

REGISTERED COMPANY NUMBER: 00726331 (England and Wales)
REGISTERED CHARITY NUMBER: 209206

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 December 2022
for
Kennet and Avon Canal Trust (The)

Monahans
Chartered Accountants
County Gate
County Way
Trowbridge
Wiltshire
BA14 7FJ

Kennet and Avon Canal Trust (The)

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for the Year Ended 31 December 2022

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Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2022**

The trustees who are also directors of the charity and its subsidiary for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and its subsidiary for the year ended 31 December 2022. The trustees have adopted the provisions of 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 2019).

2022 in summary

- Following restrictions on operations in 2020 and 2021 because of Covid Regulations, a full season was operated in 2022 at Crofton and on our boats.
- Crofton Beam engines opened to the public at Easter, and the engines were steamed on 14 days. Total visitor numbers were 2,002 on 14 steaming days (2021: 881), and 1,268 on 39 non-steaming days (2021: 2,347). Visitor income at Crofton increased from £12,371 in 2021 to £22,871.
- Income from grants, donations and legacies for the Trust as a whole was £59,988 (compared with £100,130 in 2021). This included a £20k restricted donation from Bruce Branch, and £18k raised by Crofton Branch (on top of £11k in 2021) to fund boiler repairs.
- Total charitable income was £162,960, virtually unchanged from 2021 levels.
- Work started in the autumn to conserve the Wash House at Aldermaston, with expenditure in the year of £62k. A further £40k will be spent in 2023 to complete this work. The other main project expenditure in the year was £52k to rewire the Devizes Wharf building, where the electrical installation did not meet current standards.
- Commercial trading income in Enterprise increased from £164,476 in 2021 to £268,731, although this was still lower than 2019 (£331,332). Operating costs, in particular regulatory costs and fuel, have also increased.
- Passenger numbers on public boat trips were 15,634 (2021: 14,393). The number of weeks of holiday hire of Bruce Boats was 42 (2021: 41).
- Given project expenditure by the charity, overall cash balances fell from £504,582 at the start of the year to £430,945 at the end of the year. They are expected to fall further, to around £310k, by the end of 2023.

Introduction

The Trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2022 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Trust's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Our Vision and Strategy

The charitable objects of the Trust, as set out in its Articles of Association, are to:

- Promote, facilitate, and assist in the conservation, protection and improvement of the Kennet and Avon Canal and its associated watercourses, towpaths, structures and buildings;
- Advance the education of the public in general of the significance of the Kennet and Avon Canal and its associated structures;
- Protect and conserve, objects, sites and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Kennet and Avon Canal; and
- Promote and facilitate recreational use of the Kennet and Avon Canal by a wide section of the community in order to improve conditions of life for the public.

In November 2020, following a review of the Trust's future priorities, the Trustees agreed a new Vision and Strategy statement, taking full account of Charity Commission guidance on public benefit from charitable activities. This was further discussed at a strategy workshop in August 2022 to inform future priorities.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

This statement included the following aims:

- To promote the Kennet and Avon Canal to the benefit of all its users, the communities through which it passes, and its heritage.
- To be a voice for users of the Kennet and Avon Canal - whether on the water or on the towpath.
- To preserve the heritage of the canal, by promoting protection and restoration of historic features and making them accessible to visitors, canal users and local communities.
- To provide opportunities for all members of the public, and in particular community groups and those who are disadvantaged or disabled, to access the canal whether on boats or along the towpath.
- To develop new ways of enabling the public to experience the canal and its history, and widen the range of people who can engage with it.

These aims guide the priorities for the Trust, as a basis for ensuring that it continues to meet its objects for the public benefit. The Trust will seek to achieve this in the following way:

- Through our Branch structure, we will ensure that the whole length of the canal has a local champion, working to improve the canal and towpath both directly and through lobbying
 - We will develop facilities for learning and community engagement along the canal
 - We will identify and promote projects to protect the canal's heritage and environment
 - We will encourage our trading subsidiary to continue to provide boat and other recreational facilities, supporting these with grants where they are not commercially viable but bring public benefit
 - We will engage constructively with the Canal and River Trust as the canal's owner and operator, and with other heritage and community bodies, and participate in events promoting the canal
- We will report regularly on our activities to members, volunteers, funders and other stakeholders

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

Review of 2022

(a) Overview

After two years when operations were curtailed by Covid restrictions, we were able to operate a full season at Crofton Beam Engines (which is owned by the Trust) and on our boats in 2022. Although income was still below 2019 levels, our trading subsidiary returned to profit and has now been able to start repaying the loan from the Trust which was needed to help it survive the large loss in 2020.

The Trust's achievements are heavily reliant on the contribution of the time and expertise of about four hundred volunteers, who mainly operate through the Trust's eight Branches. Our boats are exclusively crewed by volunteers, Crofton opening days are almost entirely run by volunteers, and our events and support for canal side work are delivered by volunteers. The safety and wellbeing of our volunteers and staff is therefore a priority for Trustees.

At the end of 2022, the Group employed five members of staff (two full-time and three part-time), two at Crofton and three centrally managing boat bookings, administration and finance.

Trust Council reviewed updated financial projections for 2022 and for the five years to 2027 at its meeting in July. Trustees recognised that the cost of living crisis could have an impact on income in 2023, and that costs (particularly fuel and regulatory costs) were likely to increase significantly. This uncertainty will require the Trustees to be cautious about making new commitments beyond those already made, given the significant reduction in reserves in 2022, which will continue in 2023.

(b) Trust

The Trust operates mainly through its eight Branches.

