

Company registration number: 01498800

Charity registration number: 510201

Huddersfield Canal Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

The Moffatts Partnership LLP
Suite 1.1, Jackson House
Sibson Road
Sale
M33 7RR

Huddersfield Canal Society Limited

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Huddersfield Canal Society Limited

Reference and Administrative Details

| | |
|------------------------------------|---|
| Trustees | A L Stopher, Chairman T Ellis M McHugh K W Sykes P R Bayley E Woulds P Rawson M J Clark A Goggin |
| Secretary | M McHugh |
| Other Officers | D M Sumner, President |
| Charity Registration Number | 510201 |
| Company Registration Number | 01498800 |
| Registered Office | The charity is incorporated in England and Wales. Piccadilly Business Centre Aldow Enterprise Park Manchester M12 6AE |
| Independent Examiner | The Moffatts Partnership LLP Suite 1.1, Jackson House Sibson Road Sale M33 7RR |
| Bankers | The Co-operative Bank plc Vicar Street Leeds LS1 1HJ Unity Trust Bank Nine Brindleyplace Birmingham B1 2HB |

-Huddersfield Canal Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2022.

Structure, governance and management

Nature of governing document

Huddersfield Canal Society is a company limited by guarantee to the value of £1 per member and does not have share capital. The charity is governed by the Memorandum and Articles of Association of the company.

Recruitment and appointment of trustees

The members of the Council of Management are considered to be both directors for Companies Act purposes and trustees for Charities Act purposes. One third of the Council members retire by rotation each year and election takes place at the Annual General Meeting.

Organisational structure

The company is governed by its Council of Management, which meets on a bi-monthly basis. The Council, assisted by outside consultants, is responsible for formulating the strategy and policies for the company as a whole, including the approval of budgets and the exercising of financial controls through regular financial reporting.

The members of the Council of Management who have served throughout the year are shown on the Officials and Advisors page at the front of this report.

Major risks and management of those risks

Risk Management policy

The Society has identified and reviewed the risks to which it is exposed and has established appropriate levels of reporting and control mechanisms to mitigate those risks.

Objectives and activities

Objects and aims

The company is registered for charitable purposes, the objects of which are restoration, reconstruction, preservation, maintenance and improvement of the Huddersfield Narrow Canal and the Broad Canal for the use of the public.

The Council's policy in furtherance of these objectives has been to:

- maximise revenue and safeguard/enhance Society assets and fund raise for specific canal related projects;
- recruit new members to provide a secure income and attract additional volunteers to undertake specific tasks, e.g. canal working parties, boat operations, special events, guides, schools liaison, environmental issues, and maintain the high quality of the members' magazine – Pennine Link;
- operate boats owned or leased, to promote the canal and Society; and
- promote the canal to the general public as the "unique Waterway" to raise its profile by festivals, guided tours, socials, lectures, publications and where appropriate, by film/audio visual aids.

Huddersfield Canal Society Limited

Trustees' Report

Objectives, strategies and activities

The charity has continued to promote the canal to the general public by various means.

Achievements and performance

During the current year the charity took delivery of their new all electric Shuttle and service began in April. The first six months saw the boats running regular Shuttle trips and two days at the Stalybridge Festival. The Shuttles have featured at weddings and the d-Shuttle has been hired by CRT to train volunteers with two volunteers having qualified as skippers.

Public benefit

The trustees have ensured they carry out the objectives for the public benefit and have (in accordance with s17 Charities Act 2011) had regard to guidance published by the Charity Commission on public benefit when exercising powers or duties where that may be relevant.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The success of Huddersfield Canal Society depends on the commitment and skills of its Council members, staff and volunteers. It also depends on those supporters and corporate bodies who either directly or indirectly have contributed funds, support or assistance to the charity in the past year. To all of these, special thanks are given.

Financial review

Total income for the year amounts to £28,439 (2021 - £30,583). This includes donations received of £nil (2021 - £230) for restricted purposes.

