

**THE WEY & ARUN CANAL TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

UNAUDITED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2023**

COMPANY NO: 01094232

REGISTERED CHARITY NUMBER: 265331

THE WEY & ARUN CANAL TRUST LIMITED
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Page
Reference and Administrative Details	1
Trustees' Annual Report	2 to 7
Independent Examiner's Report	8
Consolidated Statement of Financial Activities	9
Consolidated and Charity Balance Sheets	10
Consolidated Statement of Cash Flows	11
Notes to the Financial Statements	12 to 22

THE WEY & ARUN CANAL TRUST LIMITED
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2023

Registered Company Limited by Guarantee
Registration Number 01094232 (England and Wales)

Registered Charity number
265331

Registered office
The Granary
Flitchfold Farm
Vicarage Hill
Loxwood
Billingshurst
West Sussex RH14 0RH

Trustees
Tony Coles
Margaret Darvill
Giles Eyre
Tony Ford
Dennis Gillen
Robin Hirsch (appointed 20 June 2023)
Alan Johnson
Julian Morgan
Bill Nicholson
John Reynolds
Sally Schupke
John Thorp (appointed 17 January 2023)

Company Secretary
Giles Eyre

Independent Examiner
John Speed FCA FCIE
JS2 Limited
One Crown Square
Woking, Surrey
GU21 6HR

Solicitors
Lynn Murray & Co Solicitors
Denning House
84 High Street
Cranleigh
Surrey
GU6 8AH

Glanvilles Anderson Rowntree Solicitors
Wisteria House
Petworth
West Sussex
GU28 0AJ

Bankers
CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
ME19 4JQ

THE WEY & ARUN CANAL TRUST LIMITED
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023

The Wey & Arun Canal Trust Limited ("the Trust") is a charity. The trustees are also directors of the Trust for the purposes of the Companies Act and present their report together with the financial statements of the Trust for the year ended 31st December 2023. The report is also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the Trust's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Objects and Activities

The Trust's objects were amended on 22nd April 2023 and together with the principal activities continue to be the restoration, renovation and operation of the Wey & Arun Canal and also the promotion of the canal for navigation and recreation, the preservation, conservation and improvement of the natural environment of the canal and adjacent land and conservation and research into the associated heritage, structures and sites. The aim remains eventually to restore the whole 23-mile length of the canal to through navigation, and also to increase public benefits for those in the area as described below.

Aims, Objectives, Strategies and Activities for the Year

The Trust's strategy is to invest in multiple major restoration activities at the same time. This approach clearly presents challenges in terms of funding and resource allocation, but, if successful, will accelerate the achievement of the Trust's objectives. In 2023 the Trust chose 4 sections as priorities for the next 3 years (from north to south): (1) the extension of the Bramley section southwards, (2) opening up the canal to cross under the Elmbridge Road into Cranleigh, (3) extending and improving the fully navigable 2km Dunsfold section including a road crossing at Tickner's Heath, and (4) the Alfold/Ifold/Loxwood section, with a substantial improvement in the towpath along Bonfire Hanger south of Rosemary Lane (for which a substantial grant has in principle been agreed) and a re-opening of the navigable section as far as Drungewick lock.

Public Benefit

When planning activities for the year, the trustees have considered the Charity Commission guidance on public benefit. The Trust's activities benefit the public in many ways including the following:

1. The Trust's vision is to create a green corridor for recreational use and enjoyment by all, but most importantly by towpath users. The towpath beside the Loxwood operational section is accessible to the public at all times and is a public bridleway for part of its length. The Trust maintains the towpath to a standard which balances the wishes of horse-riders, walkers and cyclists. We also provide permissive paths as a public amenity: in the Hunt Nature Park in Shalford, Surrey; at Birtley (near Bramley, Surrey – opened in 2021 and 2023); under Loxwood High Street; and from Drungewick Lane to Long Meadow.
2. This green corridor is already providing substantial biodiversity benefits, with more wildlife than ever before: dragonflies, mayflies, herons, kingfishers and other water-based fauna and flora. Restoration work in progress can create a temporary detriment to wildlife, but the restored habitat is always better than that which existed before. The Trust encourages the involvement of members of the public, in particular school groups and young people in activities contributing to the natural environment of the canal.
3. Over a wider area, the Trust has promoted the Wey-South Path, a long-distance footpath recognised by the Ordnance Survey (OS) and following the route of the canal as closely as possible.
4. The Trust encourages water-based activities for all and provides appropriate infrastructure on restored sections of the canal both for private individuals using small unpowered boats (including paddleboards, canoes, and kayaks) and for private and community organisations providing similar activities for members of the public or for their community groups.

5. The Trust contributes to the local economy through the activities of its trading company and through its canal restoration activities. In both aspects the Trust has created employment and spends significant sums with local businesses. The Loxwood section of canal is a tourist destination of developing importance, where the public can experience and learn about travel by canal.
6. The Trust is safeguarding the canal as a heritage asset with substantial educational value. The Trust preserves and consolidates surviving structures wherever this is possible; if the structures have deteriorated too much then the Trust plans sensitive repair.

