

Company registration number: 01605020

Charity registration number: 284163

# Exeter Canal & Quay Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024



# **Exeter Canal & Quay Trust Limited**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 5
Independent Auditors' Report	6 to 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 to 28

# **Exeter Canal & Quay Trust Limited**

## **Reference and Administrative Details**

**Secretary** G Curry

**Company Registration Number** 01605020

**Charity Registration Number** 284163

**Registered Office** The charity is incorporated in England and Wales.  
Custom House  
The Quay  
Exeter  
EX2 4AN

**Trustees:** A M Jobson (appointed 8 November 2023)  
P M J Bialyk  
J C Ellis-Jones (appointed 18 July 2023 and resigned 1 February 2024)  
A Williamson  
T Read (appointed 18 July 2023)  
J D Bell  
L C A Wright  
R A Branston (resigned 18 July 2023)  
M Snow (appointed 18 July 2023)  
R T Williams  
R C Newby (resigned 12 June 2023)  
A J Wardle  
J C M Parkhouse (resigned 18 July 2023)  
R Johnson  
C L Wyse  
M Williams (appointed 1 February 2024)  
A R Leadbetter (resigned 8 November 2023)

**Auditor** Westcotts (SW) LLP  
80 Oxford Street  
Burnham-On-Sea  
Somerset  
TA8 1EF

**Bankers** National Westminster Bank plc  
Exeter  
59 High Street  
Exeter  
Devon  
EX4 3DL

# **Exeter Canal & Quay Trust Limited**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

### **Structure, governance and management**

Exeter Canal and Quay Trust Limited is a charitable company limited by guarantee, registered in England and Wales, number 01605020, governed under a Memorandum and Articles of Association. It has the registered charity number 284163.

The members of the Executive Committee are the directors of the charitable company. The Executive Committee is appointed in accordance with the Memorandum and Articles of Association of the charitable company and meets on a quarterly basis to receive and review reports on property matters and the financial status.

Four of the Trustees are appointed by the Executive Committee and the remainder are appointed by Exeter City Council. The Trustees have undertaken a review of the recruitment and induction procedures for new Trustees in order to ensure that the Executive Committee has an appropriate mix of skills, and that new Trustees fully understand

- the aims and objectives of the Company
- the provisions of the Memorandum and Articles of Association
- the accounts of the Company
- the duties and responsibilities of a charity Trustee

The day-to-day property management operation of the charitable company is undertaken by the Estates Department of Exeter City Council on the basis of a contract with the company, for which a management charge is made. The Trustees set and review from time to time the financial parameters within which the Estates Department can make decisions. An decision that would be outside those parameters is referred to the Chair of the Trustees who decides if the matter must be referred to a full meeting of the Executive Committee.

Other day-to-day financial and administrative duties are undertaken by officers of Exeter City Council, who report to the Chair of the Trustees and hence to the Executive Committee.

### **Key management personnel remuneration**

The Trustees consider the Board of Trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

### **Risk management**

The Trustees have given consideration to the processes needed to assess and mitigate major risks to the charity. As the charity has no employees of its own and relies for its administration, property and financial management upon employees of Exeter City Council provided under contractual arrangements, the Trustees are satisfied that there are few, if any, major operational risks to which the charity is exposed.

# **Exeter Canal & Quay Trust Limited**

## **Trustees' Report**

During previous years, the Trustees engaged the services of Michael White, a consultant in risk management matters, who carried out a comprehensive risk review. The Trustees held a special meeting to consider the report and the way forward. The process revealed possible risks in connection with Trustee recruitment, succession planning and complaints handling. The Trustees are taking further steps through the current year to address these issues.