Expenditure for the year totals £43,942 (2021 - £48,007) which all relates to unrestricted funds.

The overall position at the year-end is a deficit of £28,308 (2021 - surplus £24,129). This includes investment losses of £12,805 compared to investment gains of £41,553 in 2021.

The total reserves carried forward at the year-end are £277,598 (2021 - £305,906). All of the charity reserves are unrestricted.

Policy on reserves

It is the policy of the Council to retain such reserves as are necessary to enable the Society to fulfil its objectives. The current level of reserves, held mainly in short term investments, is considered to be more than adequate to meet this policy.

Funds in deficit

There are no funds in deficit.

Huddersfield Canal Society Limited

Trustees' Report

Principal funding sources

Principle funding sources include voluntary donations from the public, membership fees, income from the shuttles and investment income.

Investment policy and objectives

It is the policy of the Council to maintain investments in a mix of short term policies that produce a satisfactory level of income and maintain capital value. The current investment level is considered to be more than adequate to meet this policy.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Going concern

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

Huddersfield Canal Society Limited

Trustees' Report

Chairman's Annual Report 2022

This has been a year of transition and celebration.

For some time plans had been laid for our Administrator, Bob Gough's retirement. This duly occurred in February 2022. I would like to place on record the Society's thanks for all Bob's work over a 33 year career. In the run up to this major change in the Society's operations, office contents had been documented and key tasks handed over to volunteers.

The diesel Marsden Shuttle resumed service in time for Easter 2022 following an expensive repair. The new electric e-Shuttle was tested and completed during the first few months of the year and delivered by Brayzel Boats by road to Dukinfield Marina in April 2022. By the end of the month it had cruised to Tunnel End Marsden in readiness for its public launch on 2nd May 2022.

Standedge Tunnel & Visitor Centre had never experienced such crowds as the new boat was launched by well-known canal video and TV presenter, Robbie Cumming. Over two thousand people including many young families witnessed the scene and the new craft was soon put to work carrying its first passengers. The event doubled as a public recognition of the 21 years since the restoration was completed. Whilst it was partly a day of reflection it promoted the future direction of the Society and how canal and the Standedge Tunnel & Visitor Centre could be used in the future. Canal & River Trust was represented by Julie Sharman, its Director of Operations, who was clearly impressed by the new boat design and the efforts of Society volunteers to stage such an event.

I'm full of admiration for the work of the principal team members who have researched and planned the e-shuttle project from inception to completion and followed this with an intense period of trialling and crew training. The completed boat is testament to the commitment and dedication of Mike McHugh, Terry Lomas and Eric Woulds as well as the fit out skills of Brayzel Boats. We were all saddened by Terry's death within months of the launch event. KLTV, a community interest company, was commissioned to film the launch event and the finished film is a record of a great achievement.

It was decided that we would continue to operate both shuttles during 2022 to see whether keeping the d-Shuttle was viable. It resulted in the best ever year of trading with over 10,000 passengers carried.

In conjunction with the launch of the e-Shuttle the Society held an event to celebrate the coming of age of the restored canal 21 years from the reopening of the Huddersfield Narrow Canal in 2001. Invitees included members from the early years of the Society and personnel from the partner organisations involved in the Millennium Commission funded project to complete through navigation.

Another significant event in 2022 was the running of a second Pennine Explorer cruise, a convoy of boats and crews helped through the canal by Society and Canal & River Trust volunteers and entertained by the Society each evening. Unfortunately water shortages in the Pennines limited the number of participant boats to 6, half the full complement. The start of this week-long event coincided with the Stalybridge Festival at which our diesel shuttle boat and crews gave free canal trips to residents and visitors. Donations contributed to costs and it gave the opportunity for many members of the local community to experience a canal trip for the first time. My thanks go to Mike McHugh and the boat crews for making the event worthwhile and cruising the vessel both ways from Tunnel End Marsden.

