

Company registration number: 02986417

Charity registration number: 1042227

# The Derby & Sandiacre Canal Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# **The Derby & Sandiacre Canal Trust Limited**

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# **The Derby & Sandiacre Canal Trust Limited**

## **Reference and Administrative Details**

<b>Trustees</b>	C W J Madge Chairman V Clare P N Horton-Turner K Miller C ReesFitzPatrick W D Savidge M Snaith M Throup MP D Troughton M J Wingfield Vice Chairman
<b>Registered Office</b>	62 Broadway, Duffield Belper Derbyshire DE56 4BU
<b>Company Registration Number</b>	02986417
<b>Charity Registration Number</b>	1042227
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

# **The Derby & Sandiacre Canal Trust 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 March 2021.

### **Trustees**

C W J Madge Chairman

V Clare

P N Horton-Turner

K Miller

C ReesFitzPatrick

W D Savidge

M Snaith

M Throup MP

D Troughton (appointed 16 September 2020)

M J Wingfield Vice Chairman (appointed 16 September 2020)

E Case (resigned 15 October 2020)

### **Advisory Committee members**

Cllr P Watson, nominated by South Derbyshire District Council

Cllr C Poulter, nominated by Derby City Council

Cllr G Hickton, nominated by Derbyshire County Council

Cllr T Scott, nominated by Erewash Borough Council

John Baylis BEM, nominated by Inland Waterways Association

Greg Jennings, stepped down in May 2020

Cllr A Graves, nominated by Derby City Council, stepped down in May 2021

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

#### ***Nature of governing document***

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 3/11/1994. Most recently amended on 10/4/2019. It has no share capital and the liability of each subscriber in the event of winding-up is limited to £1.

#### ***Recruitment and appointment of trustees***

In accordance with Article 16 of the new Constitution, a third of all Directors retire at the Annual General Meeting and being eligible, offer themselves for re-election.

New Directors are invited to join the Trustees based on their knowledge and experience of the canal project and their appointments are subject to approval at the Annual General Meeting.

In addition to the Directors, Advisory Committee Members are appointed by the Four Local Authorities on an annual renewable basis being drawn from Councillors and/or Senior members of staff, or by the membership of Restoration Partners.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### *Major risks and management of those risks*

#### *Risk management*

Major risks to the Trust have been reviewed and systems and procedures with comprehensive insurance put into place to manage those risks, including regular review at Board meetings. Major changes are communicated to the Board at monthly meetings and to the Advisory Committee quarterly.

A key risk is that one section of the canal line owned by the Trust is in water and the Trust is aware of its land drainage responsibilities to prevent flooding of neighbours. The risk is managed by periodic inspection and clearance of drainage channels and is the subject of works expected to be completed in 2021 to eliminate the risk.

The Trust is aware of moves to use the canal path from Sandiacre to Derby for a new tram route to connect Derby to the HS2 hub at Toton. This has diminished within the last year and becomes less plausible with each canal section restored.

Volunteers are at risk from the Covid 19 virus. The Trust has consulted widely and implemented best practice procedures to minimise risks on working party activities. This has of necessity affected the frequency, composition and size of parties over the last year.

In view of the increasing complexity in operations and prospective diversity of income generated from a trip boat and rental of the restored cottage development the Trust has engaged expertise to advise on its structure and tax management. The recommendations are to create a trading subsidiary. This has been enacted after the balance sheet date.

### **Financial review**

The Statement of Financial Activities for the year is set out within the financial statements. A summary of the financial results and the work of the Charity is set out below:

Income to the Trust for 2020/21 of £355,347 was an increase compared to 2019/20 (£226,751). The Trust collected the first instalment (£100,000) from Network Rail of its contribution to the Draycott Mile canal restoration. During the year the Trust also accepted loans from supporters to fund the development costs of the Draycott Canal Cottages.