Contribution of Volunteers

The Trust is volunteer-led and largely dependent on volunteers for its day-to-day activities. Volunteer hours contributed during 2023 are estimated to be equivalent to at least 13 full-time staff. Work by volunteers not only benefits the Trust but also enriches the lives of the volunteers themselves. The Trust envisages that volunteers will continue to play a central role but nevertheless expects that, as its activities develop, more paid staff will be needed in order to ensure consistent administration and the continuity of core activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

The Trust's principal activities during 2023 on each of the sections then identified as priorities were as follows:

1. South of Bramley, on the Birtley Reach, 1km of canal was restored, two new lifting bridges were constructed and a circular bridleway created, connecting with the Downslink way and providing public access to the canal which was previously inaccessible. An archaeological assessment of the original swing bridge was also carried out. At Rooks Hill and Fanesbridge further south of Bramley, the planning application is progressing, and at Rushett Common a review and redesign of the scheme is being carried out following the refusal in January 2022 of our previous planning application.
2. At Rye Farm, our planning application has been approved and a Bridleway Diversion Order is being progressed. At Elmbridge Road the Trust has identified improvements to the scheme which are being progressed. Dialogue continues with Surrey County Council in relation to them replacing the current single lane road section with a new wider bridge with navigable clearance, but as yet without a binding commitment by them to proceed. An initial design for the scheme at the A281 at Fastbridge, Dunsfold was developed in cooperation with landowners. At Tickner's Heath (Stage 1) the Trust has continued with the new canal cut and work is now being done to identify and re-route the water main, but otherwise the scheme continues to be on hold pending technical and legal agreement with Surrey County Council. For Tickner's Heath (Stage 2), Common Land Consent has been granted and the planning application is progressing.
3. In the Ifold/Loxwood section, work has continued on the refurbishment of Drungewick Lock and Long Meadow: a large number of unsafe ash trees have been removed, with associated replanting, but work is still being done to repair the leaks in the canal partly due to very wet weather. The opportunity has been taken, following extensive criminal damage to the back-pumping systems on the navigable section, to replace and upgrade the pumps and control systems and their housing.

Other important activities included:

1. The operation of the Loxwood Canal Centre and Shalford Information Point (opened in 2021) as central points for welcoming visitors and providing information about the canal.
2. Maintenance and improvement activities on both operational and non-operational sections of the canal.
3. Negotiations with landowners to secure land transfers, leases or permissions for sections of the canal route.
4. Operation of a Mobile Display Vehicle and publicity unit at public events in Surrey and West Sussex to raise awareness of the Trust's work.

Fundraising

The current priority projects are estimated to cost at least £3 million, meaning that fundraising on an increased scale is clearly required. The Trust has appointed experts to advise on new ways to adopt a more proactive approach to fundraising and is identifying the availability of grants and applying for them, some of which have already been received and some even more substantial grants have been agreed in principle. Measures are being taken to enable the Trust to set clearer targets and plans for fundraising in 2024.

During the year some of the most important sources of income were:

1. Donations from Charitable Trusts and many individuals, together with the associated Gift Aid;
2. Grants from local authorities;
3. Legacies from deceased members and supporters;
4. Membership subscriptions and donations from members;
5. The Christmas Raffle and the Numbers Game (a monthly draw);
6. The Poddle sponsored walk.

Trading company (W&A Enterprises Ltd)

The Trust holds 100% of issued share capital (£12) in its trading subsidiary, W&A Enterprises Ltd. The principal activities of the trading company are to operate boats for private and public trips and the sale of merchandise. The whole of the company's taxable profits are passed to the Trust. The company experienced improved trading conditions in 2023 but as in the previous year, boat trips were limited due to lack of water during the long dry spell and this was aggravated by criminal damage to the back-pumping systems and locks in the navigable section.

FINANCIAL REVIEW

Financial position

During the year the Trust's expenditure (£695k) was only marginally greater than income (£680k), as the result in large part of a very generous donation from the M J Camp Charitable Foundation. The Trust achieved a 32% increase in charitable expenditure from £501k in 2022 to £661k in 2023. A further £85k was capitalised in 2023 for a land purchase at Gennets Farm which, together with a gift of land at Bonfire Hanger, increased the length of canal in the Trust's ownership by 1.3 km. The Trust continues to rely very largely on the generosity of its members, donors and other supporters.

Sponsorship and gifts in kind amounted to approximately £22k. The Trust currently pays no rent for its offices in Shalford or The Granary in Loxwood (currently in use for storage).

Reserves Policy

The Trust's general policy is to assign funds to specific projects as soon as they are available, rather than building up substantial reserves. An exception is the Property Fund which is intended to support significant purchases in the future. Membership subscriptions and regular donations are only sufficient to cover core spending, such as staff salaries. Hence the Trust depends on continuous fundraising to support all its major restoration and maintenance activities.

