

REGISTERED COMPANY NUMBER: 01296593 (England and Wales)
REGISTERED CHARITY NUMBER: 273085

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2019
for
Surrey & Hampshire Canal Society Limited**

Barnbrook Sinclair
Chartered Accountants
Chancery House
30 St Johns Road
Woking
Surrey
GU21 7SA

Surrey & Hampshire Canal Society Limited

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for the Year Ended 31 December 2019**

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**Report of the Trustees
for the Year Ended 31 December 2019**

The directors, as trustees, present their annual report and accounts for the year ended 31 December 2019. They are satisfied with the performance of the charity during the year and consider that the charity is in a strong position to continue and further its activities during the coming year, and that the charity's assets are adequate to enable it to fulfil its obligations.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are as follows:

1. To promote and secure the future of the Basingstoke Canal as a navigable waterway and a multi-function amenity for the use and enjoyment of the whole community.
2. To campaign for responsible ownership of the navigation encompassing appropriate funding levels, necessary maintenance and adequate water supply at all times.
3. To support the Basingstoke Canal managing authority by, for example, monitoring the condition of the canal, raising funds and providing voluntary manpower for improvement projects and specific maintenance tasks.
4. To protect, conserve, restore and raise awareness of the natural features and historic structures of the Basingstoke Canal for the benefit of present and future generations.
5. To seek opportunities to develop the Basingstoke Canal, such as the creation of moorings, the improvement of navigation and bank-side facilities, and extension of the navigation.

The Basingstoke Canal, and the land adjacent to it, is entirely owned by the councils of the two counties through which it passes, i.e. Surrey County Council and Hampshire County Council, and is freely accessible to the public. In carrying out its objectives, the charity seeks to achieve an improvement in the physical condition and facilities of the canal and appreciation of its merits by all sections of the public.

Significant activities

In pursuance of the objectives set out above, the charity has:

1. Continued to organise volunteer working parties for engineering projects, principally, in the year under review.
2. Organised working parties engaged in general maintenance work and clearance of encroaching vegetation.
3. Continued to lobby at local government level for the continuation and improvement of funding for the operation and maintenance of the canal.
4. Carried out work at Ash Lock to create a much more accessible water point for canal traffic. Piled the bank to reinforce it for boats using the water point, installed mooring points and landscaped the area. The charity also made a significant contribution to the cost of enlarging and landscaping the wharf at Woking town centre. In addition the charity continued the project at Farnborough Road in Aldershot to create a new set of permanent and temporary revenue earning moorings. This project will now complete in 2020. The usual bank clearance work was undertaken during the winter months to help the BCA maintain the canal.
5. Organised events, both social and boating.
6. Monitored applications for development within the area of the canal and raised objections where it was considered that the character of the canal would be prejudiced.
7. Attempted to raise awareness of the canal by providing displays in local museums and libraries, illustrating the part played by the canal in the social history of the area, and giving talks to local interest groups.
8. Continued in attempts to ensure that the canal is given adequate consideration in planned changes to its urban setting, involving presentations to and discussions with the planning authorities and prospective developers.
9. Worked with local authorities to ensure adequate attention is given to historic structures remaining from the disused western section of the canal and to encourage the creation of a pathway following the original canal line as closely as possible.
10. Continued to participate in discussions with various bodies to try to secure improvements to the water supply to the canal in the longer term.

In carrying out its activities involving physical work on the canal itself and the structures forming part of it, and on the adjacent land, the charity has exclusively enhanced facilities in public ownership. Any lobbying or discussions involving local authorities, whether the county council owners or the riparian district councils through which the canal passes, have been carried out exclusively to further the charity's aims as set out above. There is no restriction of benefit accruing to any one section of the public to the exclusion of any other. The charity does not carry out any activities with the aim of creating private benefit, nor are the Trustees aware of any private benefit accruing therefrom.

**Report of the Trustees
for the Year Ended 31 December 2019**

FINANCIAL REVIEW

Principal funding sources

The financial statements are set out on pages 5 to 12 and 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. As stated in the introduction to this report, the trustees consider the financial performance by the charity during the year to have been satisfactory.

The Statement of Financial Activities shows a net deficit for the year of a revenue nature of £1,819 (2018: deficit of £28,058) and net realised incoming resources of a capital nature of £nil (2018: £nil) making an overall realised net deficit for the year of £1,819 (2018: deficit of £28,058).

Total Reserves at the year end stand at £410,068 (2018: £411,887).

Specific changes in fixed assets.

The charity did not purchase any significant items of fixed assets in the period. Minor items of equipment purchased in the year were expensed in the Income and Expenditure account rather than being capitalised.

In addition to the fixed assets shown in the balance sheet, the charity has owned for many years a number of other assets which have been donated or fully expensed in the past. At the end of the year these include the following items:

Two Bantam tugs and four barges (estimated value £27,000)

Two workboats (estimated value £8,000)

Transit van (estimated value £1,000).

The charity also owns beneficial title to a strip of land held to maintain the canal corridor to the west of the Greywell Tunnel, and a strip of land at Sheerwater held for similar reasons. The land has restricted use by way of covenants and the trustees believe the value of these land holdings to be insignificant.