### **Objectives and activities**

#### ***Objects and aims***

The objects for which the Company is established, as adopted on 16 April 2007, are:

- the preservation of land, buildings and other features of beauty or historical or architectural interest in or around the Exeter Canal and Quay Basin (the "Area"); - the promotion and encouragement of high standards of architecture, building and town planning and the promotion of civic pride in the Area; - the promotion and support of musical, artistic, educational and other cultural activities within the Area; - the promotion and support of community participation in any form of healthy recreation involving waterborne sports in the Area; - the education of the public about the historic trade passing through Exeter Canal and Quay and the preservation and conservation of buildings of historic interest connected with that trade, whether or not within the Area.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

### **Achievements and performance**

Maclaines Warehouse has been let in two parts with long term agreements to facilitate major refurbishment/conservation work completed by Topsham Brewery as a Brewing Centre and Forward space commencing conversion work to Studio Offices.

Exeter Canal and Quay Trust has continued preservation and repair work to its premises by way of necessary repairs and maintenance. This year has seen further decorative work completed to the Grade1 listed Custom House, with further internal decoration work planned. A kitchen servery and discrete storage space have been completed.

The Trust continues to support the operation by the City Council of the Custom House.

The Trust runs a comprehensive cultural programme, offering 3 year residencies to 2 organisations. Both secure additional grant funding to support their work and enhance the offer at the Custom House.

The Trust's assets are considered adequate for its anticipated future obligations. The Trust's work is not dependent on volunteers. The Trust, on advice from its Brokers, continues to place its property insurance with Ecclesiastical Life.

### **Financial review**

The deficit for the year was £306,787 (2023: £271,100) which includes an unrealised loss on the valuation of the investments totalling £57,750 (2023: £108,739).

# **Exeter Canal & Quay Trust Limited**

## **Trustees' Report**

### **Reserves policy**

The charity carries out both day-to-day maintenance and long term refurbishment work within the Exeter Canal and Quay area. The Trustees believe that free reserves, i.e. those unrestricted funds which are not invested in the fixed assets or otherwise committed, should be in the region of the charity's annual expenditure. Unrestricted funds at 31 March 2024 are £3,383,496 (2023: £3,690,283) of which £985,528 (2023: £1,279,378) represents free reserves. The Trustees anticipate that the level of free reserves will fall as the plans noted below are implemented.

### **Plans for future periods**

The charity has three main practical functions in delivering its aims and objectives, namely the management of the property portfolio, the determination of grant applications made to the Trust, and the co-ordination and promotion of a cultural programme in the Custom House and wider Quayside. There is a concentrated focus on our Heritage Harbour designation and a keenness to return historic boats to the area as well as promoting our maritime heritage.

The Trust operates service level agreements with Exeter City Council in terms of our administrative and financial requirements, as well as the day to day management of the Custom House. Independent property valuations will continue to be supplied by Vickery Holman, Chartered Surveyors.

We are in Year 2 of our current cultural partners programme so will continue to develop with Literature Works and Art Work Exeter. We are also pushing forward with plans to promote our Heritage Harbour designation.

We will continue to further our aims and objectives by making grants to organisations and individuals who apply to us, whether those grants be large and strategic or small and targeted.

### **Statement of trustees' responsibilities**

The trustees (who are also the directors of Exeter Canal & Quay Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## **Exeter Canal & Quay Trust Limited**

### **Trustees' Report**

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 2 December 2024 and signed on its behalf by:

.....  
A Williamson  
Trustee

## **Exeter Canal & Quay Trust Limited**

### **Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited**

#### **Opinion**

We have audited the financial statements of Exeter Canal & Quay Trust Limited (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



## **Exeter Canal & Quay Trust Limited**

### **Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 4 and 5), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Exeter Canal & Quay Trust Limited**

### **Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited**

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Exeter Canal & Quay Trust Limited**

### **Independent Auditor's Report to the Members of Exeter Canal & Quay Trust Limited**

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
David Wright FCA (Senior Statutory Auditor)  
For and on behalf of Westcotts (SW) LLP, Statutory Auditor