Crofton Branch is responsible for running Crofton Beam Engines, a Grade 1 listed site housing the oldest beam engine in the world still in its original location and still able to perform its original task.

The site has continued to be managed in 2022 by a volunteer Site Manager with support from a full-time Assistant Site Manager, volunteer members of the Branch Committee, as well as about forty other regular volunteers. Boiler repairs, costing around £30k, were completed in February and it is hoped that no further major repairs will be required for perhaps ten years. The costs were met from a successful targeted fundraising campaign.

Crofton opened to the public for a total of 53 days, with the engines in steam for 14 of those days. Despite some operating issues, both engines were in steam although repairs to the pump-end valve of No 2 Engine (the 1846 Harvey of Hayle engine) are being undertaken in advance of the 2023 season. Steaming hours for the events in August and September were restricted by the low water levels in Wilton Water.

Total visitor numbers were 2,002 (2021: 881) on steaming days, of which 1,685 were paying adults, 291 children and 26 carers or other complimentary admissions. Visitor numbers on non-steaming days were 1,268 (2021: 2,347), with 673 adults paying to tour the station itself. About half the visitors on steaming days, when there was a charge to enter the site and timed slots for touring the station itself, pre-booked tickets. On non-steaming days, site entry was free, with a charge to tour the station itself.

Given the limited future availability of house coal, trials of coal alternatives were carried out but with mixed success. Trustees therefore agreed to advance purchase of 20 tonnes of coal in the Autumn, both to ensure 2023 supplies and avoid expected price increases. Further trials of coal alternatives will be carried out in 2023.

Following the appointment of a new Learning and Community Engagement Officer in May, Crofton's learning offer has been developed further. There have been a number of visits to Crofton, and outreach events, including a visit by all 142 children from Burbage Primary School in May.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2022**

Trustees have agreed commercial terms with the Canal and River Trust (CRT) for purchase of the Smithy, the only building at Crofton site not owned by the Trust. The transfer is expected to complete in summer 2023. In preparation for this, a project group has been established to develop a site master plan and initial ideas for enhancing visitor and volunteer facilities, including creation of a museum in the Side Boiler House (which was used as a café until 2019) and a workshop and visitor display in the Smithy. Following discussion with the National Lottery Heritage Fund, a bid was submitted in December 2022 for a grant to fund a 'resilience' project which is designed to test the ideas for extending audiences engaging with Crofton and to develop a business plan to achieve financial sustainability and the grant was awarded in February 2023. The project will be completed by Autumn 2023, and will inform future Trust strategy for the site.

Trust activities in other branches included support for the Reading WaterFest in June and the Newbury Waterways Festival in July. Branches have also continued with their programmes of talks and social events.

Discussions have been continuing with CRT on new leases for the tea rooms at Bradford on Avon and Aldermaston. In both cases, commercial terms have been agreed. At Aldermaston, a new 25 year lease has been agreed which gave Trustees the confidence to commit to starting work on conserving the Wash house, a small building on the site which is thought to pre-date construction of the canal. This work started in October, when the previous tea room operators moved out, and is expected to be completed in time for new operators to re-open the tea room before Easter.

The Trust Museum at Devizes reopened following completion of the rewiring work, and has generally opened on two days a week with support from Devizes Branch volunteers. Trustees have not yet taken a final decision on the future of the Devizes Wharf building, which is occupied on a short-notice lease from Wiltshire Council. Discussions are also continuing with the Wiltshire and Swindon History Centre on transfer of items from the Trust's Archive, currently housed in a CRT portacabin at Caen Hill to Chippenham.

Two editions of the Trust's magazine The Butty were published, which many members have opted to receive in digital form only.

(c) Enterprise

The Trust's trading subsidiary, The Kennet and Avon Canal Trust (Enterprise) Ltd, operates public boat trips, holiday hire of boats adapted for use by disabled passengers, and a boat for use by community groups. It also licenses tea rooms at Bradford on Avon, Newbury and Aldermaston. These activities directly support delivery of the Trust's charitable objects, in particular by promoting recreational use of the canal by a wide range of the public. In addition, by paying profits to the Trust, the scope of the Trust's activities can be expanded, so that Enterprise also supports the public benefit indirectly.

In 2022, trip boats and holiday hire activities were able to run from Easter to October, as they did before the pandemic, with additional public services at Christmas.

A new hire agreement was entered into with the owners of a 12-seater trip boat to operate in Reading. The basis of the agreement is that Enterprise operates the boat, which has been named Matilda Too, and meets normal operating costs, with profits then shared with the owners, who are all members of Reading Branch.

Maintaining the boat fleet owned by Enterprise involves significant fixed costs, for example in respect of licences, inspection by the MCA, mooring and insurance.

The three licensed cafés made a small positive contribution to Enterprise in 2022, although there were significant legal costs associated with preparing new leases with operators and supporting negotiations on the new head leases with CRT. Following a tender exercise, new operators for the tea rooms at Aldermaston have been agreed, who expect to reopen the tea room before Easter.

Given these results, no further draw-down of the loan facility from Trust was required in 2022, and an initial repayment of £10k was made in January 2023.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

(d) Administration and governance

The arrangements for administration of the Trust have continued to operate effectively.

Trust Council met six times during the year, as did the Enterprise Board. The Annual General Meeting of the Trust was held on 21 May. As in 2021, all meetings were held by Zoom. Health and Safety continues to be reviewed at all meetings of Trust Council and the Enterprise Board, including both accidents and near misses.