### ***Policy on reserves***

The Trust general reserves currently stand at £241,684, but much of this is represented by fixed assets. The Trust try to maintain a general reserve of cash of around £30,000. The reserves are set to ensure that we can meet possible liabilities when they fall due, maintain our equipment and also provide a funding buffer to allow the Trust to take advantage of small unforeseen opportunities such as land purchase as they occur.

# **The Derby & Sandiacre Canal Trust Limited**

## **Trustees' Report**

### **Objectives and activities**

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

The objective of the Trust is to restore the former Derby Canal waterway from the Erewash Canal at Sandiacre to the Trent and Mersey Canal at Swarkestone via central Derby, as close as possible to the original route, thereby connecting Derby to the national canal network.

In completing this objective the Trust and its partners will seek to maximise the impact on the community's quality of life, primarily by encouraging active use of the waterway by individuals and clubs and creating and maintaining a water based environment that will support and encourage wildlife and the wider environment. This will also generate sustainable economic development, job creation through tourism and sports, and educational, heritage and leisure benefits for the City of Derby, the Borough of Erewash, South Derbyshire District and the East Midlands region generally.

The Trust seeks to be the catalyst, not only for the canal restoration, but also the enhancement of the neighbouring land corridor, in partnership with local authorities, landowners, community and volunteer groups, developers and all neighbours and residents.

During the last year the Trust has been supported by the Derby & Sandiacre Canal Society, which is self-funding and its significant contribution, both financial and in volunteer time, is acknowledged. At 31st March 2021 the Society organisation was closed and its operations and assets absorbed into the Trust. This recognised that a single coordinated organisation can be operated more efficiently than two.

# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### Achievements and Performance

The trust has had an active year with progress on many fronts despite the restrictions imposed by the pandemic. Our construction project restoring the Canal Cottages at Draycott was critically assessed in the light of the government's advice that construction should continue. We reduced the number of volunteers, but moved from two days per week to 6 days per week and were able to pick up the pace again by June 2020. As a result, the project is now nearing completion. The Board and advisory Committee met to discuss the appropriate way to maximise value of the development. They concluded that we should retain ownership of the whole (at a cost of around £650k) and rent out the three cottages and café complex to generate ongoing income for restoration. This requires borrowings to cover the cost and Trustees have looked to provide 5 year fixed interest loans from supporters to fund this matter. This avoids the risk of short term interest rate rises and provides time to organise a refinance package based upon known income streams and therefore at more competitive costs for the Trust, whether that is from supporters or commercial lenders or a mix of the two. We expect the residential properties to be let in summer 2021 with the commercial properties ready around Christmas 2021.

The restoration of the Golden Mile commenced in December 2020 with a phase 1 plan to dig out a 300m stretch of canal towards Derby Road in Draycott. The protected water voles would then be captured in April and moved into the 300m already dug and the remaining stretch then completed during the summer. Unfortunately, Storm Christophe caused such flooding in January that work needed to be suspended and bunds removed to protect the Network Rail line from flooding. Work has recommenced in June, but vole movement and completion will now be delayed for at least 6 months and additional costs incurred. Network Rail have contracted to cover these costs.

The 300m stretch of canal at Spondon funded primarily by developers Wheeldon Brothers is now complete with ownership transferred to the Trust. We are preparing a plan for volunteers to enhance the towpath in due course. During the year Derby City Council have promoted a cycle path along the canal path from Megalaughton Lane to the city boundary. We are currently exploring with them how we might extend the canal to Anglers Lane as part of the extended cycle path.

Progress has been limited on the launch of the Derby Riverboat over the last year. The pandemic halted any plans for a river cruise in the confined space of a narrowboat. Whilst the boat is ready to go we are now trying to work through substantial bureaucracy introduced belatedly while we awaited the end of the pandemic. We now need to licence the boat and all boatmen individually and meet additional planning, legal and construction challenges.

The Trust continues to work closely with Councillors and officers to promote the proposed Derby Arm scheme for the land at the Derby Triangle site. We have been promised funding for an Atkins feasibility study for the Arm, a lock in the Long bridge weir in Derby city and a small canal basin opposite the Council House. City leaders are very supportive of this project as a significant means to bring the city to life post pandemic.