80 Oxford Street  
Burnham-On-Sea  
Somerset  
TA8 1EF

2 December 2024

## Exeter Canal & Quay Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>				
Charitable activities	3	35,986	35,986	38,585
Other trading activities	4	22,540	22,540	4,177
Investment income	5	294,421	294,421	263,483
Total income		<u>352,947</u>	<u>352,947</u>	<u>306,245</u>
<b>Expenditure on:</b>				
Raising funds	6	(261,744)	(261,744)	(197,379)
Charitable activities	7	<u>(340,240)</u>	<u>(340,240)</u>	<u>(271,227)</u>
Total expenditure		(601,984)	(601,984)	(468,606)
Gains/(losses) on investment assets		<u>(2,750)</u>	<u>(2,750)</u>	<u>(108,739)</u>
Net expenditure		<u>(251,787)</u>	<u>(251,787)</u>	<u>(271,100)</u>
Net movement in funds		(251,787)	(251,787)	(271,100)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>3,690,283</u>	<u>3,690,283</u>	<u>3,961,383</u>
Total funds carried forward	25	<u><u>3,438,496</u></u>	<u><u>3,438,496</u></u>	<u><u>3,690,283</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

All prior year fund balances are unrestricted.

The notes on pages 12 to 28 form an integral part of these financial statements.

# Exeter Canal & Quay Trust Limited

(Registration number: 01605020)  
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	16	15,840	21,120
Heritage assets	17	516,393	524,050
Investments	18	<u>2,625,672</u>	<u>2,618,723</u>
		<u>3,157,905</u>	<u>3,163,893</u>
<b>Current assets</b>			
Debtors	19	162,143	219,832
Cash at bank and in hand	20	<u>698,792</u>	<u>943,547</u>
		860,935	1,163,379
<b>Creditors: Amounts falling due within one year</b>	21	<u>(299,344)</u>	<u>(353,989)</u>
<b>Net current assets</b>		<u>561,591</u>	<u>809,390</u>
<b>Total assets less current liabilities</b>		3,719,496	3,973,283
<b>Creditors: Amounts falling due after more than one year</b>	22	<u>(281,000)</u>	<u>(283,000)</u>
<b>Net assets</b>		<u>3,438,496</u>	<u>3,690,283</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>3,438,496</u>	<u>3,690,283</u>
<b>Total funds</b>	25	<u>3,438,496</u>	<u>3,690,283</u>

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

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 2 December 2024 and signed on their behalf by:

.....  
A Williamson  
Trustee

The notes on pages 12 to 28 form an integral part of these financial statements.

# **Exeter Canal & Quay Trust Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2024**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Custom House

The Quay

Exeter

EX2 4AN

These financial statements were authorised for issue by the trustees on 2 December 2024.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

#### **Basis of preparation**

Exeter Canal & Quay Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are prepared in sterling which is the functional currency of the charity.

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### **Summary of disclosure exemptions**

The charity has taken advantage of the exemptions within FRS102 Charity SORP including the requirement to produce a cashflow as it is classed as a small charity.

## **Exeter Canal & Quay Trust Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows: Valuation of investment properties, which is calculated by management's expert, as described in note 18, based on open market conditions

#### **Income**

Income is included in the Statement of Financial Activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

##### ***Donations and legacies***

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

##### ***Other income***

Legacy income is recognised when receipt is probable and entitlement is established.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

## **Exeter Canal & Quay Trust Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

#### **Tangible fixed assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the Statement of Financial Activities.



# Exeter Canal & Quay Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### Heritage assets

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Where information on the cost or value of an asset is not available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, the asset shall not be recognised in the Statement of Financial Position.

### Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website	20% straight line

### Depreciation

Asset class	Depreciation method and rate
Long leasehold property	5% straight line

### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

### Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in Profit or Loss.

## **Exeter Canal & Quay Trust Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

#### **Operating leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

# Exeter Canal & Quay Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 3 Income from charitable activities

	Unrestricted funds General £	Total 2024 £
Other income from charitable activities	35,986	35,986
	<hr/>	<hr/>
	Unrestricted funds General £	Total 2023 £
Other income from charitable activities	38,585	38,585
	<hr/>	<hr/>

### 4 Income from other trading activities

	Unrestricted funds General £	Total 2024 £
Other income from other trading activities	22,540	22,540
	<hr/>	<hr/>
	Unrestricted funds General £	Total 2023 £
Other income from other trading activities	4,177	4,177
	<hr/>	<hr/>