No new Trustees were appointed during the year. Recruitment of an additional trustee with particular experience of fundraising is in hand, as is recruitment of a new Treasurer to replace the current incumbent who is standing down at the 2023 AGM.

A number of Trust policies have been reviewed or updated during the year, and all are published on the Trust's website. A priority for 2023 is finalisation of a policy on Safeguarding.

Plans for 2023 and beyond

(a) Trust

Priorities for the Trust in 2023 are:

- Completing the project to conserve the Wash House at Aldermaston, and development of a visitor display in the building;
- Undertaking a 'resilience' review of operations at Crofton, to identify a route to financial sustainability through developing and expanding audiences as a basis for a further major grant application to the National Lottery Heritage Fund in late 2023 or early 2024;
- In support of this, finalising the transfer of the Smithy at Crofton from CRT.
- Completing negotiation of new leases for the tea rooms at Bradford on Avon and Aldermaston;
- Taking a decision on the future of the Devizes Wharf building; and
- Launching a new website.

In addition to these central initiatives, Branches will continue to deliver activities on a local basis, in particular through operation of the Crofton site and other Branch activities along the canal.

(b) Enterprise

Operating plans for the company's trip boat and holiday hire fleet in 2023 broadly reflect those in 2022.

No major expenditure on boats is anticipated in 2023 apart from planned repainting of Kenavon Venture (deferred from 2022, and now booked to take place in March and April). As a consequence, the company expects to be able to make further repayments of the medium-term loan from the Trust in 2023, which now stands at £60k. Full repayment is due by the end of 2025. This loan is in addition to a £25k loan to provide working capital to the company.

As part of the strategy workshop, the cost and operating implications of replacing a trip boat and/or one of the Bruce Boats with a new boat with a hybrid or all-electric engine will be investigated. Such a boat would reduce noise and emissions.

(c) Administration and governance

Apart from recruitment of at least additional Trustees with relevant skills, in particular finance and fundraising, the main priority in respect of governance will be to finalise Trust policies in respect of safeguarding and conservation, and continue to review and update existing policies in particular the environmental policy. It is also planned to update the Trust's Volunteer Handbook in 2023.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2022**

Financial Review

At Group level (Trust and Enterprise), net expenditure in 2022 was £45,114 (2021: £31,960). These figures are after charging depreciation on fixed assets of £46,637 (2021: £46,185).

There was a significant increase in income from commercial trading activities from £164,476 in 2021 to £268,731, although this was still well below the 2019 level of £311,308. However, this was partially offset by a reduction in donations, grants and legacies from £132,739 in 2021 to £92,857. Grants included the final Covid-related payments from the Government's Retail, Hospitality and Leisure Fund, as well as £5k from the Berkshire Community Foundation.

Trading results for our trading subsidiary, Enterprise, show that the company returned to profit, after losses in 2020 and 2021, with a profit after depreciation and before tax of £18,815 (2021: £36,162 loss – see note 11).

Under the terms of the Deed of Covenant entered into in 2019, Enterprise pays up to the Trust the lower of its taxable and distributable profits. Given the tax losses incurred in 2020 and 2021, no payment will be made under the Deed of Covenant. However, the company repaid £10k of the medium term loan made by the Trust in 2020 in January 2023. Enterprise Directors have confirmed that they still expect the company to be able to repay the loan by the end of 2025.

During the year, a number of major projects were undertaken. These included repairs to the boiler at Crofton Beam Engines (with the £30k costs met by donations to the Boiler Appeal) and over £50k to rewire the Devizes Wharf building to bring it up to modern standards, required to meet the terms of both our insurance and the lease from Wiltshire Council. In October, the project to conserve the Wash House at Aldermaston, which will cost £100k in total, was started. This is progressing ahead of schedule, and will be completed in Spring 2023 in time for new tea room operators to open for business before Easter.

Commitments for 2023 include completion of the Wash House project and purchase of the Smithy at Crofton.

As a result of these capital projects, cash balances decreased during the year, from £504,582 to £430,945. On the basis of approved budgets, they are expected to fall by a further £100k in 2023. Additional project approvals will only be given if Trustees are satisfied that reserves will be in excess of the target level of reserves set under the Reserves Policy.

Risk management

Trustees are continuing to develop a more formal risk management framework for Trust and Enterprise activities. Trustees agreed a Risk Management policy in January 2022. To support this, a draft corporate risk register has been prepared, and will be further developed and then reviewed on a regular basis. A risk register has already been developed for Crofton Beam Engines, and health and safety risk assessments are in place for all activities involving volunteers, employees and members of the public which have been updated during the year to reflect changes in Covid risks.

Risks relating to Trust and Enterprise activities fall under three main headings:

- **Health and Safety risks:** The health and safety of volunteers, staff and visitors is a key priority of the Trust. The Trust has established a Health and Safety Committee to keep its arrangements under review, and has a contract with a Health and Safety Advisor to carry out audits and advise on improvements. Each boat operated by Enterprise has a detailed safety manual, and crew training is an essential part of managing risks. These arrangements are overseen by the Director of Boats. Detailed risk assessments and method statements are also in place at Crofton. During 2022, Covid risk assessments were reviewed, with some of the measures introduced in 2020 relaxed, while continuing to ensure that operations involving volunteers and staff and members of the public are carried out in accordance with legal requirements (including under the Health and Safety at Work Act) and guidance from Government and from the Health and Safety Executive.
- **Financial risks:** Financial risks include loss of income, failure to obtain grants for major projects, unexpected costs and losses through fraud or failure to achieve value for money in procurement. Income generated by the Enterprise subsidiary in 2023 is particularly uncertain, as it is too early to judge the impact of the cost of living crisis on boat bookings. Cost risks include energy and fuel costs and unanticipated repair and regulatory costs particularly for Crofton Beam Engines, the Devizes Wharf building and the boats operated by the Enterprise subsidiary.
- **Availability of other resources:** Our ability to recruit, train, retain and motivate our volunteers becomes more challenging as fewer people are retiring early. As the work undertaken by volunteers becomes more complex through regulation and also broadens, with a greater emphasis on engaging with new visitor audiences, more formal succession plans and volunteer recruitment processes will be developed to help address this. Contingency plans are also being developed to reduce risks of staff non-availability and the loss of key volunteers.

