

Company registration number: 01498800

Charity registration number: 510201

Huddersfield Canal Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

The Moffatts Partnership LLP
Progress House
396 Wilmslow Road
Withington
Manchester
M20 3BN

Huddersfield Canal Society Limited

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 7
Statement of Trustees' Responsibilities	8
Independent Examiner's Report	9
Statement of Financial Activities	10 to 11
Balance Sheet	12 to 13
Notes to the Financial Statements	14 to 27

Huddersfield Canal Society Limited

Reference and Administrative Details

Trustees

A L Stopher
T Ellis
M McHugh
K H W Noble
K W Sykes
P R Bayley
E Woulds
P Rawson
M J Clark

Secretary

M McHugh

Other Officers

D M Sumner

Principal Office

Transshipment Warehouse
Wool Road
Dobcross
Oldham
OL3 5QR

Registered Office

Progress House
396 Wilmslow Road
Withington
Manchester
Lancs
M20 3BN

The charity is incorporated in England and Wales.

Huddersfield Canal Society Limited

Reference and Administrative Details

Company Registration Number	01498800
Charity Registration Number	510201
Bankers	<p>The Co-operative Bank plc Vicar Street Leeds LS1 1HJ</p> <p>Unity Trust Bank Nine Brindleyplace Birmingham B1 2HB</p> <p>Monmouthshire Building Society Monmouthshire House John Frost Square Newport South Wales NP20 1PX</p>
Independent Examiner	<p>The Moffatts Partnership LLP Progress House 396 Wilmslow Road Withington Manchester M20 3BN</p>

Huddersfield Canal Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2019.

Objectives and activities

Objects and aims

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

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

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

Objectives, strategies and activities

The charity has continued to promote the canal to the general public by various means including the operation of the boat.

Public benefit

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

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

Use of volunteers

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

Huddersfield Canal Society Limited

Trustees' Report

Financial review

Total income for the year amounts to £26,042 (2018 - £22,391) with expenditure for the year of £48,684 (2018 - £47,773).

The overall position at the year-end is a surplus of £20,561 (2018 - deficit £52,386). This includes investment gains of £43,203 compared to investment losses of £27,004 in 2018.

The total reserves carried forward at the year-end are £308,577 (2018 - £288,016). All of the charity reserves are unrestricted.

Impact of the Covid-19 pandemic

In order to protect our staff and volunteers from adverse health effects of the coronavirus the decision was taken to cease our external operations until further notice from mid-March 2020 and as we are a non-essential business close our office soon afterwards. As our administrator is unable to work from home we have furloughed Dr Bob Gough from 6th April 2020 and will be seeking Government support for 80% of his salary. It is intended that we continue to pay him in full for the foreseeable future. With our principal income suspended and investments much reduced in value, further steps have been taken to protect our financial position so as to remain viable in preparation for a return to normal operations when the pandemic crisis is over. Our Monmouthshire Building Society has been encashed and closed and an interest free loan has been secured. These measures are aimed at ensuring that no investments need to be sold until they have a chance to recover their value. The trustees are confident that the company remains a going concern.

Policy on reserves

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

Investment policy and objectives

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

Structure, governance and management

Nature of governing document

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

Recruitment and appointment of trustees

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

Huddersfield Canal Society Limited

Trustees' Report

Organisational structure

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

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

Major risks and management of those risks

Risk Management policy

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

Financial instruments

Objectives and policies

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

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Huddersfield Canal Society Limited

Trustees' Report

Chairman's Annual Report 2019

Your company has experienced a busy and productive year. Board meetings have been held bi-monthly with good attendances and the AGM in June 2019 was also well attended. Graham Birch, for personal reasons, tendered his resignation from Council in July 2019. He was thanked for his invaluable contribution in relation to his work on the Manchester & Pennine Waterway Partnership, editorship of Pennine Link and knowledge of matters in Oldham, and planning expertise. Tony Zajac tendered his resignation from Council in September owing to a need to balance his workload. Tony was thanked for his various contributions over the years, including his role of managing Shuttle crews and his stints as Pennine Link editor.

Dr Bob Gough, our Administrator, has continued to work conscientiously on your behalf. His design skills and historical researches have kept our promotional materials relevant and attractive.

Our magazine, Pennine Link has been distributed on a quarterly basis in 2019. Thanks are due to Bob Gough for his desktop publishing work and to the three Guest Editors during the year. Our website has continued to provide a source of information. Thanks are also due to Martin Clark for helping behind the scenes with any IT issues.