### 5 Investment income

	Unrestricted funds General £	Total 2024 £
Interest receivable on bank deposits	34,366	34,366
Dividends received	20,380	20,380
Income from rents	239,675	239,675
	<hr/>	<hr/>
	294,421	294,421
	<hr/>	<hr/>
	Unrestricted funds General £	Total 2023 £
Interest receivable on bank deposits	15,705	15,705
Dividends received	19,241	19,241
Income from rents	228,537	228,537
	<hr/>	<hr/>
	263,483	263,483
	<hr/>	<hr/>

# Exeter Canal & Quay Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 6 Expenditure on raising funds

#### a) Other costs of generating donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>
Rent	40,776	40,776
Insurance	79,150	79,150
Management charges	10,816	10,816
Services	10,183	10,183
Legal and professional	56,391	56,391
Depreciation	12,937	12,937
Other costs	51,491	51,491
	<u>261,744</u>	<u>261,744</u>
	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>
Rent	23,372	23,372
Insurance	72,062	72,062
Management charges	10,920	10,920
Services	9,816	9,816
Legal and professional	67,400	67,400
Depreciation	12,937	12,937
Other costs	872	872
	<u>197,379</u>	<u>197,379</u>

### 7 Expenditure on charitable activities

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>
Charitable activities		232,020	232,020
Grant funding of activities	9	103,495	103,495
Governance costs	8	4,725	4,725
		<u>340,240</u>	<u>340,240</u>

# Exeter Canal & Quay Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>
Charitable activities		172,992	172,992
Grant funding of activities	9	93,610	93,610
Governance costs	8	4,625	4,625
		<u>271,227</u>	<u>271,227</u>

## 8 Analysis of governance and support costs

### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>
Audit fees		
Audit of the financial statements	4,725	4,725
	<u>4,725</u>	<u>4,725</u>

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>
Audit fees		
Audit of the financial statements	4,625	4,625
	<u>4,625</u>	<u>4,625</u>

# Exeter Canal & Quay Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 9 Grant-making

#### Analysis of grants

Below are details of material grants made to institutions

<b>Name of institution</b>	<b>2024 £</b>	<b>2023 £</b>
Exeter City Council - Jazz on the Quay	4,145	3,800
Exeter City Council - Custom House	90,000	68,790
Delta 88 - Rockin' on the Quay	-	770
Burn the Curtain - Captain Peacock Event	2,850	4,000
The South West Heritage Trust	4,000	-
Music in Devon Initiative	2,500	-
Other grants	-	16,250
	<u>103,495</u>	<u>93,610</u>

### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2024 £</b>	<b>2023 £</b>
Audit fees	4,725	4,625
Depreciation of tangible fixed assets (heritage assets)	7,657	7,657
Amortisation of intangible assets	<u>5,280</u>	<u>5,280</u>

### 11 Net losses on investments

	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>
Gains/(losses) on investment properties	47,250	47,250
Gains/(losses) on listed investments	<u>(50,000)</u>	<u>(50,000)</u>
	<u>(2,750)</u>	<u>(2,750)</u>

## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total 2023 £
Gains/(losses) on investment properties	(48,739)	(48,739)
Gains/(losses) on listed investments	<u>(60,000)</u>	<u>(60,000)</u>
	<u>(108,739)</u>	<u>(108,739)</u>

#### 12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 13 Staff costs

The aggregate payroll costs were as follows:

The charitable company had no employees during the year (2023: Nil).

The key management personnel of the charity comprise the Trustees. The total employee benefits of the key management personnel for the charity were £Nil (2023: Nil)

No employee received emoluments of more than £60,000 during the year.