Kennet and Avon Canal Trust (The)

Report of the Trustees **for the Year Ended 31 December 2022**

Following the development of a formal Reserves Policy in 2019, Trustees have reviewed regularly the financial risks facing the Trust, and in particular the impact of the pandemic. Trustees agreed in July 2022 that the target minimum level of reserves, should remain at £150K, given both the scale of capital commitments and continued uncertainty about both revenue and costs.

On the basis of the most recent projections, Trustees are satisfied that the Trust has sufficient balances to maintain current activities in 2023. Additional major projects will be approved only to the extent that free reserves in excess of the target minimum level are available, or external grant funding has been committed.

Trustees reviewed the Finance Manual in 2022 in the light of the annual review of internal financial controls, and agreed that no changes were necessary.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was created by memorandum on 6th June 1962. It is governed by Articles of Association that were last updated in 2020. This document is the governing document of the charity which is a private company limited by guarantee without share capital. As at 31 December 2022, there were 1,079 individual and joint members and 340 life members of the Trust.

Trustees are required to declare 'Persons of Significant Control' in the Companies House register. For the Trust there are no persons of significant control other than the Trustees listed. For our Enterprise trading company, the Trust has been listed as a legal entity with significant control. The declarations are available on the Companies House website.

The Trust Council (which is the Board of Directors of the company) currently comprises ten Trustees. It meets bi-monthly to review Health and Safety issues, consider overall Trust strategy and policy, in particular in the light of reports on the management accounts, received reports from Branches and to take decisions on matters which are reserved to Trust Council such as major expenditure commitments. The Trust is not required to appoint a Company Secretary and the Treasurer also takes responsibility for governance matters.

A process of external advertising has been adopted for recruiting new Trustees. Following interview by the Chairman and at least one other Trustee, recommendations are made to the Board; if approved, new Trustees are then co-opted onto Trust Council ahead of standing for election at the following AGM. New Trustees may also be nominated by members for election at the AGM. Each year one third of Trustees stand down and may offer themselves for re-election at the AGM.

The Enterprise Board comprises, at the date of this report, eight Directors (only three of whom are also Trustees, so that the majority, including the Chairman, are non-conflicted). It also meets bi-monthly to review in more depth health and safety issues and operational matters relating to the passenger boats, the Bruce boats, and the three tea rooms, and financial performance. As a commercial trading company, the Enterprise Board focusses particularly on budgets, financial performance, risk management and commercial viability. The Board provides regular reports to Trust Council.

The Trust's eight branches (Bath & Bristol, Bradford on Avon, Devizes, Crofton, Bruce, Hungerford, Newbury and Reading) are each run by a Branch Committee which is formally a sub-committee of the Trust Council and usually selected by a meeting of local members, but subject to veto by Trust Council. Branches undertake the Trust's work in their area and often have practical control of a boat (or boats) or other operations. Branches submit annual budget bids to Trust and Enterprise as appropriate and then have spending freedom within the approved budget subject to the provisions of a Finance Manual approved by Trust Council.

In addition, three members of staff provide a headquarters function supporting Trustees, Directors and branches, with a particular focus on Trust administration including matters such as insurance, managing boat booking, undertaking payments and banking, and ensuring compliance across a range of responsibilities.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trust's name is Kennet and Avon Canal Trust (The) and it is registered with Companies' House with the reference 00726331, and with the Charity Commission for England and Wales with the reference 209206.

The Trust's trading company is called The Kennet and Avon Canal Trust (Enterprise) Limited and is registered with Companies' House under the reference 02679756.

The principal and registered office for the Trust is Devizes Wharf, Couch Lane, Devizes, SN10 1EB and for Enterprise is Canal Visitor Centre, Couch Lane, Devizes, Wiltshire, SN10 1EB.

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows (those marked * were also Directors of Enterprise):
Trustees:

M R Bailey
C W Bolt* (Treasurer)
D A Copley
R G H Dunton
D J Fearn
T W Mundy
Z S E E Puddephatt
T J Pyatt*
C D Sims* (Chairman)
G P Snook

In addition, the following were Directors of Enterprise:

C E Calder
C R Churchouse (Chairman) (resigned 13 January 2023)
J M Foley
D C Hanlon
L P Hooper
G S Puddephatt
D N Bone (appointed 24 February 2023)
Captain P S Hanson (appointed 24 February 2023)

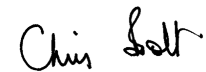
Independent Examiner

James Gare
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Chartered Accountants
County Gate, County Way
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Wiltshire
BA14 8FJ

Banker

Lloyds Bank plc
38 Market Place
Devizes
Wiltshire
SN10 1JD

Approved by order of the board of trustees on 20 March 2023..... and signed on its behalf by:



.....
C W Bolt - Trustee

Kennet and Avon Canal Trust (The)

Report of the Trustees
for the Year Ended 31 December 2022

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Kennet & Avon Canal Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

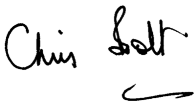
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 the group 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 in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



C W Bolt
Director

Date: 20 March 2023

**Independent Examiner's Report to the Trustees of
Kennet and Avon Canal Trust (The)**

Independent examiner's report to the trustees of Kennet and Avon Canal Trust (The) ('the Group')

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

Responsibilities and basis of report

As the trustees of the Trust (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 Group 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 can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales.