Membership has slightly reduced and stands at 458, excluding additional family members.

The company's balanced portfolio of investments have increased in value for much of the year. It remains to be seen what further impact will result from the change in the UK's relationship with the EU and impact of the Coronavirus. Indeed by the time these accounts are signed, the Covid-19 pandemic has brought the UK and much of the world to a halt and the Company's activities have ceased for an unspecified period.

The Marsden Shuttle, our boat service between Marsden railway station and the visitors' centre at Tunnel End on the Yorkshire side, has run throughout the season with greater frequency following a successful drive for more crew members. It operated most weekends & bank holidays with additional weekday trips when required. Many of these have been for what turned out to be a record number of wedding couples travelling to Standedge Visitor Centre, testament to our close relationship with the Canal & River Trust event planning staff. My thanks go to Mike McHugh, Eric Woulds & Terry Lomas for managing the Shuttle and keeping it looking presentable, and ensuring that our crews are fully trained.

The Society gained some good publicity through its involvement in the run up to the Chelsea Flower Show. Mark Gregory, the award-winning garden designer, had been commissioned by Welcome to Yorkshire to design a garden based around a Huddersfield Narrow Canal lock. Our own Marsden Shuttle, complete with crew, was commissioned by the BBC for filming The Road to Chelsea preview.

So congested was the wedding schedule that it was not possible to the Shuttle to relocate to Stalybridge for the Festival this year. Its place was taken by Community Spirit which ran free trips in return for donations on both days. This gave the opportunity for many members of the local community to experience a canal trip for the first time and it gave our friends at East Manchester Community Boat Trust an opportunity to fly the flag for their charity.

Volunteer work parties have continued. My thanks go to Deputy Chairman, Trevor Ellis, for his commitment and skill in managing the team's important contribution to the canal environment. His separate involvement with the Canal & River Trust (C&RT) as a volunteer tunnel chaperone has benefited the Society's working relationship with the Trust. Trevor's book about the Standedge Tunnels has continued to sell during 2019.

Huddersfield Canal Society Limited

Trustees' Report

Once more we held a volunteer social to thank our volunteers and enable them to meet with those in other teams and also representatives of some of the community-based adoption groups which help to maintain and add value to the canal corridor environment. This was held in the fine Thomas Bourne Room in the restored warehouse at the Standedge Visitor Centre, Marsden and attended by over 50 volunteers, partners and guests.

This year has been one of transition at the Canal & River Trust (C&RT) with many changes in the management teams of the two regions which cover the Huddersfield Narrow Canal. By the end of 2019 we had started to establish working relationships with the new incumbents. We have continued to be represented on the steering group contributing to the design of improvements in the towpath in the Colne Valley.

I offer my personal thanks for the unstinting support of our Board members, volunteers, members, staff and partners for their contribution to the continuing success of the Huddersfield Canal Society.

Alan Stopher
Chairman

Small companies provision statement

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

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

.....
A L Stopher
Trustee

Huddersfield Canal Society Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Huddersfield Canal Society Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with 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.

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

.....
A L Stopher
Trustee

Huddersfield Canal Society Limited

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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019 which are set out on pages 10 to 27.

Respective responsibilities of trustees and examiner

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

Independent examiner's statement

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

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

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

.....
Mr Masaud Shah F.C.C.A

Progress House
396 Wilmslow Road
Withington
Manchester
M20 3BN

Date:.....

Huddersfield Canal Society Limited

Statement of Financial Activities for the Year Ended 31 December 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2019 £
Income and Endowments from:			
Donations and legacies	3	8,236	8,236
Charitable activities	4	11,568	11,568
Investment income	5	<u>6,238</u>	<u>6,238</u>
Total income		<u>26,042</u>	<u>26,042</u>
Expenditure on:			
Charitable activities	6	<u>48,684</u>	<u>48,684</u>
Total expenditure		(48,684)	(48,684)
Gains/losses on investment assets		<u>43,203</u>	<u>43,203</u>
Net income		<u>20,561</u>	<u>20,561</u>
Net movement in funds		20,561	20,561
Reconciliation of funds			
Total funds brought forward		<u>288,016</u>	<u>288,016</u>
Total funds carried forward	19	<u><u>308,577</u></u>	<u><u>308,577</u></u>