Huddersfield Canal Society Limited

Trustees' Report

The Society's maintenance operations continued on a fortnightly basis throughout the year. The regular duties involved litter clearance, lock gate painting and gear greasing, as well as offside vegetation and lock wall clearance using the Canal & River Trust pontoon. My thanks go to Deputy Chairman, Trevor Ellis, for his commitment and skill in managing the team's important contribution to the canal environment.

The final publication of our magazine, Pennine Link, occurred in February 2022. Bob Gough's desktop publishing work has set a high standard for many years and it has proved impossible to find anyone sufficiently skilled to fill his shoes. Efforts have been made to obtain email addresses for members to enable mailings of a simplified newsletter to be distributed. Indeed two such newsletters were published during the year. Our website continues to provide a source of information and has been invaluable in relaying the up to date status of the Society's operations and news items. Thanks are also due to Martin Clark for helping behind the scenes with any IT issues. Our presence on social media has largely been the work of Eric Woulds and I'm grateful for his and others' commitment to keeping the Society in the public eye.

Membership currently stands at 374, excluding additional family members. Many of our members are of advanced age and a number have died during the year. It is pleasing to note that there has been a steady number of new supporters to replace them. I am also grateful to Patricia Bayley for her work as Membership Secretary from the start of 2022 and for the considerable help given by Tina Cooper to develop the new cloud-based database and ensure that it functions well.

2022 was the last year of salary costs and whilst the accounts show a deficit there is a clear indication that in future years there is likely to be a positive balance of income over expenditure. The company's balanced portfolio of investments gives the Society a significant financial buffer for the future.

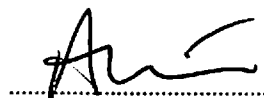
Over the last few months of 2022 I have taken a medical break for urgent treatment. I'm truly grateful for all those who have stepped in to take more responsibility over this period.

Alan Stopher
Chairman

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 13 July 2023 and signed on its behalf by:



A L Stopher
Trustee

Huddersfield Canal Society Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Huddersfield Canal Society 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".

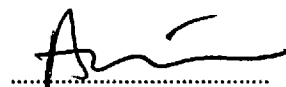
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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.

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.

Approved by the trustees of the charity on 13 July 2023 and signed on its behalf by:



A L Stopher
Trustee

Huddersfield Canal Society Limited

Independent Examiner's Report to the trustees of Huddersfield Canal Society Limited ('the Company')

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

Responsibilities and basis of report

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


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

Independent examiner's statement

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

1. accounting records were not kept in respect of Huddersfield Canal Society Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


Mr John Saxon F.C.A.
The Moffatts Partnership LLP
Suite 1.1, Jackson House
Sibson Road
Sale
M33 7RR

13 July 2023

Huddersfield Canal Society Limited

Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|------------------------------------|------|-------------------------|-----------------------|-----------------|-----------------|
| Income and Endowments from: | | | | | |
| Donations and legacies | 3 | 13,527 | - | 13,527 | 16,788 |
| Charitable activities | 4 | 8,876 | - | 8,876 | 8,424 |
| Investment income | 5 | 6,036 | - | 6,036 | 5,371 |
| Total income | | 28,439 | - | 28,439 | 30,583 |
| Expenditure on: | | | | | |
| Raising funds | 6 | (195) | - | (195) | (360) |
| Charitable activities | 7 | (43,747) | - | (43,747) | (47,647) |
| Total expenditure | | (43,942) | - | (43,942) | (48,007) |
| Gains/losses on investment assets | | (12,805) | - | (12,805) | 41,553 |
| Net (expenditure)/income | | (28,308) | - | (28,308) | 24,129 |
| Transfers between funds | | 920 | (920) | - | - |
| Net movement in funds | | (27,388) | (920) | (28,308) | 24,129 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 304,986 | 920 | 305,906 | 281,777 |
| Total funds carried forward | 21 | 277,598 | - | 277,598 | 305,906 |

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

The funds breakdown for 2021 is shown in note 21.

The notes on pages 12 to 26 form an integral part of these financial statements.