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 the Trust 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.



James Gare FCA DChA
The Institute of Chartered Accountants in England and Wales
Monahans
Chartered Accountants
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Trowbridge
Wiltshire
BA14 8FJ

Date: **21 April 2023**

Kennet and Avon Canal Trust (The)

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	92,857	-	92,857	132,796
Other trading activities	3	40,133	24,511	64,644	25,810
Commercial trading operation	11	268,731	-	268,731	164,476
Investment income	4	3,054	-	3,054	1,487
Other income		<u>2,405</u>	<u>-</u>	<u>2,405</u>	<u>1,609</u>
Total		407,180	24,511	431,691	326,178
EXPENDITURE ON					
Raising funds		6,734	-	6,734	4,006
Charitable activities					
Charitable activities		229,044	3,504	232,548	154,424
Commercial trading operations		<u>237,523</u>	<u>-</u>	<u>237,523</u>	<u>199,708</u>
Total		<u>473,301</u>	<u>3,504</u>	<u>476,805</u>	<u>358,138</u>
NET INCOME/(EXPENDITURE)		(66,121)	21,007	(45,114)	(31,960)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,168,378	500	1,168,878	1,200,838
TOTAL FUNDS CARRIED FORWARD		<u>1,102,257</u>	<u>21,507</u>	<u>1,123,764</u>	<u>1,168,878</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	10	<u>697,211</u>	<u>-</u>	<u>697,211</u>	<u>675,426</u>
 CURRENT ASSETS					
Stocks	13	11,686	-	11,686	-
Debtors	14	10,740	-	10,740	9,329
Cash at bank and in hand		<u>409,438</u>	<u>21,507</u>	<u>430,945</u>	<u>504,582</u>
		431,864	21,507	453,371	513,911
 CREDITORS					
Amounts falling due within one year	15	<u>(26,818)</u>	<u>-</u>	<u>(26,818)</u>	<u>(10,204)</u>
 NET CURRENT ASSETS		<u>405,046</u>	<u>21,507</u>	<u>426,553</u>	<u>503,707</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES		1,102,257	21,507	1,123,764	1,179,133
 PROVISIONS FOR LIABILITIES		-	-	-	(10,255)
 NET ASSETS		<u>1,102,257</u>	<u>21,507</u>	<u>1,123,764</u>	<u>1,168,878</u>
 FUNDS	16				
Unrestricted funds				726,906	761,678
Charitable subsidiary funds				375,351	346,281
Restricted funds				<u>21,507</u>	<u>60,919</u>
 TOTAL FUNDS				<u>1,123,764</u>	<u>1,168,878</u>

The charitable group is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

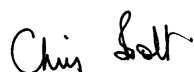
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable group as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 March 2023 and were signed on its behalf by:



.....
C W Bolt – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Charity Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	9	315,930	-	315,930	266,115
Investments	10	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
		316,930	-	316,930	267,115
CURRENT ASSETS					
Stocks	12	11,686	-	11,686	-
Debtors	13	100,294	-	100,294	102,272
Cash at bank and in hand		<u>318,332</u>	<u>21,507</u>	<u>339,839</u>	<u>457,735</u>
		430,312	21,507	451,819	560,007
CREDITORS					
Amounts falling due within one year	14	<u>(20,336)</u>	<u>-</u>	<u>(20,336)</u>	<u>(4,525)</u>
NET CURRENT ASSETS		<u>409,976</u>	<u>21,507</u>	<u>431,483</u>	<u>555,482</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>726,906</u>	<u>21,507</u>	<u>748,413</u>	<u>822,597</u>
NET ASSETS		<u>726,906</u>	<u>21,507</u>	<u>748,413</u>	<u>822,597</u>
FUNDS	15				
Unrestricted funds				726,906	761,678
Restricted funds				<u>21,507</u>	<u>60,919</u>
TOTAL FUNDS				<u>748,413</u>	<u>822,597</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

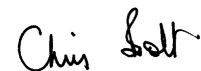
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The trustees acknowledge their responsibilities for

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- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on
and were signed on its behalf by:



.....
C W Bolt – Trustee

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Consolidated Cash Flow Statement
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(8,269)</u>	<u>52,978</u>
Net cash provided by operating activities		<u>(8,269)</u>	<u>52,978</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(68,422)	(6,949)
Sale of fixed assets		-	-
Interest received		<u>3,054</u>	<u>1,487</u>
Net cash provided by investing activities		<u>(65,368)</u>	<u>(5,462)</u>
Change in cash and cash equivalents in the reporting period		(73,637)	47,515
Cash and cash equivalents at the beginning of the reporting period		<u>504,582</u>	<u>457,067</u>
Cash and cash equivalents at the end of the reporting period		<u>430,945</u>	<u>504,582</u>

The notes form part of these financial statements

Kennet and Avon Canal Trust (The)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	2022	2021	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	(45,114)	(31,960)	
Adjustments for:			
Depreciation charges	46,637	46,185	
Loss on disposal of fixed assets	-	-	
Interest received	(3,054)	(1,487)	
Decrease/(increase) in debtors	889	46,410	
Increase in stocks	(11,686)	-	
Increase/(Decrease) in provisions for liabilities	(10,255)	-	
Increase/(Decrease) in creditors	<u>14,314</u>	<u>(6,170)</u>	
Net cash provided by operations	<u>(8,269)</u>	<u>52,978</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>504,582</u>	<u>(73,637)</u>	<u>430,945</u>

Kennet and Avon Canal Trust (The)

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

1. ACCOUNTING POLICIES

Charity information

Kennet and Avon Canal Trust (The) is a private limited company limited by guarantee and incorporated in England and Wales. The registered office is Devizes Wharf, Couch Lane, Devizes, SN10 1EB.