Reserves policy

The policy on reserves is, provided suitable projects can be identified, to expend funds as soon as expedient on the main charitable objectives and not accumulate them, save as is necessary for year to year operation.

Financial performance of the charity's subsidiary undertakings

The trading subsidiary of the charity Surrey and Hampshire Canal Cruises Limited has had a profitable trading year as summarised in Note 7 to the accounts. The trading company achieved profits of £10,385 (2018: £10,020), and has donated the whole of this sum to the charity since the year end.

The trading subsidiary of the charity John Pinkerton Canal Cruises Limited has had a profitable trading year as summarised in Note 7 to the accounts. The trading company achieved profits of £29,510 (2018: £20,859), and has donated the whole of this sum to the charity since the year end.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is governed by the memorandum and articles of association established under the Companies Acts. The charity is constituted as a company with a board of directors who are also trustees of the charity. The directors, acting as a body, are responsible for all policy and strategic decisions.

Recruitment and appointment of new trustees

The trustees are all volunteers and have not been specifically recruited.

Induction and training of new trustees

Certain trustees have, during the year, attended a local training event. New trustees, on induction, are offered appropriate Charity Commission material.

**Report of the Trustees
for the Year Ended 31 December 2019**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relationship between the charity and its subsidiaries.

The charity owns the beneficial interest in the whole of the share capital of two subsidiaries, Surrey & Hampshire Canal Cruises Limited and John Pinkerton Canal Cruises Limited and receives 100% of their annual profits by way of donation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01296593 (England and Wales)

Registered Charity number

273085

Registered office

Island House
Moor Road
Chesham
Buckinghamshire
HP5 1WA

Trustees

P Riley
R M Leech
G N A Faller
R Cansdale
J J Wall (resigned 18/5/2019)
R S King
K Redway
J B Hill
J E Buckley
T Inskip (resigned 18/6/2019)
K G Sankey
N R Sutherland
I C Moore (appointed 18/5/2019)
C M Griffiths (appointed 18/6/2019)

Company Secretary

C M Griffiths

Independent Examiner

A C Carpenter
Barnbrook Sinclair
Chartered Accountants
Chancery House
30 St Johns Road
Woking
Surrey
GU21 7SA

Approved by order of the board of trustees on 19 March 2020 and signed on its behalf by:

P Riley - Trustee



**Independent Examiner's Report to the Trustees of
Surrey & Hampshire Canal Society Limited**

Independent examiner's report to the trustees of Surrey & Hampshire Canal Society Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2019.

Responsibilities and basis of report

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

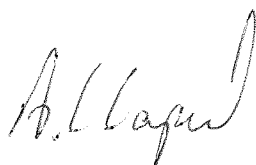
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

Independent examiner's statement

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

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

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



A C Carpenter
Barnbrook Sinclair
Chartered Accountants
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30 St Johns Road
Woking
Surrey
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19 March 2020

Surrey & Hampshire Canal Society Limited

Statement of Financial Activities
for the Year Ended 31 December 2019

	Notes	Unrestricted fund £	Restricted fund £	31/12/19 Total funds £	31/12/18 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		20,890	-	20,890	16,988
Charitable activities					
Covenanted profits of subsidiaries		43,495	-	43,495	34,479
Other trading activities	2	1,681	-	1,681	1,806
Investment income	3	273	-	273	202
Total		66,339	-	66,339	53,475
EXPENDITURE ON					
Raising funds					
Raising donations and legacies		65,808	-	65,808	79,232
		65,808	-	65,808	79,232
Other		2,350	-	2,350	2,301
Total		68,158	-	68,158	81,533
NET INCOME/(EXPENDITURE)		(1,819)	-	(1,819)	(28,058)
RECONCILIATION OF FUNDS					
Total funds brought forward		408,158	3,729	411,887	439,945
TOTAL FUNDS CARRIED FORWARD		406,339	3,729	410,068	411,887

The notes form part of these financial statements

Statement of Financial Position
31 December 2019

	Notes	Unrestricted fund £	Restricted fund £	31/12/19 Total funds £	31/12/18 Total funds £
FIXED ASSETS					
Tangible assets	6	90,854	-	90,854	91,798
Investments	7	101	-	101	101
		<u>90,955</u>	<u>-</u>	<u>90,955</u>	<u>91,899</u>
CURRENT ASSETS					
Debtors	8	155,351	-	155,351	152,939
Cash at bank		172,421	3,729	176,150	174,485
		<u>327,772</u>	<u>3,729</u>	<u>331,501</u>	<u>327,424</u>
CREDITORS					
Amounts falling due within one year	9	(12,388)	-	(12,388)	(7,436)
		<u>315,384</u>	<u>3,729</u>	<u>319,113</u>	<u>319,988</u>
NET CURRENT ASSETS					
		<u>406,339</u>	<u>3,729</u>	<u>410,068</u>	<u>411,887</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>406,339</u>	<u>3,729</u>	<u>410,068</u>	<u>411,887</u>
NET ASSETS					
		<u>406,339</u>	<u>3,729</u>	<u>410,068</u>	<u>411,887</u>
FUNDS					
Unrestricted funds	10			406,339	408,158
Restricted funds				3,729	3,729
TOTAL FUNDS					
				<u>410,068</u>	<u>411,887</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company 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 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.