Attention is now turning to other projects for 2022. We have established a good working relationship with Severn Trent Water to negotiate the diversion of sewers. We now have a cost for the Sandiacre diversion and, whilst the cost is substantial, we are hopeful that this will be completed in 2022 allowing the lock chamber and Lock Lane bridge to be restored.

During the year we acquired a stretch of canal land from Sustrans. We are currently working with the local Rotary to determine how to enhance the footpath on this stretch at Breaston.

Work will be resumed at Borrowash Lock with the planned first post lockdown IWA Waterway Recovery Group work camp due to complete the lock structure in August 2021. We are delighted at the trust shown by the IWA in our operations to act as the test case.

## **The Derby & Sandiacre Canal Trust Limited**

### **Trustees' Report**

In summary we have managed to maintain substantial activity during the Covid spell. It is obvious that the benefit for volunteers to be able to get out and work safely has been a major impact on their mental health. The period has meant we have engaged with the public as more people explore their surroundings. This has provided more verbal support and encouragement and even an increase in people volunteering, which is most welcome. Our progress is always governed by the time we have available and also the funding we can raise. On the latter point it is evident that many grant bodies have turned to more direct relief of pandemic issues rather than our restoration, but we expect that to reverse during the coming year. We have certainly proved our ability to deliver and the worth of the project for mental health, economic activity and environmental benefit.

The Trust is actively working with other local canal bodies and with the Inland Waterways Association nationally where it is represented on several national policy and restoration fora.

The Trust would like to thank the growing army of volunteers who have attended working parties, and in particular those people who have worked from home dealing with administration, fundraising, organising meeting, negotiating with suppliers, planners, council officers, etc. etc. Without these people the Trust simply could not function effectively.



# The Derby & Sandiacre Canal Trust Limited

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Derby & Sandiacre Canal Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, 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 UK Accounting Standards 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
C W J Madge Chairman  
Trustee

### Small companies provision statement

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

# The Derby & Sandiacre Canal Trust Limited

## Independent Examiner's Report to the trustees of The Derby & Sandiacre Canal Trust Limited

### Independent examiner's report to the trustees of The Derby & Sandiacre Canal Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

#### 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

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the 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.

.....  
John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date:.....

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	(As restated) Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	10,321	-	10,321	28,860
Charitable activities	3	8,548	335,766	344,314	99,554
Investment income	5	712	-	712	182
<b>Total Income</b>		<u>19,581</u>	<u>335,766</u>	<u>355,347</u>	<u>128,596</u>
<b>Expenditure on:</b>					
Charitable activities	6	(20,755)	(213,629)	(234,384)	(13,641)
<b>Total Expenditure</b>		<u>(20,755)</u>	<u>(213,629)</u>	<u>(234,384)</u>	<u>(13,641)</u>
Net (expenditure)/income		(1,174)	122,137	120,963	114,955
Transfers between funds		18,197	(18,197)	-	-
<b>Net movement in funds</b>		17,023	103,940	120,963	114,955
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>177,541</u>	<u>85,518</u>	<u>263,059</u>	<u>148,104</u>
Total funds carried forward	13	<u>194,564</u>	<u>189,458</u>	<u>384,022</u>	<u>263,059</u>

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

The funds breakdown for the period is shown in note 13.

## The Derby & Sandiacre Canal Trust Limited

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds £	Restricted funds £	(As restated) Total 2020 £
	Note			
<b>Income and Endowments from:</b>				
Donations and legacies	2	28,860	-	28,860
Charitable activities	3	9,948	89,606	99,554
Investment income	5	182	-	182
Total income		38,990	89,606	128,596
<b>Expenditure on:</b>				
Charitable activities	6	(6,597)	(7,044)	(13,641)
Total expenditure		(6,597)	(7,044)	(13,641)
Net income		32,393	82,562	114,955
Transfers between funds		61,901	(61,901)	-
Net movement in funds		94,294	20,661	114,955
<b>Reconciliation of funds</b>				
Total funds brought forward		83,247	64,857	148,104
Total funds carried forward	13	177,541	85,518	263,059