Kennet and Avon Canal Trust (The) and its group meet the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The accounts of the trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Ltd, are consolidated with the accounts of Kennet and Avon Canal Trust (The) in accordance with current legislation. Inter group income and expenditure is eliminated and all income and expenditure relates to external transactions only. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and section 24 of SORP 2019.

Income

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

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants are recognised in full in the statement of financial activities in the year to which they relate. Subscriptions are included in the statement of financial activities when received.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Fundraising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes and of raising funds through various fund raising events. Support costs include governance costs which are costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Kennet and Avon Canal Trust (The)

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

1. ACCOUNTING POLICIES – continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- is not depreciated
Freehold buildings	- 2% on straight line basis
Long leasehold & boats	- 5% on a straight line basis
Plant and machinery	- 25% on straight line basis
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 20% on a straight line basis

Boats are included in the accounts at deemed cost, based on historic valuations. This is a change from the previous accounting policy which was that the boats were revalued by the Directors based on current trading value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Termination benefits

The charity recognises a liability for termination benefits at the point where the charity is committed to making the payments in return for employee redundancy.

Financial instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments, as defined by FRS102. The financial assets and liabilities and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and measured at fair value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

Kennet and Avon Canal Trust (The)

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

2. DONATIONS AND LEGACIES

Group and charity

	2022	2021
	£	£
Grants and donations	57,000	81,734
Legacies	2,988	18,396
Gift Aid Reclaims	13,823	9,555
Subscriptions	<u>19,046</u>	<u>23,111</u>
	<u>92,857</u>	<u>132,796</u>

3. OTHER TRADING ACTIVITIES

Group and charity

	2022	2021
	£	£
Admissions	22,871	12,371
Crofton car park	556	860
Fundraising	27,670	-
Rent received	<u>13,547</u>	<u>12,579</u>
	<u>64,644</u>	<u>25,810</u>

Kennet and Avon Canal Trust (The)

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

4. INVESTMENT INCOME

Group and charity

	2022	2021
	£	£
Bank interest receivable	<u>3,054</u>	<u>1,487</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Independent examiner's remuneration (excluding VAT)		
Examination and preparation of the group accounts	3,008	3,400
Preparation of accounts for the trading subsidiary	1,384	1,200
Other services	1,500	1,450
Depreciation – owned assets	46,637	46,184
Hire of plant and machinery	642	670
	<u> </u>	<u> </u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 (2021: none).

7. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	77,512	69,355
Pension	541	423
Other costs	-	147
	<u> </u>	<u> </u>
	<u>78,053</u>	<u>69,925</u>

The average monthly number of employees during the year was as follows:

2022	2021
<u>5</u>	<u>4</u>

No employees received emoluments in excess of £60,000 (2021: None).

No employees received termination benefits during the year (2021: None).

Kennet and Avon Canal Trust (The)

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

8. COMPARATIVES FOR THE STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	132,796	-	132,796
Other trading activities	25,810	-	25,810
Commercial trading operations	164,476	-	164,476
Investment income	1,487	-	1,487
Other income	1,609	-	1,609
Total	326,178	-	326,178
EXPENDITURE ON			
Raising funds	4,006	-	4,006
Commercial trading operations	-	-	-
Charitable activities			
Charitable activities	135,424	19,000	154,424
Commercial trading operations	199,708	-	199,708
Total	339,138	19,000	358,138
NET INCOME	(12,960)	(19,000)	(31,960)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,120,919	79,919	1,200,838
TOTAL FUNDS CARRIED FORWARD	1,107,959	60,919	1,168,878

Kennet and Avon Canal Trust (The)

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

9. TAXATION

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary had a corporation tax liability of £nil for the year ended 31st December 2022 (2021: £Nil).

10. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2022	297,204	65,302	178,684	58,023
Additions	<u>-</u>	<u>61,831</u>	<u>5,494</u>	<u>1,097</u>
At 31 December 2022	<u>297,204</u>	<u>127,133</u>	<u>184,178</u>	<u>59,120</u>
DEPRECIATION				
At 1 January 2022	63,739	46,821	122,562	47,315
Charge for year	<u>4,004</u>	<u>4,659</u>	<u>10,880</u>	<u>1,744</u>
At 31 December 2022	<u>67,743</u>	<u>51,480</u>	<u>133,442</u>	<u>49,059</u>
NET BOOK VALUE				
At 31 December 2022	<u>229,461</u>	<u>75,653</u>	<u>50,736</u>	<u>10,061</u>
At 31 December 2021	<u>233,465</u>	<u>18,481</u>	<u>56,122</u>	<u>10,708</u>

