

Report on the accounts of The Herefordshire & Gloucestershire Canal Trust Ltd
for year ended 28 February 2019

Income.

The Statement of Financial Activities (page 6) shows a reduced income down from £132k in 2018 to £103k in 2019. This is a false comparison because in 2018 the income included the reinstatement of income of £27k in respect of Mill Barn which was simply being returned by The Wharf House Co Ltd, having been paid over to that company in 2016. The true comparison shows a stable picture, which included a donation of £23k during the year. No Gift Aid was reclaimed during this year but claims for two years are in hand, although it is unlikely that they will match the receipt on 2018.

Other income was broadly stable, with a slight reduction of about £5k, and it must be pointed out that there was no Over Festival in 2019, whereas in 2018 the income was £5.6k.

Costs

Costs of charitable activities (note 7, page 15) were down by £23k, mainly because there were no legal fees incurred in 2019 whereas in 2018 the largest charge was paid to maintain an option to purchase land, and other legal advice was paid for. Health and Safety consultants are now being paid for, a change from previous practice.

Support costs have remained broadly static. Depreciation is reduced because much of the fixed assets have been written down to low amounts, so there is less to write down each year.

Restricted funds

During the year expenditure at the Malswick site continued and £29,377 was spent. This has been classed as land acquisition, since the product of this work will be to acquire canal land. It is therefore included in additions in Fixed Assets in note 12, page 17. This has also allowed the release of restricted funds given for land acquisition, as is shown in note 19, page 19, which means that all the money given to the Trust for land acquisition has been spent on land.

Conclusion

The overall result for the year shows a surplus of £54k, of which £29k has been spent on land. This is a good result showing a build-up of assets for canal purposes and a further consolidation of the position.

Philip Marshall

Trustee for Finance