#### 14 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>4,725</u>	<u>4,625</u>

## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 15 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 16 Intangible fixed assets

	Website £	Total £
<b>Cost</b>		
At 1 April 2023	26,400	26,400
At 31 March 2024	26,400	26,400
<b>Amortisation</b>		
At 1 April 2023	5,280	5,280
Charge for the year	5,280	5,280
At 31 March 2024	10,560	10,560
<b>Net book value</b>		
At 31 March 2024	15,840	15,840
At 31 March 2023	21,120	21,120

#### 17 Heritage assets

	Long leasehold property £	Total £
<b>Cost</b>		
At 1 April 2023	698,672	698,672
At 31 March 2024	698,672	698,672
<b>Depreciation</b>		
At 1 April 2023	174,622	174,622
Charge for the year	7,657	7,657
At 31 March 2024	182,279	182,279
<b>Net book value</b>		
At 31 March 2024	516,393	516,393
At 31 March 2023	524,050	524,050



## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

The charity's fixed assets are heritage assets which are held in pursuit of its preservation and conservation objectives. Assets held for own use are shown at cost. Investment properties, which are available for letting, are shown at market value. All of these heritage assets have been held for the last 5 years and are being depreciated in line with the length of the associated lease.

#### 18 Fixed asset investments

	Investment properties £	Listed investments £	Total £
<b>Cost or Valuation</b>			
At 1 April 2023	1,815,000	803,723	2,618,723
Additions	-	210,084	210,084
Revaluation	(50,000)	46,001	(3,999)
Disposals	-	(199,136)	(199,136)
At 31 March 2024	<u>1,765,000</u>	<u>860,672</u>	<u>2,625,672</u>
<b>Net book value</b>			
At 31 March 2024	<u>1,765,000</u>	<u>860,672</u>	<u>2,625,672</u>
At 31 March 2023	<u>-</u>	<u>803,723</u>	<u>803,723</u>

All investments shown above are held at valuation.

#### Investment properties

Investment properties were valued at 24 June 2024 at open market value by Vickery Holman, Property Consultants

#### Financial assets held at fair value

The charity holds a portfolio of investments. These are held at fair value, being their market value.

#### 19 Debtors

	2024 £	2023 £
Trade debtors	10,028	17,634
Accrued income	2,115	2,198
Other debtors	<u>150,000</u>	<u>200,000</u>
	<u>162,143</u>	<u>219,832</u>

## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 20 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	<u>698,792</u>	<u>943,547</u>

#### 21 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	7,274	7,916
Other creditors	203,515	264,765
Accruals	30,748	22,009
Deferred income	<u>57,807</u>	<u>59,299</u>
	<u>299,344</u>	<u>353,989</u>

Under the arrangements with Exeter City Council (ECC) and Devon County Council (DCC), DCC has paid the charity £305,000 in accordance with the terms of the relevant underlease.

The £305,000 is being released to the charity's income and expenditure account over the period of the lease, which is 150 years commencing in the year ended 31 March 2014. £2,000 has been recognised in the year ended 31 March 2024 (2023: £2,000)

The lease premium payable to ECC of £75,001 has been capitalised as long leasehold property and will be amortised over the lease period of 150 years commencing in the year ending 31 March 2015. £500 amortisation charge has been recognised in the year ended 31 March 2024 (2023: £500).

#### 22 Creditors: amounts falling due after one year

	2024 £	2023 £
Deferred income	<u>281,000</u>	<u>283,000</u>

#### 23 Deferred income

	2024 £	2023 £
Deferred income at 1 April 2023	342,299	343,310
Amounts released from previous periods	(3,492)	(2,000)
Resources deferred in the period	<u>-</u>	<u>989</u>
Deferred income at year end	<u>338,807</u>	<u>342,299</u>

## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 24 Obligations under leases and hire purchase contracts

##### Operating lease commitments

###### As lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
<b>Land and buildings</b>		
Not later than 1 year	35,423	35,423
Later than 1 year and not later than 5 years	141,693	141,693
Later than 5 years	<u>638,196</u>	<u>673,619</u>
	<u>815,312</u>	<u>850,735</u>

###### As lessor

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
<b>Land and buildings</b>		
Within one year	226,767	226,767
Between one and five years	726,198	726,198
After five years	<u>5,166,869</u>	<u>5,393,636</u>
	<u>6,119,834</u>	<u>6,346,601</u>