Funds Available

The net current assets available to the Trust at the end of 2023 were £797k, which includes £159k restricted to specific projects and another £402k assigned by the Board to planned current projects. It is the Trust's policy only to assign funds to projects that are in the implementation or planning phases, not for long-term contingencies. As a guideline, this means that assigned funds will normally be spent within 3-5 years; the Trust regularly reviews fund balances and closes such funds where the planned work is finished or where changed circumstances mean that planned work will not go ahead, or costs are less than budget, or additional funds are obtained from grants specific to those projects.

THE WEY & ARUN CANAL TRUST LIMITED
TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023

The project areas and total net current assets assigned to current projects (excluding restricted funds) are:

North (Shalford/Bramley/Rushett/Run Common)	£ 143,797
Summit Level (Rye Farm/Cranleigh/Dunsfold)	£ 69,632
South (Bonfire Hanger/Loxwood/Drungewick)	£ 70,781
Others	<u>£ 277,219</u>
Total Ring-Fenced Funds (excluding Fixed Assets)	£ 561,429
<i>Consisting of:</i>	
<i>Assigned Funds</i>	£ 402,192
<i>Restricted Funds</i>	£ 159,237

Additional funds held at the year end were:

Funds invested in Fixed Assets	£ 588,674
Free reserves	<u>£ 235,072</u>

TOTAL FUNDS AT 31 DECEMBER 2023 **£ 1,385,175**

It is the aim of the Trust to hold sufficient unrestricted funds not invested in tangible fixed assets ('the free reserves' or "General Fund") to cover between three and six months' operational running costs. This amounts to approximately £75,000 - £150,000. Funds invested in fixed assets at the end of 2023 amounted to £588k, leaving free reserves of £235k, which are considered an appropriate level.

Investments and Cash Deposits

In order to minimise any risks, funds available are deposited in a number of financial institutions to maximise cover under the FSCS guarantee scheme.

Contract commitments

The Trust has contracts with Peninsula Business Services to provide support on Human Resources and Health & Safety matters. On 9 December 2023, the Board voted to contract Trevor Craggs of Absolute Health & Safety Services to provide Health & Safety consultancy from January 2024.

FUTURE PLANS

The Trust's plans for each of the areas identified as priorities are as follows:

1. In the Bramley area:
 - a. Extension of the Birtley section and new footpaths, including links to the Greensand Way.
 - b. Planning for restoration of the canal in the Fanesbridge / Rooks Hill area, including a new bridleway bridge and cut.
 - c. Completing the lock on the Rooks Hill section and continuing south.
2. In the Cranleigh/Dunsfold area:
 - a. Moving the bridleway in Rye Farm north of Elmbridge Road
 - b. To collaborate with Surrey County Council to remove the current single track road section and achieve a new full width road bridge and a crossing with navigable height for the canal.
 - c. To obtain all remaining necessary permissions and start work on construction of the new Tickner's Heath canal crossing.
 - d. To continue planning for the rebuilding of other structures that currently block the canal route along the Summit Level.
3. In the Alfold/Loxwood area:
 - a. To resurface the Bonfire Hanger section south of Rosemary Lane, Alfold.
 - b. To complete the replacement of pumps on the locks in the Loxwood section
 - c. To re-establish the navigable section southwards as far as Drungewick Lock.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Trust is a company limited by guarantee and was formed on 5th February 1973. It is governed by the new Articles of Association which were adopted at the 2023 AGM in order to update the charity objects and the governance provisions previously contained in the Memorandum and Articles of Association as amended in 2018.

Trustees

Constitutionally, a third of the trustees stand down each year and normally offer themselves for re-election at the Annual General Meeting held in late April each year. New trustees are nominated by the members. Where there are more nominations than vacancies, an election by members present is held at the AGM. No other person, or body external to the Trust, is entitled to appoint any of the trustees. The trustees, at their next meeting after the AGM, then elect the post-holders such as the Chairman, Vice-Chairman and Secretary.

The trustees who served during the year are listed on page 1.

All trustees attend regular board meetings. At the first meeting after the AGM, each trustee is asked to fill one or more of the posts needed by the Trust. Newly appointed trustees are provided with an informal induction to the Trust and mentoring by established trustees.

Organisational Structure

The trustees normally meet once per month. There were 11 meetings of the board during 2023. The members of the board during that year and their attendance records were:

Sally Schupke (Chairman)	11	Tony Coles	9
Margaret Darvill	11	Tony Ford	9
Dennis Gillen	11	Alan Johnson	9
Julian Morgan	11	John Reynolds	9
Giles Eyre	8	Bill Nicholson	10
Robin Hirsch (appointed 20 June)	7	John Thorp	11

At the end of 2023, the Trust had two full-time and four part-time employees. These comprised:

- Two full-time staff dedicated to practical restoration and maintenance activities;
- Two part-time Accounts Assistants;
- Two part-time Administrators.