Huddersfield Canal Society Limited
(Registration number: 01498800)
Balance Sheet as at 31 December 2022

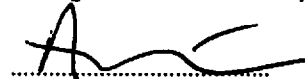
| | Note | 2022 £ | 2021 £ |
|---|------|----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 14 | 93,012 | 23,194 |
| Investments | 15 | <u>160,883</u> | <u>219,038</u> |
| | | <u>253,895</u> | <u>242,232</u> |
| Current assets | | | |
| Stocks | 16 | 1,427 | 2,396 |
| Debtors | 17 | 7,487 | 67,791 |
| Cash at bank and in hand | 18 | <u>17,009</u> | <u>8,937</u> |
| | | 25,923 | 79,124 |
| Creditors: Amounts falling due within one year | 19 | <u>(2,220)</u> | <u>(15,450)</u> |
| Net current assets | | <u>23,703</u> | <u>63,674</u> |
| Net assets | | <u>277,598</u> | <u>305,906</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | 21 | - | 920 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>277,598</u> | <u>304,986</u> |
| Total funds | 21 | <u>277,598</u> | <u>305,906</u> |

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 26 were approved by the trustees, and authorised for issue on 13 July 2023 and signed on their behalf by:



A L Stopher
Trustee

The notes on pages 12 to 26 form an integral part of these financial statements.

Huddersfield Canal Society Limited

Statement of Cash Flows for the Year Ended 31 December 2022

| | Note | 2022 £ | 2021 £ |
|--|------|----------------------|---------------------|
| Cash flows from operating activities | | | |
| Net cash (expenditure)/income | | (28,308) | 24,129 |
| Adjustments to cash flows from non-cash items | | | |
| Depreciation | 6 | 4,947 | 859 |
| Investment income | 5 | (6,036) | (5,371) |
| Revaluation of investments | | <u>12,805</u> | <u>(27,016)</u> |
| | | (16,592) | (7,399) |
| Working capital adjustments | | | |
| Decrease/(increase) in stocks | 16 | 969 | (1,574) |
| Decrease/(increase) in debtors | 17 | 60,304 | (64,149) |
| (Decrease)/increase in creditors | 19 | <u>(3,230)</u> | <u>226</u> |
| Net cash flows from operating activities | | <u>41,451</u> | <u>(72,896)</u> |
| Cash flows from investing activities | | | |
| Interest receivable and similar income | 5 | 6,036 | 5,371 |
| Purchase of tangible fixed assets | 14 | (74,765) | - |
| Sale of investments | | <u>45,350</u> | <u>56,824</u> |
| Net cash flows from investing activities | | (23,379) | 62,195 |
| Cash flows from financing activities | | | |
| Repayment of loans and borrowings | 19 | <u>(10,000)</u> | <u>-</u> |
| Net increase/(decrease) in cash and cash equivalents | | 8,072 | (10,701) |
| Cash and cash equivalents at 1 January | | <u>8,937</u> | <u>19,638</u> |
| Cash and cash equivalents at 31 December | | <u><u>17,009</u></u> | <u><u>8,937</u></u> |

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 12 to 26 form an integral part of these financial statements.

Huddersfield Canal Society Limited

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

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 £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Piccadilly Business Centre

Aldow Enterprise Park

Manchester

M12 6AE

These financial statements were authorised for issue by the trustees on 13 July 2023.

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) and the Companies Act 2006.

Basis of preparation

Huddersfield Canal Society 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.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Huddersfield Canal Society Limited

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

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Charitable activities

Income is received for membership of the society and boat hire. Income is recognised on a receivable basis.

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.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

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

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.

Huddersfield Canal Society Limited

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

Governance costs

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

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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.