## The Derby & Sandiacre Canal Trust Limited

### (Registration number: 02986417) Balance Sheet as at 31 March 2021

	Note	2021 £	(As restated) 2020 £
<b>Fixed assets</b>			
Tangible assets	10	134,916	102,822
<b>Current assets</b>			
Debtors	11	432,962	179,996
Cash at bank and in hand		<u>207,794</u>	<u>100,756</u>
		640,756	280,752
<b>Creditors: Amounts falling due within one year</b>	12	<u>(391,650)</u>	<u>(120,515)</u>
<b>Net current assets</b>		<u>249,106</u>	<u>160,237</u>
<b>Net assets</b>		<u>384,022</u>	<u>263,059</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	189,458	85,518
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>194,564</u>	<u>177,541</u>
<b>Total funds</b>	13	<u>384,022</u>	<u>263,059</u>

For the financial year ending 31 March 2021 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.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 9 to 19 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
D Troughton  
Trustee

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 1 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

The Derby & Sandiacre Canal 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.

#### 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.

#### Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### *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.

#### *Investment income*

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

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 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.

### 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.

### 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 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	25% reducing balance
River boat	Nil until operational

Depreciation is not charged on the freehold property as it is regularly maintained and considered to have a residual value in excess of the carrying value.

At the year end the build of the river boat was incomplete until delivery of the river boat onto the Derwent the directors consider it imprudent to depreciate the costs incurred at this stage.

### 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.

# The Derby & Sandiacre Canal Trust Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 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.

### 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 grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from donations and legacies

	<b>Unrestricted funds</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	10,321	10,321	28,860
	<u>10,321</u>	<u>10,321</u>	<u>28,860</u>

## 3 Income from charitable activities

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>General £</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants & donations	-	335,766	335,766	89,606
Membership	7,588	-	7,588	7,082
Contract work	700	-	700	1,666
Advertising	-	-	-	1,200
Fundraising	260	-	260	-
	<u>8,548</u>	<u>335,766</u>	<u>344,314</u>	<u>99,554</u>



## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Derbyshire City Council	-	3,712	3,712
Cooperative Store	913	-	913
Sundry	1,938	332,054	333,992
Gift Aid	7,470	-	7,470
	10,321	335,766	346,087

#### 5 Investment income

	Unrestricted funds  General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	712	712	182
	712	712	182

#### 6 Expenditure on charitable activities

	Unrestricted funds  General £	Restricted funds £	Total 2021 £	Total 2020 £
Administrative costs	2,539	-	2,539	3,122
Depreciation	3,057	-	3,057	2,476
Rent and rates	435	-	435	300
Spondon project	325	-	325	-
Independent examination fee	525	-	525	515
Sandiacre & Draycott projects	-	213,629	213,629	451
Legal and professional	9,072	-	9,072	-
General costs	3,673	-	3,673	1,616
Borrowwash project	-	-	-	5,136
Sundry	444	-	444	-
Water supply	25	-	25	25
Marketing & publicity	660	-	660	-
	20,755	213,629	234,384	13,641

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 7 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:  
Three trustees received reimbursements of £9,246 for goods purchased on behalf of the charity.

#### 8 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2021 £	2020 £
Independent examination	525	515
	525	515
	525	515

#### 9 Taxation

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

#### 10 Tangible fixed assets

	Land and buildings £	Plant & machinery £	River boat £	Total £
<b>Cost</b>				
At 1 April 2020	53,493	15,626	61,901	131,020
Additions	16,000	4,800	14,351	35,151
At 31 March 2021	69,493	20,426	76,252	166,171
<b>Depreciation</b>				
At 1 April 2020	20,000	8,198	-	28,198
Charge for the year	-	3,057	-	3,057
At 31 March 2021	20,000	11,255	-	31,255
<b>Net book value</b>				
At 31 March 2021	49,493	9,171	76,252	134,916
At 31 March 2020	33,493	7,428	61,901	102,822