The day-to-day work of the Trust is carried out largely by volunteers. Key volunteer roles include project managers, working party leaders, publicity, publications, engineering and other specialist technical consultants, finance, membership and website administration and organisation of major fundraising events.

Related Parties

The Trust is affiliated to The Inland Waterways Association, two local wildlife trusts and Surrey Hills Enterprises, but is independent of all these bodies.

The Trust holds 100% of issued share capital (£12) in its trading subsidiary, W&A Enterprises Ltd, and approves the appointment of directors to that body.

Major Risks

The major risks to which the Trust is exposed, as identified by the trustees, are reviewed annually. The containment of identified risks is a continuing task of the trustees. Some of the major risks identified, and the actions to mitigate them, are as follows:

THE WEY & ARUN CANAL TRUST LIMITED
TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023

Risk	Mitigation
Perceived negligence by the Trust, its volunteers or agents	Public Liability Insurance, close liaison with statutory bodies, improved training for volunteers.
Failure of income streams	Careful financial management and a policy of not committing to major work until funds are available. Overheads and recurring expenses are minimised. Opportunities to apply for grants are being maximized. A new fundraising consultant was appointed in 2024.
Decision by a landowner not to agree or extend a lease	Other than for good reasons, Trust policy is normally not to commit to major expenditure without ownership or a long lease being in place.
Failure of canal structures - natural	Other than where the Trust has agreed to accept responsibility under a specific agreement with a local authority, highway bridges are the responsibility of the local authorities. Regular inspection of smaller structures. Reinforcement of banks with robust materials. Potential remote monitoring of water levels, including alarm systems.
Failure of canal structures – criminal vandalism	Reconstruction of housing for pumps and electronics with improved reinforcement and security.
Failure of water supply to operational section	Careful water management with improved electronic monitoring.
Accidents to visitors, volunteers or general public	Risk assessments for all major activities. Health & Safety Policy in place for working party volunteers. Restoration Group reviews all incidents and takes appropriate action.

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Wey & Arun Canal Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the group financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of the company for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

The trustees' annual report was approved by the trustees on 18 June 2024, and is signed on their behalf by:



 Margaret Darvill Chairman and Director

THE WEY & ARUN CANAL TRUST LIMITED
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023

I report to the charity trustees on my examination of the accounts of the group and parent company for the year ended 31 December 2023 as set out on pages 9 to 22.

Responsibilities and basis of report

As the charity's trustees of the parent company (who are also the directors of the parent company for the purposes of company law), you are responsible for the preparation of the group accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

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

This report is made solely to the parent charity's trustees, as a body. My work has been undertaken so that I might state to the parent charity's trustees those matters which I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to any party other than the parent charity and charity's trustees as a body, for my examination, for this report, or for the statement I have given below.

Independent examiner's statement

The group's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



JOHN SPEED FCA FCIE
JS2 Limited
One Crown Square
Woking
Surrey
GU21 6HR

Date: 25 June 2024

THE WEY & ARUN CANAL TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations, legacies and similar income	4				
Subscriptions		28,438	-	28,438	28,892
Donations and legacies		418,052	100,531	518,583	309,427
Grants		5,784	25,463	31,247	84,322
Other trading activities					
Fund-raising	5	22,471	65	22,536	19,533
Trading subsidiary income	6	45,075	-	45,075	52,443
Other income	5	10,358	-	10,358	16,474
Investment income					
Bank interest		23,704	-	23,704	7,949
Total Income		553,882	126,059	679,941	519,040
Expenditure					
Expenditure on raising funds					
Costs of raising voluntary income	7	19,821	2,156	21,977	35,764
Trading subsidiary costs	6	12,341	-	12,341	19,752
Charitable activities	8	551,127	109,820	660,947	501,013
Total expenditure		583,289	111,976	695,265	556,529
Net (expenditure) / income for the year		(29,407)	14,083	(15,324)	(37,489)
Transfers between funds	15	85,000	(85,000)	-	-
		55,593	(70,917)	(15,324)	(37,489)
(Loss) on investment assets	13	-	-	-	(2,222)
Net movement in funds		55,593	(70,917)	(15,324)	(39,711)
Reconciliation of funds					
Total funds brought forward		1,089,529	310,970	1,400,499	1,440,210
Total funds carried forward		1,145,122	240,053	1,385,175	1,400,499

All amounts derive from continuing activities.

All gains and losses recognised in the period are included in the statement of financial activities.