	Boats £	Totals £
COST		
At 1 January 2022	507,000	1,106,213
Additions	<u>-</u>	<u>68,422</u>
At 31 December 2022	<u>507,000</u>	<u>1,174,635</u>
DEPRECIATION		
At 1 January 2022	150,350	430,787
Charge for year	<u>25,350</u>	<u>46,637</u>
At 31 December 2022	<u>175,700</u>	<u>477,424</u>
NET BOOK VALUE		
At 31 December 2022	<u>331,300</u>	<u>697,211</u>
At 31 December 2021	<u>356,650</u>	<u>675,426</u>

Kennet and Avon Canal Trust (The)

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

10. TANGIBLE FIXED ASSETS - continued

Charity

	Freehold property £	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST				
At 1 January 2022	297,204	65,302	41,767	58,023
Additions	<u>-</u>	<u>61,831</u>	<u>-</u>	<u>1,097</u>
At 31 December 2022	<u>297,204</u>	<u>127,133</u>	<u>41,767</u>	<u>59,120</u>
DEPRECIATION				
At 1 January 2022	63,739	46,821	38,306	47,315
Charge for year	<u>4,004</u>	<u>4,659</u>	<u>2,706</u>	<u>1,744</u>
At 31 December 2022	<u>67,743</u>	<u>51,480</u>	<u>41,012</u>	<u>49,059</u>
NET BOOK VALUE				
At 31 December 2022	<u>229,461</u>	<u>75,653</u>	<u>755</u>	<u>10,061</u>
At 31 December 2021	<u>233,465</u>	<u>18,481</u>	<u>3,461</u>	<u>10,708</u>

	Totals £
COST	
At 1 January 2022	462,296
Additions	<u>62,928</u>
At 31 December 2022	<u>525,224</u>
DEPRECIATION	
At 1 January 2022	196,181
Charge for year	<u>13,113</u>
At 31 December 2022	<u>209,294</u>
NET BOOK VALUE	
At 31 December 2022	<u>315,930</u>
At 31 December 2021	<u>266,115</u>

11. FIXED ASSET INVESTMENTS

Charity

	Unlisted investment £
MARKET VALUE	
At 1 January 2022 and 31 December 2022	<u>1,000</u>
NET BOOK VALUE	
At 31 December 2022	<u>1,000</u>
At 31 December 2021	<u>1,000</u>

There were no investment assets outside the UK. Investments represent 100% of the issued share capital in The Kennet & Avon Canal Trust (Enterprise) Limited.

Kennet and Avon Canal Trust (The)

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

12. SUBSIDIARY COMPANY

The charity has a wholly owned trading subsidiary, The Kennet & Avon Canal Trust (Enterprise) Limited, company number 02679756, which is incorporated in the United Kingdom. The principal activity of The Kennet & Avon Canal (Enterprise) Limited is to operate boat trips and sales of gifts and souvenirs.

A summary of the financial performance of the subsidiary is shown below:

	2022 £	2021 £
Turnover	268,731	164,476
Total expenditure	239,661	200,638
Other income	-	-
Profit / (loss)	<u>29,070</u>	<u>(36,162)</u>

The assets and liabilities of The Kennet & Avon Canal Trust (Enterprise) Limited were:

	2022 £	2021 £
Fixed and current assets	477,710	460,392
Liabilities and provisions	(101,359)	(113,111)
Total net assets	<u>376,351</u>	<u>347,281</u>
Share capital and reserves	<u>376,351</u>	<u>347,281</u>

Expenditure includes interest payable to the parent charity of £2,138 (2021: £930). This transaction has been eliminated on consolidation in the group Statement of Financial Activities.

13. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Stocks	<u>11,686</u>	<u>-</u>	<u>11,686</u>	<u>-</u>

Kennet and Avon Canal Trust (The)

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

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	-	-	-	-
Other debtors	5,323	2,216	-	-
Amounts owed by group undertakings	-	-	94,877	97,177
Prepayments and accrued income	<u>5,417</u>	<u>7,113</u>	<u>5,417</u>	<u>5,095</u>
	<u>10,740</u>	<u>9,329</u>	<u>100,294</u>	<u>102,272</u>

Included within amounts owed by group undertaking is an amount of £94,877 (2021: £97,177) that is falling due after more than one year.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	18,968	3,608	15,422	202
Social security and other taxes	1,376	866	304	243
Accruals and deferred income	<u>6,474</u>	<u>5,730</u>	<u>4,610</u>	<u>4,080</u>
	<u>26,818</u>	<u>10,204</u>	<u>20,336</u>	<u>4,525</u>

Kennet and Avon Canal Trust (The)

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

16. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	822,097	(95,191)	-	726,906
Trading subsidiary	<u>346,281</u>	<u>29,070</u>	-	<u>375,351</u>
	1,168,378	(66,121)	-	1,102,257
Restricted funds				
AIM/Pilgrim Trust grants	-	485	-	485
Bruce Branch Project	-	20,000	-	20,000
Tesco Groundwork - journey cam	-	944	-	944
President's Fund	<u>500</u>	<u>(422)</u>	-	<u>78</u>
	<u>500</u>	<u>21,007</u>	-	<u>21,507</u>
TOTAL FUNDS	<u><u>1,168,878</u></u>	<u><u>(45,114)</u></u>	-	<u><u>1,123,764</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	140,587	(235,778)	(95,191)
Trading subsidiary	268,731	(239,661)	29,070
Consolidation adjustments	<u>(2,138)</u>	<u>2,138</u>	-
	407,180	(473,301)	(66,121)
Restricted funds			
AIM/Pilgrim Trust grants	3,386	(2,901)	485
Bruce Branch Project	20,000	-	20,000
Tesco Groundwork - journey cam	1,125	(181)	944
President's Fund	<u>-</u>	<u>(422)</u>	<u>(422)</u>
	<u>24,511</u>	<u>(3,504)</u>	<u>21,007</u>
TOTAL FUNDS	<u><u>431,691</u></u>	<u><u>(476,805)</u></u>	<u><u>(45,114)</u></u>

Purposes of restricted funds

The President's fund was set up by a donation from the Trust President to fund volunteer travel expenditure, to be used at the discretion of the Trust Chairman.

