>Equipment</u>	<u>and</u>	<u>Vehicles</u>	<u>£</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>Tugs</u>	<u>£</u>	<u>£</u>
Cost:						
1 January 2023	314,497	1,057,925	548,271	477,642	41,898	2,440,233
Additions	2,315	131,510	20,640	46,480	21,700	222,645
Disposals	-	-	-	-	(20,246)	(20,246)
31 December 2023	316,812	1,189,435	568,911	524,122	43,352	2,642,632
Depreciation:						
1 January 2023	-	131,948	279,165	179,773	23,945	614,831
Charge for the year	-	28,107	20,858	10,757	4,273	63,995
Eliminated on disposal	-	-	-	-	(17,488)	(17,488)
31 December 2023	-	160,055	300,023	190,530	10,730	661,338
Net Book Value:						
31 December 2023	<u>316,812</u>	<u>1,029,380</u>	<u>268,888</u>	<u>333,592</u>	<u>32,622</u>	<u>1,981,294</u>
31 December 2022	<u>314,497</u>	<u>925,977</u>	<u>269,106</u>	<u>297,869</u>	<u>17,953</u>	<u>1,825,402</u>

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 2023 (2022: £NIL).

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (continued)

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
7 Investments		
The Equities Investment Fund for Charities (23,358 Accumulation Units)		
Cost: £6,488 (2022 £6,121)		
Market value at 1 January 2023	6,762	6,775
Dividends reinvested	366	321
Unrealised (loss)/gain on investment	(121)	(334)
Market value at 31 December 2023	<u>7,007</u>	<u>6,762</u>
8 Debtors		
Trade debtors	6,048	7,466
Prepayments and accrued income	<u>3,468</u>	<u>4,048</u>
	<u>9,516</u>	<u>11,514</u>
9 Current Asset Investments		
Short-Term Deposits	<u>176,327</u>	<u>168,279</u>
10 a) Creditors: amounts falling due within one year		
Trade creditors	45,090	32,120
Social security and other taxes	38,375	29,271
Accruals and deferred income	27,300	20,240
Payments on account	85,130	57,196
Other creditors	<u>1,795</u>	<u>13,263</u>
	<u>197,690</u>	<u>152,090</u>
b) Creditors: amounts falling due after more than one year		
Trade creditors	<u>27,000</u>	<u>-</u>

Trade creditors include aggregate amounts of £15,000 (2023 - £nil) which fall due after five years and are payable by annual instalments. No interest is payable on these amounts.

11 Movement In Funds

	At <u>01/01/2023</u>	Income	Expenditure	Investment Gains/ (Losses)	At <u>31/12/2023</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Unrestricted Funds					
Unrealised gain on investment	641	-	- (121)		520
General Fund	<u>2,237,265</u>	<u>830,712</u>	<u>(738,108)</u>	<u>-</u>	<u>2,329,869</u>
	<u>2,237,906</u>	<u>830,712</u>	<u>(738,108)</u>	<u>121</u>	<u>2,330,389</u>
Life members Subscription Fund (Note 12)	<u>1,840</u>	<u>-</u>	<u>(410)</u>	<u>-</u>	<u>1,430</u>
	<u>2,239,746</u>	<u>830,712</u>	<u>(738,518)</u>	<u>(121)</u>	<u>2,331,819</u>
Restricted Funds					
David Hutchings Memorial Fund	8,477	-	-	-	8,477
SWWT Extension Project	7,484	-	-	-	7,484
Neptune	32,817	-	(895)	-	31,922
Evesham Lockhouse	-	15,000	(25)	-	14,975
Wheely Boat	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
	<u>48,778</u>	<u>35,000</u>	<u>(920)</u>	<u>-</u>	<u>82,858</u>
Total Funds	<u>2,288,524</u>	<u>865,712</u>	<u>(739,438)</u>	<u>(121)</u>	<u>2,414,677</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (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:	This fund is for the refurbishment of the vessel 'Neptune'.
Evesham Lockhouse:	This fund is for the Evesham Lockhouse renovation project.
Wheely Boat:	This fund is for the provision of a fully wheelchair-accessible self-drive hire boat.