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31ST DECEMBER 2023**

	Note	Consolidated 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	10	588,674	524,416	588,674	524,416
Investments	11	-	-	12	12
		588,674	524,416	588,686	524,428
Current assets					
Stocks		3,713	3,960	-	-
Debtors	12	55,335	49,256	63,526	50,789
Investments	13	-	-	-	-
Short-term deposits		551,055	617,931	551,055	617,931
Cash at bank and in hand		209,196	244,053	192,573	234,790
		819,299	915,200	807,154	903,510
Creditors: Amounts falling due within one year	14	(22,798)	(39,117)	(21,302)	(35,913)
Net current assets		796,501	876,083	785,852	867,597
Total assets less current liabilities		1,385,175	1,400,499	1,374,538	1,392,025
The funds of the charity:					
Restricted income funds	15	240,053	310,970	240,053	310,970
Unrestricted income funds:	15				
Designated funds		910,050	743,932	910,050	743,932
Other charitable funds		235,072	345,597	224,435	337,123
Total unrestricted funds		1,145,122	1,089,529	1,134,485	1,081,055
Total charity funds		1,385,175	1,400,499	1,374,538	1,392,025

For the year ending 31 December 2023 the parent company and group were entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. They were approved and authorised for issue by the directors on 18 June 2024 and signed on their behalf by:-



Margaret Darvill - Chairman and Director

THE WEY & ARUN CANAL TRUST LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2023

	2023		2022	
	£	£	£	£
Net cash flow from operating activities				
Net (expenditure) for year	(15,324)		(39,711)	
Adjustments for:				
Interest receivable	(23,704)		(7,949)	
Depreciation and amortisation	52,122		53,885	
Losses on investments	-		2,222	
Decrease in stock	247		1,348	
(Increase) / decrease in debtors	(6,079)		79,582	
(Decrease) / increase in creditors	(16,319)		16,013	
Net cash (used in) / from operating activities		(9,057)		105,390
Cash flow from investing activities				
Payments to acquire tangible fixed assets	(116,380)		(96,620)	
Proceeds from the sale of investments	-		77,099	
Interest received	23,704		7,949	
Net cash flow (used in) investing activities		(92,676)		(11,572)
Net (decrease) / increase in cash and cash equivalents		(101,733)		93,818
Cash and cash equivalents brought forward		861,984		768,166
Cash and cash equivalents carried forward		<u>760,251</u>		<u>861,984</u>
Cash and cash equivalents consists of:				
Cash at bank and in hand		209,196		244,053
Short-term deposits		551,055		617,931
Cash and cash equivalents carried forward		<u>760,251</u>		<u>861,984</u>

THE WEY & ARUN CANAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. GENERAL INFORMATION

The Wey & Arun Canal Trust is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in Reference and administrative details. Details of the charity's operations are provided in the Report of the trustees.

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

2.2 Basis of consolidation

The financial statements consolidate the results of W & A Enterprises Ltd, which is a wholly owned subsidiary undertaking of the charity, on a line by line basis. The accounting year ends are coterminous.

2.3 Parent company disclosure exemptions

The parent charity has taken advantage of the disclosure exemption available in FRS 102 and has not presented a separate statement of cash flows. It has also taken advantage of section 408 of the Companies Act 2006 not to include an individual income and expenditure account for the parent company.

2.4 Income

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

- Related tax credit on donations received is accounted for on an accruals basis once the donation has been received.
- All subscriptions are accounted for on a receipts basis.
- Legacies are recognised when there is certainty of receipt and the amount can be measured with sufficient reliability.
- Donated assets and services are included at their estimated open market valuation where a reliable valuation is available.

2.5 Expenditure

Expenditure is included when incurred, net of VAT. Costs which are identified as relating to restricted projects are allocated directly to those activities. Costs which relate to the general running of the charity are allocated against unrestricted funds, and within the statement of financial activities these expenses are shown as costs of generating funds, charitable activities, support costs and governance costs. An apportionment of staff wages and office costs between support costs and governance costs has been carried out on the basis of time spent by staff on the various activities.

The cost of charitable activities all relates to the charity's activities of canal restoration, renovation and operation. Support costs are expenditure incurred directly in supporting charitable activity. Restoration costs are generally not of a capital nature. The board is always considering opportunities for land purchases at strategic locations. When land is purchased for an amount exceeding nominal cost, the purchase is capitalised at cost.

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Expenditure (continued)

Costs of generating funds include the costs to maintain the Trust's profile with the general public and statutory authorities so as to retain regular financial support, together with the costs of keeping the membership informed of its ongoing activities.

Governance costs are those relating to the charity's compliance with constitutional and statutory requirements.

2.6 Restricted and designated funds

Restricted funds are funds subject to specific conditions imposed by donors as to how they may be used. The purposes and uses of the restricted funds are set out in Note 15 to the accounts.

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

2.7 Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

2.8 Fixed Assets

Where the trustees consider it appropriate for the restoration and reopening of the canal, the Trust purchases freehold land. The cost of freehold land is capitalised but related costs of the purchase are written off when incurred. With certain exceptions, where the trustees consider these appropriate, all structures (such as locks and bridges) other than the Loxwood Canal Centre are either owned by the land owner, or are adopted by the local council or highway authority. The Loxwood Canal Centre is being written off over an estimated useful life of 50 years. The Shalford Information Centre is being written off over an estimated useful life of 20 years.

Any items of plant and machinery purchased for restoration work costing less than £5,000 are written off in the year of acquisition as their useful life is normally less than one year. Items costing over £5,000 are written off over their expected life on a straight line basis between 5 and 10 years.