Tangible fixed assets

Individual fixed assets costing £1.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

| Asset class | Depreciation method and rate |
|------------------------|-------------------------------------|
| Leasehold premises | 2.5% straight line basis |
| Leasehold improvements | 10% straight line basis |
| Motor vehicles | 20% straight line basis |
| Boat | 5%/10% straight line basis |
| Office equipment | 20% straight line basis |
| Computer equipment | 25% straight line basis |

Huddersfield Canal Society Limited

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

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.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Huddersfield Canal Society Limited

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance 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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Huddersfield Canal Society Limited

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

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

| | Unrestricted funds General £ | Total 2022 £ | Total 2021 £ |
|-----------------------------------|---------------------------------------|--------------------|--------------------|
| Donations and legacies; | | | |
| Donations from individuals | 10,822 | 10,822 | 6,546 |
| Gift aid reclaimed | 2,705 | 2,705 | 1,983 |
| Grants, including capital grants; | | | |
| Government grants | - | - | 8,259 |
| | 13,527 | 13,527 | 16,788 |

Huddersfield Canal Society Limited

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

4 Income from charitable activities

| | Unrestricted funds General £ | Total 2022 £ | Total 2021 £ |
|------------------|---------------------------------------|--------------------|--------------------|
| Subscriptions | 2,682 | 2,682 | 3,275 |
| Other income | 3,124 | 3,124 | 2,884 |
| Income from boat | <u>3,070</u> | <u>3,070</u> | <u>2,265</u> |
| | <u>8,876</u> | <u>8,876</u> | <u>8,424</u> |

Boat income from trading charitable activities was £3,070 (2021 £2,265). Donations collected on the boat came to £9,466 (2021 £4,415) with associated Gift Aid of £2,000 (2021 £1,104). The total boat income and donations collected on the boat amounted to £14,536 (2021 £7,784).

5 Investment income

| | Unrestricted funds General £ | Total 2022 £ | Total 2021 £ |
|---|---------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 12 | 12 | - |
| Other income from fixed asset investments | <u>6,024</u> | <u>6,024</u> | <u>5,371</u> |
| | <u>6,036</u> | <u>6,036</u> | <u>5,371</u> |

6 Expenditure on raising funds

a) Investment management costs

| Note | Unrestricted funds General £ | Total 2022 £ | Total 2021 £ |
|------------------------------------|---------------------------------------|--------------------|--------------------|
| Other investment management costs; | | | |
| Administration of the investments | <u>195</u> | <u>195</u> | <u>360</u> |
| | <u>195</u> | <u>195</u> | <u>360</u> |

Huddersfield Canal Society Limited

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

7 Expenditure on charitable activities

| | Unrestricted funds General £ | Total 2022 £ | Total 2021 £ |
|----------------------------------|---------------------------------------|--------------------|--------------------|
| Opening stock | 2,396 | 2,396 | 822 |
| Canal Projects | - | - | 142 |
| Purchases | - | - | 2,462 |
| Closing stock | (1,427) | (1,427) | (2,396) |
| Shuttle running costs | 5,308 | 5,308 | 2,505 |
| Wages and salaries | 4,931 | 4,931 | 28,637 |
| Redundancy costs | 16,320 | 16,320 | - |
| Pension costs | 330 | 330 | 1,886 |
| Telephone and fax | 352 | 352 | 593 |
| Office expenses | 2,619 | 2,619 | 4,644 |
| Competition and events | 1,653 | 1,653 | 478 |
| Printing, postage and stationery | 909 | 909 | 1,569 |
| Sundry expenses | 542 | 542 | 318 |
| Motor expenses | 1,576 | 1,576 | 1,620 |
| Travel and subsistence | 435 | 435 | 88 |
| Promotional expenses | - | - | 678 |
| Bank charges | 144 | 144 | 144 |
| Depreciation | 4,947 | 4,947 | 859 |
| | <u>41,035</u> | <u>41,035</u> | <u>45,049</u> |

In addition to the expenditure analysed above, there are also governance costs of £2,712 (2021 - £2,598) which relate directly to charitable activities. See note 8 for further details.