	<u>2023</u> £	<u>2022</u> £
12 Life Members Subscription Fund		
Balance at 1 January 2023	1,840	2,470
Subscriptions received	-	-
Charge for the year	(410)	(630)
Balance at 31 December 2023	<u>1,430</u>	<u>1,840</u>

13 Analysis of Net Assets between Funds

	Restricted Funds £	Life Members Subscription Fund £	Other Unrestricted Funds £	2023 Total £
Intangible fixed assets	-	-	2,925	2,925
Tangible fixed assets	40,525	-	1,940,769	1,981,294
Investments	-	-	7,007	7,007
Current assets	42,333	1,430	604,378	648,141
Current liabilities	-	-	(224,690)	(224,690)
Creditors due after more than one year	-	-	(27,000)	-
Total Net Assets	<u>82,858</u>	<u>1,430</u>	<u>2,303,389</u>	<u>2,414,677</u>

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

	<u>2023</u> £	<u>2022</u> £
Net movement in funds	126,153	215,943
Dividends received	(366)	(321)
Interest received	(8,049)	(987)
Amortisation of intangible fixed assets	2,925	2,925
Depreciation of tangible fixed assets	63,995	59,115
(Profit) on disposal of tangible fixed assets	(4,542)	-
Loss on investments	121	334
(Increase) in stock	(1,007)	(103)
Decrease in debtors	1,998	86,945
Increase in creditors	<u>72,600</u>	<u>40,049</u>
Net cash flow from operating activities	<u>253,828</u>	<u>403,900</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (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 2023 was £nil (2022 - £nil).

Lynne Young (also known as Lynne Powell) is a director who 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 £7,901 (2022 -£8,107). 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 2022 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	20,796	-	20,796
Investment income	1,308	-	1,308
<u>Income from charitable activities</u>			
Maintenance, improvement and regulation of the Avon Navigation	756,449	-	756,449
<u>Rent receivable and other income</u>	<u>29,479</u>	<u>-</u>	<u>29,479</u>
<u>Total Income</u>	<u>808,032</u>	<u>-</u>	<u>808,032</u>
<u>Expenditure</u>			
<u>Expenditure on Charitable Activities</u>			
Maintenance, improvement and regulation of the Avon Navigation	420,647	895	421,542
Support and governance costs	<u>169,583</u>	<u>-</u>	<u>169,583</u>
<u>Total expenditure</u>	<u>590,230</u>	<u>895</u>	<u>591,125</u>
<u>Net Income for the year</u>	217,802 (895)	216,907
Unrealised (loss) on investment	(334)	- (334)
Movement in life members subscription fund	(630)	- (630)
<u>Net Movement in funds for the year</u>	216,838 (895)	215,943
<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>Total fund balances carried forward at 31 December 2022</u>	<u>2,239,746</u>	<u>48,778</u>	<u>2,288,524</u>

All income and expenditure derive from continuing activities.
The statement of financial activities includes all gains and losses recognised in the year.

AVON NAVIGATION TRUST

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**NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 December 2023 (continued)**