Huddersfield Canal Society Limited

**Statement of Financial Activities for the Year Ended 31 December 2019
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Total 2018 £
Income and Endowments from:			
Donations and legacies	3	2,277	2,277
Charitable activities	4	13,398	13,398
Investment income	5	<u>6,716</u>	<u>6,716</u>
Total income		<u>22,391</u>	<u>22,391</u>
Expenditure on:			
Charitable activities	6	<u>47,773</u>	<u>47,773</u>
Total expenditure		(47,773)	(47,773)
Gains/losses on investment assets		<u>(27,004)</u>	<u>(27,004)</u>
Net expenditure		<u>(52,386)</u>	<u>(52,386)</u>
Net movement in funds		(52,386)	(52,386)
Reconciliation of funds			
Total funds brought forward		<u>340,402</u>	<u>340,402</u>
Total funds carried forward	19	<u><u>288,016</u></u>	<u><u>288,016</u></u>

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

The funds breakdown for 2018 is shown in note 19.

Huddersfield Canal Society Limited
(Registration number: 01498800)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	25,158	26,263
Investments	14	<u>251,088</u>	<u>237,271</u>
		<u>276,246</u>	<u>263,534</u>
Current assets			
Stocks	15	1,167	2,024
Debtors	16	6,321	1,654
Cash at bank and in hand		<u>30,615</u>	<u>23,705</u>
		38,103	27,383
Creditors: Amounts falling due within one year	17	<u>(5,772)</u>	<u>(2,901)</u>
Net current assets		<u>32,331</u>	<u>24,482</u>
Net assets		<u><u>308,577</u></u>	<u><u>288,016</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>308,577</u>	<u>288,016</u>
Total funds	19	<u><u>308,577</u></u>	<u><u>288,016</u></u>

For the financial year ending 31 December 2019 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.

Huddersfield Canal Society Limited
(Registration number: 01498800)
Balance Sheet as at 31 December 2019

The financial statements on pages 10 to 27 were approved by the trustees, and authorised for issue on
and signed on their behalf by:

.....
A L Stopher
Trustee

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Progress House
396 Wilmslow Road
Withington
Manchester
Lancs
M20 3BN

The principal place of business is:

Transshipment Warehouse
Wool Road
Dobcross
Oldham
OL3 5QR

[Authorised for issue date](#)

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (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

Huddersfield Canal Society Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

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

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Exemption from preparing a cash flow statement

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

Income and endowments

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

Donations and legacies

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

Investment income

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

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.

Governance costs

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

Irrecoverable VAT

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

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Taxation

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

Tangible fixed assets

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

Depreciation and amortisation

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

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

Fixed asset investments

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

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

Stock

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

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

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.

Hire purchase and finance leases

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

Financial instruments

Classification

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

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

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Recognition and measurement

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

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

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

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

3 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Donations and legacies;			
Donations from individuals	6,163	6,163	1,323
Gift aid reclaimed	2,073	2,073	954
	<u>8,236</u>	<u>8,236</u>	<u>2,277</u>

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

4 Income from charitable activities

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Subscriptions	3,035	3,035	3,368
Other income	4,356	4,356	4,833
Income from boat	<u>4,177</u>	<u>4,177</u>	<u>5,197</u>
	<u><u>11,568</u></u>	<u><u>11,568</u></u>	<u><u>13,398</u></u>

Boat income from trading charitable activities was £4,177 (2018 £5,197). Donations collected on the boat came to £4,827 (2018 £0) with associated Gift Aid of £1,207 (2018 £0). The total of boat income and donations collected on the boat amounted to £10,211 (2018 £5,197).

5 Investment income

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	43	43	38
Other income from fixed asset investments	<u>6,195</u>	<u>6,195</u>	<u>6,678</u>
	<u><u>6,238</u></u>	<u><u>6,238</u></u>	<u><u>6,716</u></u>

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Expenditure on charitable activities

	Unrestricted funds		
	General	Total 2019	Total 2018
	£	£	£
Opening stock	2,024	2,024	3,110
Shuttle running costs	2,617	2,617	2,573
Closing stock	(1,167)	(1,167)	(2,024)
Wages and salaries	28,380	28,380	27,553
Pension costs	612	612	377
Telephone and fax	862	862	792
Office expenses	3,364	3,364	3,079
Competition and events	610	610	590
Printing, postage and stationery	1,653	1,653	1,778
Sundry expenses	1,986	1,986	1,526
Motor expenses	1,874	1,874	1,784
Travel and subsistence	371	371	662
Promotional expenses	1,312	1,312	1,318
Bank charges	144	144	144
Investment charges	375	375	379
Depreciation	1,105	1,105	1,666
	<u>46,122</u>	<u>46,122</u>	<u>45,307</u>

£46,122 (2018 - £45,307) of the above expenditure was attributable to unrestricted funds and £Nil (2018 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £2,562 (2018 - £2,466) which relate directly to charitable activities. See note 7 for further details.