The canal boat *Wiggonholt* is being leased to the charity's trading subsidiary and written off by equal annual instalments over its expected useful life of 20 years.

2.9 Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

2.10 Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

THE WEY & ARUN CANAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, W & A Enterprises Limited. The summary performance of the charity alone is:

	2023 £	2022 £
Income	634,866	466,597
Profits made by subsidiary company and passed to the Trust	23,531	24,000
Other charges made to subsidiary company	6,000	6,000
	<u>664,397</u>	<u>496,597</u>
Expenditure	(681,884)	(535,617)
(Loss) on investment assets	-	(2,222)
	<u>(17,487)</u>	<u>(41,242)</u>
Net movement in funds	<u>(17,487)</u>	<u>(41,242)</u>

4. DONATIONS, LEGACIES AND SIMILAR INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Member subscriptions	<u>28,438</u>	<u>-</u>	<u>28,438</u>	<u>28,892</u>
Donations and legacies				
General	294,579	90,131	384,710	196,777
Gift Aid receipts	53,583	10,000	63,583	32,198
Legacies	15,236	-	15,236	43,675
Milestone Club	15,824	400	16,224	15,252
Donated land	16,280	-	16,280	-
Sponsorship	22,550	-	22,550	21,525
	<u>418,052</u>	<u>100,531</u>	<u>518,583</u>	<u>309,427</u>
Grants	<u>5,784</u>	<u>25,463</u>	<u>31,247</u>	<u>84,322</u>

During the year the Trust received donated goods and services valued at open market value of £22,500 (2022: £21,525).

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Fund raising				
Sponsored walk receipts	12,263	-	12,263	9,338
Draws	8,545	-	8,545	8,364
Talks	1,663	65	1,728	1,831
	<u>22,471</u>	<u>65</u>	<u>22,536</u>	<u>19,533</u>
Other income	<u>10,358</u>	<u>-</u>	<u>10,358</u>	<u>16,474</u>

THE WEY & ARUN CANAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

6. RESULTS FROM TRADING ACTIVITY OF SUBSIDIARY

The charity The Wey & Arun Canal Trust Limited (by guarantee) has a wholly owned trading subsidiary which is incorporated in the U.K. W & A Enterprises Limited operates the Trust's tripboats for public trips and hire under charter, together with the sale of merchandise to support the activities of the charity. A summary of its trading results is shown below. Accounts are filed with the Registrar of Companies.

	2023 £	2022 £
Turnover	45,075	52,443
Cost of sales	<u>(12,341)</u>	<u>(19,752)</u>
	32,734	32,691
Governance costs	<u>(1,040)</u>	<u>(1,160)</u>
	<u>31,694</u>	<u>31,531</u>
The subsidiary paid the following to the charity:		
Leasing charges	6,000	6,000
Donations	<u>23,531</u>	<u>24,000</u>
	<u>29,531</u>	<u>30,000</u>
Net profit	<u>2,163</u>	<u>1,531</u>

7. COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Staff costs	-	-	-	14,085
Fund-raising activities expenses	2,007	-	2,007	2,374
Wey-South magazine	8,744	-	8,744	5,976
Publicity and public relations	3,000	-	3,000	5,151
Sponsored walk	68	-	68	20
Wiggonholt depreciation	4,523	-	4,523	4,523
Loxwood Canal Centre depreciation	-	2,156	2,156	2,156
Shalford Information Centre depreciation	1,479	-	1,479	1,479
	<u>19,821</u>	<u>2,156</u>	<u>21,977</u>	<u>35,764</u>

THE WEY & ARUN CANAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Restoration Expenses				
Summit Level	2,628	-	2,628	37,000
North	135,620	59,239	194,859	95,793
Loxwood	260	-	260	6,010
Other	7,928	-	7,928	3,431
Training	4,442	-	4,442	4,226
Other expenses				
Sponsorship (Note 4)	11,550	-	11,550	11,025
Staff costs	69,229	-	69,229	66,857
Canal operation	16,333	-	16,333	16,333
Insurance	13,540	-	13,540	10,162
Canal maintenance	113,421	50,581	164,002	102,895
Plant purchases	4,841	-	4,841	2,743
Plant maintenance	27,001	-	27,001	24,794
Plant & equipment depreciation	43,964	-	43,964	45,727
	<u>450,757</u>	<u>109,820</u>	<u>560,577</u>	<u>426,996</u>
Support costs (see below)	100,370	-	100,370	74,017
Cost of charitable activities	<u>551,127</u>	<u>109,820</u>	<u>660,947</u>	<u>501,013</u>
Support costs				
Staff costs	26,374	-	26,374	20,700
Office and other expenses	20,999	-	20,999	29,449
Legal fees	15,177	-	15,177	9,881
Payment to discharge a land covenant	23,000	-	23,000	-
Affiliation fees	256	-	256	187
Sponsorship (Note 4)	11,000	-	11,000	10,500
Governance costs				
Hall hire and meeting expenses	439	-	439	200
Independent examiner's fees	3,125	-	3,125	3,100
	<u>100,370</u>	<u>-</u>	<u>100,370</u>	<u>74,017</u>

THE WEY & ARUN CANAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

9. EMPLOYEE COSTS AND KEY MANAGEMENT PERSONNEL

The trustees make up the key management personnel of the charity. No trustees received remuneration during the year (2022: £nil). No trustees were reimbursed for personal expenses during the year (2022: None).