17 Revenue Account

		<u>2023</u>			<u>2022</u>		
		Charitable	Other	Total	Charitable	Other	Total
		Activities			Activities		
	Notes	£	£	£	£	£	£
Income							
Donations, legacies, grants and subscriptions	A	60,092	-	60,092	20,796	-	20,796
Tolls (Registration fees)	B	496,224	-	496,224	478,846	-	478,846
Mooring fees		17,370	-	17,370	18,783	-	18,783
Compensation annuity - Canal and River Trust		400	-	400	400	-	400
Contract work		234,776	-	234,776	252,681	-	252,681
Investment income	C	-	8,415	8,415	-	1,308	1,308
Evesham Hydro		7,022	-	7,022	5,739	-	5,739
Rent receivable	D	-	25,966	25,966	-	19,493	19,493
Sale of trust goods and other income		-	15,447	15,447	-	9,986	9,986
		815,884	49,828	865,712	777,245	30,787	808,032
Expenditure							
		<u>2023</u>			<u>2022</u>		
		Charitable	Support & Governance	Total	Charitable	Support & Governance	Total
		Activities	Costs		Activities	Costs	
		£	£	£	£	£	£
Wages and salaries		215,636	146,230	361,866	200,444	93,047	293,491
Maintenance costs and materials	E	57,783	-	57,783	41,946	-	41,946
Cost of trust goods		-	3,656	3,656	-	2,155	2,155
Property management and maintenance		-	25,768	25,768	-	10,248	10,248
Hire of plant		1,447	-	1,447	1,528	-	1,528
Insurance		29,631	1,234	30,865	24,564	1,234	25,798
Electricity and gas		21,091	-	21,091	10,900	-	10,900
Vehicle and boat expenses		53,234	-	53,234	34,793	-	34,793
Depreciation and amortisation		66,920	-	66,920	62,040	-	62,040
(Profit) on disposal of vehicles		(4,542)	-	(4,542)	-	-	-
Governance costs: Accountancy charges		-	14,387	14,387	-	7,600	7,600
Rent of land		-	200	200	-	235	235
Telephone and postage		-	17,892	17,892	-	16,564	16,564
Printing, stationery and publicity		-	11,590	11,590	-	11,688	11,688
Bank charges		-	9,250	9,250	-	7,947	7,947
Computer expenses		8,599	7,578	16,177	5,919	9,094	15,013
Water and waste collection		14,191	-	14,191	17,627	-	17,627
Sundry expenses		-	8,284	8,284	-	5,741	5,741
Professional charges and subscriptions		10,761	-	10,761	4,160	-	4,160
Health and safety		4,334	5,118	9,452	8,497	4,030	12,527
Staff training		4,545	-	4,545	1,278	-	1,278
Bad debts		404	-	404	4,025	-	4,025
Volunteers expenses		3,807	-	3,807	3,821	-	3,821
		487,841	251,187	739,028	421,542	169,583	591,125

AVON NAVIGATION TRUST

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**NOTES TO THE REVENUE ACCOUNT
for the year to 31 December 2023 (continued)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2023</u>	<u>2022</u>
			<u>£</u>	<u>£</u>
Note A - Donations, Legacies, Grants and Subscriptions				
Gordon Gray Trust	15,000	-	15,000	10,000
Johnsons Property	-	-	-	1,000
Wake Engineering	-	-	-	3,000
D Mansfield	1,046	-	1,046	-
P Clover	3,000	-	3,000	-
White Water - Wychavon District Council	1,015	-	1,015	-
Awards for All	-	10,000	10,000	-
Garfield Weston	-	15,000	15,000	-
Peter Harrison Foundation	-	10,000	10,000	-
Miscellaneous donations and subscriptions	5,031	-	5,031	6,796
	<u>25,092</u>	<u>35,000</u>	<u>60,092</u>	<u>20,796</u>

Note B - Tolls (Registration fees)

	<u>No.</u>	<u>£</u>	<u>No.</u>	<u>£</u>
Annual - Commercial Craft		59,942		58,180
- Private Craft	1,414	384,777	1,356	353,466
Short Term	1,621	49,576	1,985	54,783
Winter licences and fishing licences		1,929		-
Enforcement - recovered		0		12,417
	<u>3,035</u>	<u>496,224</u>	<u>3,341</u>	<u>478,846</u>

Note C - Investment Income

	<u>£</u>	<u>£</u>
Interest received	8,049	987
Other investment income	366	321
	<u>8,415</u>	<u>1,308</u>

Note D - Rent Receivable

Holiday Cottages	24,910	11,633
Strensham Lock House	1,056	7,860
	<u>25,966</u>	<u>19,493</u>

Note E - Maintenance Costs and Materials

Major works (inc. locks and navigation works)	17,166	22,514
Costs of contract services	13,625	2,386
Building repairs and decoration		4,107
Trailers and mowers	1,284	
Minor works items	25,708	12,939
	<u>57,783</u>	<u>41,946</u>