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Independent examiner fees			
Examination of the financial statements	2,160	2,160	2,064
Other fees paid to examiners	402	402	402
	<u>2,562</u>	<u>2,562</u>	<u>2,466</u>

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2019 £	2018 £
Other non-audit services	2,502	2,466
Depreciation of fixed assets	<u>1,105</u>	<u>1,666</u>

9 Trustees remuneration and expenses

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

£1,766 (2018: £2,288) of expenses were reimbursed to trustees during the year.

Travel, subsistence, telephone and other expenses incurred by 4 (2018 - 5) members of the Council of Management have been reimbursed.

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

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

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	28,380	27,553
Pension costs	612	377
	<u>28,992</u>	<u>27,930</u>

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

	2019 No	2018 No
Charitable activities	<u>1</u>	<u>1</u>

Contributions to the employee pension schemes for the year totalled £612 (2018 - £377).

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

11 Independent examiner's remuneration

	2019 £	2018 £
Examination of the financial statements	<u>2,160</u>	<u>2,064</u>
Other fees to examiners		
All other services	<u>402</u>	<u>402</u>

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

12 Taxation

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

13 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Computer equipment £	Other tangible fixed asset £	Total £
Cost					
At 1 January 2019	55,680	10,935	21,840	6,065	94,520
At 31 December 2019	55,680	10,935	21,840	6,065	94,520
Depreciation					
At 1 January 2019	29,418	10,935	21,840	6,064	68,257
Charge for the year	1,105	-	-	-	1,105
At 31 December 2019	30,523	10,935	21,840	6,064	69,362
Net book value					
At 31 December 2019	25,157	-	-	1	25,158
At 31 December 2018	26,262	-	-	1	26,263

Included within the net book value of land and buildings above is £Nil (2018 - £Nil) in respect of freehold land and buildings and £25,157 (2018 - £26,262) in respect of leaseholds.

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

14 Fixed asset investments

	2019	2018
	£	£
Other investments	<u>251,088</u>	<u>237,271</u>

Other investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or Valuation			
At 1 January 2019	236,148	1,123	237,271
Revaluation	40,180	-	40,180
Additions	-	10,983	10,983
Disposals	<u>(26,971)</u>	<u>(10,375)</u>	<u>(37,346)</u>
At 31 December 2019	<u>249,357</u>	<u>1,731</u>	<u>251,088</u>
Net book value			
At 31 December 2019	<u>249,357</u>	<u>1,731</u>	<u>251,088</u>
At 31 December 2018	<u>236,148</u>	<u>1,123</u>	<u>237,271</u>

The market value of the listed investments at 31 December 2019 was £249,357 (2018 - £236,148).

15 Stock

	2019	2018
	£	£
Stocks	<u>1,167</u>	<u>2,024</u>

The cost of stock recognised as an expense in the year amounted to £857 (2018 - £1,086).

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

16 Debtors

	2019 £	2018 £
Prepayments	4,248	740
Accrued income	2,073	914
	<u>6,321</u>	<u>1,654</u>

17 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	3,080	250
Other taxation and social security	444	442
Other creditors	148	89
Accruals	2,100	2,120
	<u>5,772</u>	<u>2,901</u>

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £612 (2018 - £377).