The total donations received from all trustees during the year were £26,261. There were no conditions associated with these donations.

The costs of the remaining staff were:

	2023	2022
	£	£
Wages and salaries	94,389	99,832
Social security costs	1,329	1,937
Pension costs	1,536	1,351
	97,254	103,120

No employee earned more than £60,000 in the year. The average full time equivalent number of staff employed by the charity during the year was as follows:

	2023	2022
	No	No
Average full time equivalent number of staff employed	3.0	3.2
Average number of staff employed (headcount)	6	7

The charity relies substantially on its core team of volunteers. The work carried out covers:

	2023	2023	2023	2022	2022
	Visiting groups hours	Total hours	Value	Total hours	Value
			£		£
Skilled	6,408	7,172	96,822	9,231	110,772
Unskilled	13,231	13,968	188,568	9,827	117,924
Management	172	3,197	43,160	4,173	50,076
Admin/publicity	1,135	2,676	58,872	2,083	41,660
Estimated Totals	20,946	27,013	387,422	25,314	320,432

In accordance with generally accepted accounting practice, these hours are not included as monetary equivalents in sponsorship.

THE WEY & ARUN CANAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

10. TANGIBLE FIXED ASSETS

	Freehold Land £	Loxwood Canal Centre £	Shalford Information Centre £	Plant & Equipment £	Wiggonholt £	Subsidiary owned Boats £	Total £
Cost							
At 1st January 2023	246,000	107,789	29,580	293,338	90,469	12,850	780,026
Additions	101,280	-	-	15,100	-	-	116,380
Disposals	-	-	-	-	-	-	-
At 31st December 2023	<u>347,280</u>	<u>107,789</u>	<u>29,580</u>	<u>308,438</u>	<u>90,469</u>	<u>12,850</u>	<u>896,406</u>
Depreciation							
At 1st January 2023	-	23,708	2,958	152,771	63,323	12,850	255,610
Charge for the year	-	2,156	1,479	43,964	4,523	-	52,122
Eliminated on disposals	-	-	-	-	-	-	-
At 31st December 2023	<u>-</u>	<u>25,864</u>	<u>4,437</u>	<u>196,735</u>	<u>67,846</u>	<u>12,850</u>	<u>307,732</u>
Net book value							
At 31st December 2023	<u>347,280</u>	<u>81,925</u>	<u>25,143</u>	<u>111,703</u>	<u>22,623</u>	<u>-</u>	<u>588,674</u>
At 31st December 2022	<u>246,000</u>	<u>84,081</u>	<u>26,622</u>	<u>140,567</u>	<u>27,146</u>	<u>-</u>	<u>524,416</u>

Freehold Land

The Trust owns approximately 6 kilometres of freehold land containing the canal and some freehold land adjoining the canal, split over various locations. Freehold land is included within tangible fixed assets at historic cost where purchased. Donated land is included within tangible fixed assets at estimated open market valuation where a reliable valuation is available.

11. FIXED ASSET INVESTMENT

	2023 £	2022 £
Wholly owned subsidiary (see Note 6):-		
W&A Enterprises Ltd: 12 ordinary shares of £1 each	12	12
	<u>12</u>	<u>12</u>

THE WEY & ARUN CANAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

12. DEBTORS

	Consolidated 2023 £	<i>Consolidated 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade debtors	1,956	-	1,056	-
VAT refunds due	25,262	23,055	25,262	23,055
Due from subsidiary company (see Note 6)	-	-	10,638	3,195
Prepayments	21,700	13,203	20,153	11,541
Other debtors	-	2,969	-	2,969
Income tax recoverable (gift aid)	6,417	10,029	6,417	10,029
	55,335	49,256	63,526	50,789

13. CURRENT ASSET INVESTMENT

	Consolidated 2023 £	<i>Consolidated 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Investments listed on recognised stock exchanges	-	-	-	-
Market value brought forward			-	79,321
(loss) in the year			-	(2,222)
Sales proceeds			-	(77,099)
Market value carried forward			-	-

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated 2023 £	<i>Consolidated 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade creditors	17,984	33,350	17,984	32,960
Receipts paid in advance	-	1,338	-	-
Social security and other taxes	1,589	1,274	1,233	1,013
Sundry creditors and accruals	3,225	3,155	2,085	1,940
	22,798	39,117	21,302	35,913

THE WEY & ARUN CANAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023

15. FUNDS

	Balance at 1 Jan 2023 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2023 £
a) Restricted Funds					
Loxwood Canal Centre	82,972	-	(2,156)	-	80,816
Restoration funds:					
Summit Level	355	-	(100)	-	255
North	126,240	54,587	(61,659)	-	119,168
Loxwood	525	60,309	(47,923)	-	12,911
General Restoration	100,878	11,163	(138)	(85,000)	26,903
Total Restricted Funds	310,970	126,059	(111,976)	(85,000)	240,053

The transfer of £85,000 out of the General Restoration restricted fund represents the costs of a land purchase which was paid through the restricted fund in the year and capitalised.