Statement of Financial Position - continued
31 December 2019

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 on 19 March 2020 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P. Riley', written in a cursive style.

P Riley - Trustee

Surrey & Hampshire Canal Society Limited

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

1. ACCOUNTING POLICIES

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Plant and machinery - 10% on cost

Related party exemption

The charitable company 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.

Taxation

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

Fund accounting

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

Surrey & Hampshire Canal Society Limited

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

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2. OTHER TRADING ACTIVITIES

	31/12/19	31/12/18
	£	£
Fundraising activities	<u>1,681</u>	<u>1,806</u>

3. INVESTMENT INCOME

	31/12/19	31/12/18
	£	£
Deposit account interest	<u>273</u>	<u>202</u>

4. NET INCOME/(EXPENDITURE)

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

	31/12/19	31/12/18
	£	£
Depreciation - owned assets	<u>944</u>	<u>1,940</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' expenses

No expenses were paid to trustees, save minor travel costs and reimbursement of postage and stationery costs paid for on behalf of the charity.

Surrey & Hampshire Canal Society Limited

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

6. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Totals £
Cost				
At 1 January 2019 and 31 December 2019	86,054	12,993	27,325	126,372
Depreciation				
At 1 January 2019	-	12,993	21,581	34,574
Charge for year	-	-	944	944
At 31 December 2019	-	12,993	22,525	35,518
Net book value				
At 31 December 2019	86,054	-	4,800	90,854
At 31 December 2018	86,054	-	5,744	91,798

The value of the land and buildings is substantially the freehold land, and is therefore not depreciated.

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Market value	
At 1 January 2019 and 31 December 2019	101
Net book value	
At 31 December 2019	101
At 31 December 2018	101

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Surrey & Hampshire Canal Cruises Limited

Registered office:

Nature of business: Buying and selling goods and services

Class of share: % holding
Ordinary 100

	31/12/19 £	31/12/18 £
Aggregate capital and reserves	100	100
Profit for the year	10,385	10,020

Surrey & Hampshire Canal Society Limited

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

7. **FIXED ASSET INVESTMENTS - continued**

John Pinkerton Canal Cruises Limited

Registered office:

Nature of business: Provision of canal cruises

Class of share:	% holding	31/12/19	31/12/18
Ordinary	100	£	£
Aggregate capital and reserves		1	1
Profit for the year		<u>29,510</u>	<u>20,859</u>

The net profit of the subsidiaries is stated before charging covenanted donations to the holding company of £39,895 (2018: £30,879) and includes intergroup expenditure of £3,600 (2018: £3,600).

The main trading activity of the subsidiaries is the operation of passenger boat services on the Basingstoke Canal, including the sale of refreshments and merchandise.

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/19	31/12/18
	£	£
Amounts owed by group undertakings	155,351	150,876
Other debtors	-	2,063
	<u>155,351</u>	<u>152,939</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/19	31/12/18
	£	£
Other creditors	<u>12,388</u>	<u>7,436</u>

10. **MOVEMENT IN FUNDS**

	At 1/1/19	Net movement in funds	At 31/12/19
	£	£	£
Unrestricted funds			
General fund	408,158	(1,819)	406,339
Restricted funds			
Restricted Revenue Accumulated Funds	3,729	-	3,729
TOTAL FUNDS	<u>411,887</u>	<u>(1,819)</u>	<u>410,068</u>

Surrey & Hampshire Canal Society Limited

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

10. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	66,339	(68,158)	(1,819)
TOTAL FUNDS	<u>66,339</u>	<u>(68,158)</u>	<u>(1,819)</u>

Comparatives for movement in funds

	At 1/1/18 £	Net movement in funds £	At 31/12/18 £
Unrestricted funds			
General fund	436,216	(28,058)	408,158
Restricted funds			
Restricted Revenue Accumulated Funds	3,729	-	3,729
TOTAL FUNDS	<u>439,945</u>	<u>(28,058)</u>	<u>411,887</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	53,475	(81,533)	(28,058)
TOTAL FUNDS	<u>53,475</u>	<u>(81,533)</u>	<u>(28,058)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/18 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	436,216	(29,877)	406,339
Restricted funds			
Restricted Revenue Accumulated Funds	3,729	-	3,729
TOTAL FUNDS	<u>439,945</u>	<u>(29,877)</u>	<u>410,068</u>

Surrey & Hampshire Canal Society Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	119,814	(149,691)	(29,877)
	_____	_____	_____
TOTAL FUNDS	<u>119,814</u>	<u>(149,691)</u>	<u>(29,877)</u>

All the unrestricted funds of the charity are free from restrictions and may be applied towards the objects of the charity at the discretion of the trustees. Restricted funds are primarily assets set aside for works related to the ecology and environment of the canal.

11. RELATED PARTY DISCLOSURES

The charitable company 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.

12. SHARE CAPITAL

The charity is incorporated under the Companies Acts and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year after.