Huddersfield Canal Society Limited

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

8 Analysis of governance and support costs

Governance costs

| | Unrestricted funds General £ | Total 2022 £ | Total 2021 £ |
|---|---------------------------------------|--------------------|--------------------|
| Independent examiner fees | | | |
| Examination of the financial statements | 2,220 | 2,220 | 2,310 |
| Other fees paid to examiners | 492 | 492 | 288 |
| | <u>2,712</u> | <u>2,712</u> | <u>2,598</u> |

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

| | 2022 £ | 2021 £ |
|---------------------------------|--------------|------------|
| Operating leases - other assets | 578 | 608 |
| Other non-audit services | 2,712 | 2,598 |
| Depreciation of fixed assets | <u>4,947</u> | <u>859</u> |

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£1,918 (2021: £1,805) of expenses were reimbursed to during the year.

Expenses paid on behalf of the charity by 4 (2021 - 2) members of the Council of Management have been reimbursed.

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

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

Huddersfield Canal Society Limited

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

11 Staff costs

The aggregate payroll costs were as follows:

| | 2022 £ | 2021 £ |
|--|---------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | 21,251 | 28,637 |
| Pension costs | <u>330</u> | <u>1,886</u> |
| | <u>21,581</u> | <u>30,523</u> |

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

| | 2022 No | 2021 No |
|-----------------------|------------|------------|
| Charitable activities | <u>1</u> | <u>1</u> |

Contributions to the employee pension schemes for the year totalled £330 (2021 - £1,886).

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

12 Independent examiner's remuneration

| | 2022 £ | 2021 £ |
|---|--------------|--------------|
| Examination of the financial statements | <u>2,220</u> | <u>2,310</u> |
| Other fees to examiners | | |
| All other services | <u>492</u> | <u>288</u> |

13 Taxation

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

Huddersfield Canal Society Limited

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

14 Tangible fixed assets

| | Land and buildings £ | Motor vehicles £ | Computer equipment £ | Other tangible fixed asset £ | Total £ |
|-----------------------|----------------------------|---------------------|----------------------------|------------------------------------|------------|
| Cost | | | | | |
| At 1 January 2022 | 55,680 | 10,935 | 21,840 | 6,065 | 94,520 |
| Additions | - | - | - | 74,765 | 74,765 |
| At 31 December 2022 | 55,680 | 10,935 | 21,840 | 80,830 | 169,285 |
| Depreciation | | | | | |
| At 1 January 2022 | 32,487 | 10,935 | 21,840 | 6,064 | 71,326 |
| Charge for the year | 859 | - | - | 4,088 | 4,947 |
| At 31 December 2022 | 33,346 | 10,935 | 21,840 | 10,152 | 76,273 |
| Net book value | | | | | |
| At 31 December 2022 | 22,334 | - | - | 70,678 | 93,012 |
| At 31 December 2021 | 23,193 | - | - | 1 | 23,194 |

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £22,334 (2021 - £23,193) in respect of leaseholds.

Huddersfield Canal Society Limited

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

15 Fixed asset investments

| | 2022 £ | 2021 £ |
|-------------------|----------------|----------------|
| Other investments | <u>160,883</u> | <u>219,038</u> |

Other investments

| | Listed Investments £ | Unlisted Investments £ | Total £ |
|--------------------------|----------------------------|------------------------------|-----------------|
| Cost or Valuation | | | |
| At 1 January 2022 | 171,220 | 47,818 | 219,038 |
| Revaluation | (12,805) | - | (12,805) |
| Disposals | <u>-</u> | <u>(45,350)</u> | <u>(45,350)</u> |
| At 31 December 2022 | <u>158,415</u> | <u>2,468</u> | <u>160,883</u> |
| Net book value | | | |
| At 31 December 2022 | <u>158,415</u> | <u>2,468</u> | <u>160,883</u> |
| At 31 December 2021 | <u>171,220</u> | <u>47,818</u> | <u>219,038</u> |

The market value of the listed investments at 31 December 2022 was £158,415 (2021 - £171,220).