	Balance at 1 Jan 2022 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2022 £
2022					
Restricted Funds					
Loxwood Canal Centre	85,128	-	(2,156)	-	82,972
Restoration funds:					
Summit Level	10,190	-	(9,835)	-	355
North	95,613	48,819	(28,019)	9,827	126,240
Loxwood	1,863	6,600	(7,938)	-	525
General Restoration	61,804	47,593	(8,519)	-	100,878
Total Restricted Funds	254,598	103,012	(56,467)	9,827	310,970

	Balance at 1 Jan 2023 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2023 £
b) Unrestricted Funds					
Designated Funds:					
Fixed Assets	441,444	-	-	66,414	507,858
North	44,637	-	-	(20,008)	24,629
Loxwood	22,853	-	-	35,017	57,870
Summit	74,238	-	-	(4,861)	69,377
General Restoration	160,760	-	-	89,556	250,316
	743,932	-	-	166,118	910,050
General Funds	337,123	508,807	(569,908)	(51,587)	224,435
Trading Subsidiary	8,474	45,075	(13,381)	(29,531)	10,637
	1,089,529	553,882	(583,289)	85,000	1,145,122
	1,400,499	679,941	(695,265)	-	1,385,175
Total Funds:					
Retained in parent	1,392,025	634,866	(681,884)	29,531	1,374,538
Retained in subsidiary	8,474	45,075	(13,381)	(29,531)	10,637
	1,400,499	679,941	(695,265)	-	1,385,175

THE WEY & ARUN CANAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023

15. FUNDS (CONTINUED)

	Balance at 1 Jan 2022 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2022 £
2022					
<i>Designated Funds:</i>					
Fixed Assets	396,553	-	-	44,891	441,444
North	161,294	-	-	(116,657)	44,637
Loxwood	30,074	-	-	(7,221)	22,853
Summit	125,987	-	-	(51,749)	74,238
General Restoration	84,165	-	-	76,595	160,760
	<u>798,073</u>	<u>-</u>	<u>-</u>	<u>(54,141)</u>	<u>743,932</u>
General Funds	380,596	361,363	(479,150)	74,314	337,123
Trading Subsidiary	6,943	52,443	(20,912)	(30,000)	8,474
	<u>1,185,612</u>	<u>413,806</u>	<u>(500,062)</u>	<u>(9,827)</u>	<u>1,089,529</u>
	<u>1,440,210</u>	<u>516,818</u>	<u>(556,529)</u>	<u>-</u>	<u>1,400,499</u>
<i>Total funds:</i>					
Retained in parent	1,433,267	464,375	(535,617)	30,000	1,392,025
Retained in subsidiary	6,943	52,443	(20,912)	(30,000)	8,474
	<u>1,440,210</u>	<u>516,818</u>	<u>(556,529)</u>	<u>-</u>	<u>1,400,499</u>

Restricted

The Loxwood Canal Centre fund represents donations specifically received to fund the construction of the asset. Depreciation relating to the asset is being charged against the fund.

Detailed records of restoration funds received and expended are kept by the trust. These have been summarised into the geographical areas of the canal and miscellaneous funds.

Unrestricted

The fixed assets fund represents the net book value of fixed assets owned by the charity not funded by restricted income.

The North, South and Summit funds represent the totals of general funds received assigned by the trustees to specific projects on these areas of the canal.

General Restoration Funds reflects the allocation of funds for minor specific projects currently in hand.

THE WEY & ARUN CANAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2023

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Unrestricted Total Funds £	Restricted Funds £	Total Funds £
2023					
Tangible fixed assets	-	507,858	507,858	80,816	588,674
Current assets	257,870	402,192	660,062	159,237	819,299
Creditors falling due within one year	(22,798)	-	(22,798)	-	(22,798)
	<u>235,072</u>	<u>910,050</u>	<u>1,145,122</u>	<u>240,053</u>	<u>1,385,175</u>
2022					
Tangible fixed assets	-	441,444	441,444	82,972	524,416
Current assets	384,714	302,488	687,202	227,998	915,200
Creditors falling due within one year	(39,117)	-	(39,117)	-	(39,117)
	<u>345,597</u>	<u>743,932</u>	<u>1,089,529</u>	<u>310,970</u>	<u>1,400,499</u>

17. FINANCIAL COMMITMENTS

At 31st December 2023, the Trust had committed to pay £64,000 in relation to Compasses Bridge and £27,500 in relation to access works at Northlands Farm.