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

19 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
Unrestricted funds					
General	<u>288,016</u>	<u>26,042</u>	<u>(48,684)</u>	<u>43,203</u>	<u>308,577</u>

	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2018 £
Unrestricted funds					
General	<u>340,402</u>	<u>22,391</u>	<u>(47,773)</u>	<u>(27,004)</u>	<u>288,016</u>

20 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Tangible fixed assets	25,158	25,158
Fixed asset investments	251,088	251,088
Current assets	38,103	38,103
Current liabilities	<u>(5,772)</u>	<u>(5,772)</u>
Total net assets	<u>308,577</u>	<u>308,577</u>

Huddersfield Canal Society Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

21 Analysis of net funds

	At 1 January 2019 £	Cash flow £	At 31 December 2019 £
Cash at bank and in hand	23,705	6,910	30,615
Net debt	<u>23,705</u>	<u>6,910</u>	<u>30,615</u>

	At 1 January 2018 £	Cash flow £	At 31 December 2018 £
Cash at bank and in hand	48,921	(25,216)	23,705
Net debt	<u>48,921</u>	<u>(25,216)</u>	<u>23,705</u>

22 Related party transactions

There were no related party transactions in the year.

Huddersfield Canal Society Limited

Statement of Financial Activities by fund for the Year Ended 31 December 2019

	Total Unrestricted funds 2019 £	Unrestricted funds 2018 £
Income and Endowments from:		
Donations and legacies	8,236	2,277
Charitable activities	11,568	13,398
Investment income	6,238	6,716
	26,042	22,391
Expenditure on:		
Charitable activities	(48,684)	(47,773)
Total expenditure	(48,684)	(47,773)
Gains/losses on investment assets	43,203	(27,004)
	20,561	(52,386)
Net income/(expenditure)	20,561	(52,386)
Net movement in funds	20,561	(52,386)
Reconciliation of funds		
Total funds brought forward	288,016	340,402
Total funds carried forward	308,577	288,016

Huddersfield Canal Society Limited

Detailed Statement of Financial Activities for the Year Ended 31 December 2019

	Total 2019 £	Total 2018 £
Income and Endowments from:		
Donations and legacies (analysed below)	8,236	2,277
Charitable activities (analysed below)	11,568	13,398
Investment income (analysed below)	<u>6,238</u>	<u>6,716</u>
Total income	<u>26,042</u>	<u>22,391</u>
Expenditure on:		
Charitable activities (analysed below)	<u>(48,684)</u>	<u>(47,773)</u>
Total expenditure	(48,684)	(47,773)
Gains/losses on investment assets (analysed below)	<u>43,203</u>	<u>(27,004)</u>
Net income/(expenditure)	<u>20,561</u>	<u>(52,386)</u>
Net movement in funds	20,561	(52,386)
Reconciliation of funds		
Total funds brought forward	<u>288,016</u>	<u>340,402</u>
Total funds carried forward	<u><u>308,577</u></u>	<u><u>288,016</u></u>

Huddersfield Canal Society Limited

Detailed Statement of Financial Activities for the Year Ended 31 December 2019

	Total 2019 £	Total 2018 £
<i>Donations and legacies</i>		
Donations- Boat	4,827	-
Appeals and donations	1,336	1,323
Gift Aid tax reclaimed	2,073	954
	<u>8,236</u>	<u>2,277</u>
<i>Charitable activities</i>		
Subscriptions	3,035	3,368
Other income	4,357	4,833
Trading income from boat	4,176	5,197
	<u>11,568</u>	<u>13,398</u>
<i>Investment income</i>		
Interest on cash deposits	43	38
Income from other investments	6,195	6,678
	<u>6,238</u>	<u>6,716</u>
<i>Charitable activities</i>		
Opening stock	2,024	3,110
Fundraising trading - cost of goods sold and other costs	2,617	2,573
Closing stock	(1,167)	(2,024)
Administration of investments	375	379
Wages and salaries	28,380	27,553
Staff pensions	612	377
Telephone and fax	862	792
Office expenses	3,364	3,090
Competition and events	610	590
Printing, postage and stationery	1,653	1,778
Sundry expenses	1,986	1,515
Motor expenses	1,874	1,784
Travel and subsistence	371	662
Promotional expenses - P Link newsletter	1,312	1,318
Bank charges	144	144
Depreciation of other tangible	1,105	1,666
Accountancy fees	402	402
Independent examiner's fee	2,160	2,064

Huddersfield Canal Society Limited

Detailed Statement of Financial Activities for the Year Ended 31 December 2019

	Total 2019 £	Total 2018 £
	<u>48,684</u>	<u>47,773</u>
<i>Gains/losses on investment assets</i>		
Realised gain/(loss) on investment assets	<u>3,023</u>	<u>-</u>
Gain/(loss) on revaluation of investments	<u>40,180</u>	<u>(27,004)</u>