Crofton Beam Engines has received two grants from the Association of Independent Museums/Pilgrim Trust. One was for a Collection Care audit, which was completed in March 2022. The second was a Conservation grant for work to be completed by March 2023; further expenditure will be incurred, and the second instalment of the grant payment received, in 2023.

A donation of £20K has been received to fund initial design work for a new accessible boat for the Bruce Boat fleet. No expenditure has yet been incurred

A Tesco Community Grant has been received to provide four smart televisions with external camera and cabling for the Bruce Boat fleet. Further expenditure will be incurred, and the final instalment of the grant payment received, in 2023.

Kennet and Avon Canal Trust (The)

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

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Net Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	738,476	23,202	60,419	822,097
Trading subsidiary	<u>382,443</u>	<u>(36,162)</u>	-	<u>346,281</u>
	1,120,919	(12,960)	60,419	1,168,378
Restricted funds				
Our Crofton Story (NLHF Project) Fund	60,419	-	(60,419)	-
Bradford on Avon Projects Fund	5,000	(5,000)	-	-
Bedwyn Wharf Development Fund	5,000	(5,000)	-	-
Archimedean Screw Conservation Fund	9,000	(9,000)	-	-
President's Fund	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
	<u>79,919</u>	<u>(19,000)</u>	<u>(60,419)</u>	<u>500</u>
TOTAL FUNDS	<u>1,200,838</u>	<u>(31,960)</u>	<u>-</u>	<u>1,168,878</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	162,632	(139,430)	23,202
Trading subsidiary	164,476	(200,638)	(36,162)
Consolidation adjustments	<u>(930)</u>	<u>930</u>	<u>-</u>
	326,178	(339,138)	(12,960)
Restricted funds			
Bradford on Avon Projects Fund	-	(5,000)	(5,000)
Bedwyn Wharf Development Fund	-	(5,000)	(5,000)
Archimedean Screw Conservation Fund	<u>-</u>	<u>(9,000)</u>	<u>(9,000)</u>
	<u>-</u>	<u>(19,000)</u>	<u>(19,000)</u>
TOTAL FUNDS	<u>326,178</u>	<u>(358,138)</u>	<u>(31,960)</u>

17. CHARGES

The Trustees of the National Lottery Heritage Fund hold a legal charge over the freehold property known as The Old Pumping Station, Crofton, Marlborough, Wiltshire, SN8 3DW.

18. RELATED PARTY DISCLOSURES

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

19. ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is the Board of Trustee Directors.

Kennet and Avon Canal Trust (The)

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

20. COMPANY LIMITED BY GUARANTEE

Kennet and Avon Canal Trust (The) is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants and donations	57,000	81,734
Gift aid	13,823	9,555
Legacies	2,988	18,396
Subscriptions	<u>19,046</u>	<u>23,111</u>
	92,857	132,796
Other trading activities		
Admissions	22,871	12,371
Crofton car park	556	860
Fundraising	27,670	-
Rent received	<u>13,547</u>	<u>12,579</u>
	64,644	25,810
Investment income		
Bank interest receivable	5,192	2,417
Interest from trading subsidiary	(2,138)	(930)
Commercial trading operations		
Commercial trading operations	268,731	164,476
Other income		
Sundry income	<u>2,405</u>	<u>1,609</u>
Total incoming resources	431,691	326,178
EXPENDITURE		
Raising funds		
Butty costs	3,345	2,489
Advertisement & Publicity	1,147	524
Fundraising costs	<u>2,242</u>	<u>993</u>
	6,734	4,006
Commercial trading operations		
Costs of trading subsidiary	239,661	200,638
Interest on loan paid to parent	<u>(2,138)</u>	<u>(930)</u>
Total costs of raising funds	237,523	199,708
Charitable activities		
Wages	40,853	37,146
Pensions	541	423
Hire of plant and machinery	642	670
Rates and water	4,194	752
Insurance	10,957	9,874
Light and heat	2,655	2,258
Telephone	3,545	4,381
Postage and stationery	269	149
Sundries	940	838
Bank charges	1,327	1,161
Grants payable	5,516	-
Carried forward	71,439	57,652

This page does not form part of the statutory financial statements

Kennet and Avon Canal Trust (The)

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	2022	2021
	£	£
Charitable activities		
Brought forward	71,439	57,652
Health & safety	7,229	7,667
Staff training	216	72
Recruitment	115	75
Rent	3,020	1,200
Repairs & maintenance	114,481	56,602
Depreciation	13,113	11,381
Coal	4,707	5,301
NLHF project costs	3,504	-
Computer costs	4,645	4,513
Stock purchases	<u>895</u>	<u>-</u>
	223,364	144,463
Support costs		
Governance costs		
Independent examiner's remuneration	1,200	1,200
Accountancy fees	3,308	4,050
Other professional costs	<u>4,676</u>	<u>4,711</u>
	<u>9,184</u>	<u>9,961</u>
Total resources expended	<u>476,805</u>	<u>358,138</u>
Net expenditure	<u>(45,114)</u>	<u>(31,960)</u>