16 Stock

| | 2022 £ | 2021 £ |
|--------|--------------|--------------|
| Stocks | <u>1,427</u> | <u>2,396</u> |

17 Debtors

| | 2022 £ | 2021 £ |
|----------------|--------------|---------------|
| Prepayments | 4,782 | 65,808 |
| Accrued income | <u>2,705</u> | <u>1,983</u> |
| | <u>7,487</u> | <u>67,791</u> |

Huddersfield Canal Society Limited

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

18 Cash and cash equivalents

| | 2022 £ | 2021 £ |
|--------------|---------------|--------------|
| Cash on hand | - | 34 |
| Cash at bank | 17,009 | 8,903 |
| | <u>17,009</u> | <u>8,937</u> |

19 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|--------------|---------------|
| Trade creditors | - | 1,875 |
| Other loans | - | 10,000 |
| Other taxation and social security | - | 569 |
| Other creditors | - | 153 |
| Accruals | 2,220 | 2,853 |
| | <u>2,220</u> | <u>15,450</u> |

20 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £330 (2021 - £1,886).

Huddersfield Canal Society Limited

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

21 Funds

| | Balance at 1 January 2022 £ | Incoming resources £ | Resources expended £ | Transfers £ | Other recognised gains/(losses) £ | Balance at 31 December 2022 £ |
|---------------------------|--------------------------------------|----------------------------|----------------------------|----------------|--|---|
| Unrestricted funds | | | | | | |
| <i>General</i> | | | | | | |
| General Funds | 304,986 | 28,439 | (43,942) | 920 | (12,805) | 277,598 |
| Restricted funds | | | | | | |
| NB Marsden Fund | <u>920</u> | <u>-</u> | <u>-</u> | <u>(920)</u> | <u>-</u> | <u>-</u> |
| Total funds | <u>305,906</u> | <u>28,439</u> | <u>(43,942)</u> | <u>-</u> | <u>(12,805)</u> | <u>277,598</u> |
| | Balance at 1 January 2021 £ | Incoming resources £ | Resources expended £ | Transfers £ | Other recognised gains/(losses) £ | Balance at 31 December 2021 £ |
| Unrestricted funds | | | | | | |
| <i>General</i> | | | | | | |
| General Funds | 281,087 | 30,353 | (48,007) | - | 41,553 | 304,986 |
| Restricted | | | | | | |
| NB Marsden Fund | <u>690</u> | <u>230</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>920</u> |
| Total funds | <u>281,777</u> | <u>30,583</u> | <u>(48,007)</u> | <u>-</u> | <u>41,553</u> | <u>305,906</u> |

NB Marsden Fund - these are donations received in memory of the late John Sully that were originally intended to support the refurbishment and display of a historic boat. In the current year, with the donor's consent, these donations were reassigned towards the purchase of the new narrow boat as the original project proved to be unfeasible.

Huddersfield Canal Society Limited

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

22 Analysis of net assets between funds

| | Unrestricted funds General £ | Restricted funds £ | Total funds at 31 December 2022 £ |
|-------------------------|---------------------------------------|--------------------------|--|
| Tangible fixed assets | 93,012 | - | 93,012 |
| Fixed asset investments | 160,883 | - | 160,883 |
| Current assets | 25,923 | - | 25,923 |
| Current liabilities | (2,220) | - | (2,220) |
| Total net assets | <u>277,598</u> | <u>-</u> | <u>277,598</u> |
| | Unrestricted funds General £ | Restricted funds £ | Total funds at 31 December 2021 £ |
| Tangible fixed assets | 23,194 | - | 23,194 |
| Fixed asset investments | 219,038 | - | 219,038 |
| Current assets | 78,204 | 920 | 79,124 |
| Current liabilities | (15,450) | - | (15,450) |
| Total net assets | <u>304,986</u> | <u>920</u> | <u>305,906</u> |

23 Related party transactions

During the year the charity made the following related party transactions:

Alan Stopher

(A trustee)

Alan Stopher provided a loan to the charity in an earlier period to assist with cash flow during the pandemic. Full repayments has been made during the year. At the balance sheet date the amount due to/from to Alan Stopher was £Nil (2021 - £10,000).