# Exeter Canal & Quay Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 25 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £
<b>Unrestricted funds</b>					
<b>General</b>					
General Funds	1,824,548	352,947	(601,984)	450,000	(2,750)
<b>Designated</b>					
Community Fund	90,000	-	-	-	-
Property Sinking Fund	600,000	-	-	-	-
Exe Water Sports	400,000	-	-	(400,000)	-
One Off Project	300,000	-	-	(50,000)	-
Working General Fund	475,735	-	-	-	-
	<u>1,865,735</u>	<u>-</u>	<u>-</u>	<u>(450,000)</u>	<u>-</u>
<b>Total funds</b>	<u>3,690,283</u>	<u>352,947</u>	<u>(601,984)</u>	<u>-</u>	<u>(2,750)</u>
					<b>Balance at 31 March 2024 £</b>
<b>Unrestricted funds</b>					
<b>General</b>					
General Funds					2,022,761
<b>Designated</b>					
Community Fund					90,000
Property Sinking Fund					600,000
Exe Water Sports					-
One Off Project					250,000
Working General Fund					475,735
					<u>1,415,735</u>
<b>Total funds</b>					<u>3,438,496</u>

## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Other recognised gains/ (losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>General</b>					
General Funds	2,095,648	306,245	(468,606)	(108,739)	1,824,548
<b>Designated</b>					
Community Fund	90,000	-	-	-	90,000
Property Sinking Fund	600,000	-	-	-	600,000
Exe Water Sports	400,000	-	-	-	400,000
One Off Project	300,000	-	-	-	300,000
Working General Fund	475,735	-	-	-	475,735
	<u>1,865,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,865,735</u>
<b>Total funds</b>	<u>3,961,383</u>	<u>306,245</u>	<u>(468,606)</u>	<u>(108,739)</u>	<u>3,690,283</u>

#### Fund descriptions

##### Community Fund

For providing £30k a year

##### Property Sinking Fund

An over-arching contingency fund

##### Exe Water Sports

Money pledged for Exe Water Sports Project

##### One Off Project

The likelihood that resources are sufficient for no more than one major project

##### Working General Fund

The Working General Fund is to provide a contingency fund to cover day to day expenses

##### Repairs Fund

The Repairs Fund is made up of money donated to the charity for specific repairs to be carried out on a property

A transfer of the total designated Exe Water Sports fund to the general fund has been made as the fund has been completely withdrawn by the Board. A transfer of £50,000 has been made from the One Off Project designated fund to reduce the fund carried forward to £250,000 to reflect the contribution agreed towards the Mallison Bridge Project (payable to Devon County Council).

## Exeter Canal & Quay Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 26 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2024 £
Intangible fixed assets	15,840	15,840
Heritage assets	516,393	516,393
Fixed asset investments	2,625,672	2,625,672
Current assets	860,935	860,935
Current liabilities	(299,344)	(299,344)
Creditors over 1 year	(281,000)	(281,000)
Total net assets	<u>3,438,496</u>	<u>3,438,496</u>
	Unrestricted funds General £	Total funds at 31 March 2023 £
Intangible fixed assets	21,120	21,120
Heritage assets	524,050	524,050
Fixed asset investments	2,618,723	2,618,723
Current assets	1,163,379	1,163,379
Current liabilities	(353,989)	(353,989)
Creditors over 1 year	(283,000)	(283,000)
Total net assets	<u>3,690,283</u>	<u>3,690,283</u>

#### 27 Related party transactions

The charity is an associate of Exeter City Council (ECC). In the year ended 31 March 2024 ECC charged the charity £nil (2023: £10,920) in respect of management services, £42,776 (2023: £23,372) for rent, £94,145 (2023: £72,590) in respect of grants, £25,840 (2023: £20,300) for legal and professional fees, £19,050 (2023: £24,336) for maintenance and £1,726 (2023: £12,070) for other services. Exeter Canal and Quay charged Exeter City Council £475 (2023: £28,972) for rent and insurance recharges and £300 (2023: £1,926) for ticket sales.