Included within the net book value of land and buildings above is £49,493 (2020 - £33,493) in respect of freehold land and buildings and £Nil (2020 - £Nil) in respect of leaseholds.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 11 Debtors

	2021 £	2020 £
Prepayments	1,268	1,186
Other debtors	431,694	178,810
	432,962	179,996

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

	2021 £	2020 £
Trade creditors	122,100	-
Other loans	268,149	120,000
Other creditors	1,401	515
	391,650	120,515

#### 13 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	177,541	19,581	(20,755)	18,197	194,564
<b>Restricted funds</b>					
Sandiacre Lock Fund	14,548	-	(142)	-	14,406
Machinery	2,478	-	-	(2,478)	-
Draycott Golden Mile Project	53,112	332,016	(213,487)	(1,368)	170,273
River Boat Fund	15,380	3,750	-	(14,351)	4,779
<b>Total restricted funds</b>	85,518	335,766	(213,629)	(18,197)	189,458
<b>Total funds</b>	263,059	355,347	(234,384)	-	384,022

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Fund	83,247	38,990	(6,597)	61,901	177,541
<b>Restricted funds</b>					
Borrowwash Lock Improvements	-	5,580	(5,580)	-	-
Sandiacre Lock Fund	14,999	-	(451)	-	14,548
Machinery	-	3,188	(710)	-	2,478
'Packet Fund'	303	-	(303)	-	-
Draycott Golden Mile Project	45,274	7,838	-	-	53,112
River Boat Fund	4,281	73,000	-	(61,901)	15,380
<b>Total restricted funds</b>	<u>64,857</u>	<u>89,606</u>	<u>(7,044)</u>	<u>(61,901)</u>	<u>85,518</u>
<b>Total funds</b>	<u>148,104</u>	<u>128,596</u>	<u>(13,641)</u>	<u>-</u>	<u>263,059</u>

The specific purposes for which the funds are to be applied are as follows:

Sandiacre Lock Fund: To enable works to excavate Sandiacre Bottom Lock.

Machinery: To enable the Trust to acquire mechanised equipment.

Draycott Golden Mile Project: To convert a 3/4 mile drainage ditch to a navigable canal.

River Boat Fund: To establish a River Boat on the Derwent.

The transfer from the River Boat fund to the General fund represents the net book value of fixed assets, the use of which is not subject to any restriction.

The transfer from the Draycott Golden Mile fund to the General fund relates to monies previously spent from the General fund.

The transfer from the Machinery fund to the General fund is due to the monies no longer being restricted.

## The Derby & Sandiacre Canal Trust Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 14 Analysis of net assets between funds

	Unrestricted funds		2021 Total funds £
	General £	Restricted funds £	
Tangible fixed assets	134,916	-	134,916
Current assets	452,570	188,186	640,756
Current liabilities	(391,650)	-	(391,650)
Total net assets	195,836	188,186	384,022
	Unrestricted funds		
	General £	Restricted funds £	(As restated) Total funds at 31 March 2020 £
Tangible fixed assets	102,822	-	102,822
Current assets	195,234	85,518	280,752
Current liabilities	(120,515)	-	(120,515)
Total net assets	177,541	85,518	263,059

#### 15 Related party transactions

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

##### **The Draycott Canal Cottages**

In July 2017 a Trustee acquired the Canal Cottages freehold to allow the Trust to restore the last remaining contemporaneous building along the canal line. An option agreement has been signed to allow the Trust to purchase the freehold from the Trustee at rolled up cost before June 2021.

The Trust is restoring the cottages under a management agreement with the Trustee. Should the Option agreement not be exercised these costs will revert to and be borne by the Trustee. At the balance sheet date the Trust had expended £254,451 (2020 £165,156) on restoration of the Cottages. When the Trust acquires the freehold these costs will be added to the freehold cost in fixed assets. Until then these costs are treated as a debt recoverable from the Trustee.

##### **Loan**

Three directors have loaned £76,000. The spouse of a director also loaned £10,000..