

Company registration number 10299996 (England and Wales)

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

COMPANY INFORMATION

Director	Mr I G Watson
Company number	10299996
Registered office	501 Birmingham New Road Dudley West Midlands DY1 4SB
Accountants	CK Accounting Services No 4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH
Business address	501 Birmingham New Road Dudley West Midlands DY1 4SB
Solicitors	Higgs LLP 3 Waterfront Business Park Brierley Hill West Midlands DY5 1LX

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

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DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The director presents his annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of preservation and development of the Dudley Canal network and public education.

Results and dividends

The introduction of a new Commercial Manager has seen benefits throughout the year. Aided by additional footfall, an increase in the shop turnover and profitability being of particular note. Our five-year plan to improve our catering offer is progressing well: however, a lot of work still remains in this area. Our usual Halloween and Christmas events were supplemented by a new Easter event, with all proving successful, especially the very popular Christmas event. We also have seen significant increases in sales in other areas, such as our dining boat and use of the Legger suite, with the public and corporate customers returning.

Towards the end of the year, a review, in association with our parent charity, concluded that a number of our activities will be undertaken by the charity from 2023. These are areas seen as primarily contributing to the charitable aims of the charity. Non-charitable events and those where the level of non-charitable activity is significant will remain within this company: these include the shop and use of the Legger suite for non-charity-linked events.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

T A Dix-Williams	(Resigned 23 January 2023)
P T Smith	(Resigned 24 January 2023)
Mr I G Watson	
L Head	(Resigned 23 January 2023)
M Parker	(Resigned 23 January 2023)

As the level of company activity was reduced, the number of Directors was adjusted to one in early 2023. Of the previous Directors: one remained on the Board as a Trustee of the parent charity (P T Smith); one became a Trustee for the charity (L Head); one being the CEO for the charity (T A Dix-Williams); and one left.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr I G Watson

Director

25 April 2023

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Dudley Canal and Tunnel Trust Enterprises Limited for the year ended 31 December 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the board of directors of Dudley Canal and Tunnel Trust Enterprises Limited, as a body, in accordance with the terms of our engagement letter dated 9 October 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Dudley Canal and Tunnel Trust Enterprises Limited and state those matters that we have agreed to state to the board of directors of Dudley Canal and Tunnel Trust Enterprises Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Dudley Canal and Tunnel Trust Enterprises Limited and its board of directors as a body, for our work or for this report.

It is your duty to ensure that Dudley Canal and Tunnel Trust Enterprises Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Dudley Canal and Tunnel Trust Enterprises Limited. You consider that Dudley Canal and Tunnel Trust Enterprises Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Dudley Canal and Tunnel Trust Enterprises Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

CK Accounting Services

25 April 2023

Chartered Accountants

No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Turnover	491,262	272,300
Cost of sales	(164,928)	(84,706)
	<hr/>	<hr/>
Gross profit	326,334	187,594
Administrative expenses	(269,309)	(198,283)
Other operating income	2,667	194,795
	<hr/>	<hr/>
Operating profit	59,692	184,106
Interest payable and similar expenses	(1,103)	(709)
	<hr/>	<hr/>
Profit before taxation	58,589	183,397
Tax on profit	-	-
	<hr/>	<hr/>
Profit for the financial year	<u>58,589</u>	<u>183,397</u>

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	3		4,880		5,635
Current assets					
Stocks		18,789		20,555	
Debtors	4	27,711		2,416	
Cash at bank and in hand		80,123		233,527	
		<u>126,623</u>		<u>256,498</u>	
Creditors: amounts falling due within one year	5	<u>(24,356)</u>		<u>(25,096)</u>	
Net current assets			<u>102,267</u>		<u>231,402</u>
Total assets less current liabilities			<u>107,147</u>		<u>237,037</u>
Creditors: amounts falling due after more than one year	6		<u>(41,204)</u>		<u>(46,759)</u>
Net assets			<u>65,943</u>		<u>190,278</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			65,942		190,277
Total equity			<u>65,943</u>		<u>190,278</u>

The notes on pages 6 to 9 form part of these financial statements.

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 25 April 2023 and are signed on its behalf by:

Mr I G Watson
Director

Company Registration No. 10299996

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2021		1	30,684	30,685
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	183,397	183,397
Distributions to parent charity under gift aid		-	(23,804)	(23,804)
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2021		1	190,277	190,278
Year ended 31 December 2022:				
Profit and total comprehensive income for the year		-	58,589	58,589
Distributions to parent charity under gift aid		-	(182,924)	(182,924)
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2022		1	65,942	65,943
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 6 to 9 form part of these financial statements.

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Dudley Canal and Tunnel Trust Enterprises Limited is a private company limited by shares incorporated in England and Wales. The registered office is 501 Birmingham New Road, Dudley, West Midlands, DY1 4SB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% straight line
Fixtures and fittings	10% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

An impairment review of fixed assets is carried out and a provision made where necessary.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	11	8

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2022 and 31 December 2022	7,601
Depreciation and impairment	
At 1 January 2022	1,966
Depreciation charged in the year	755
At 31 December 2022	2,721
Carrying amount	
At 31 December 2022	4,880
At 31 December 2021	5,635

4 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,617	1,497
Amounts owed by group undertakings	25,175	-
Other debtors	919	919
	27,711	2,416

DUDLEY CANAL AND TUNNEL TRUST ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	-	2,009
Amounts owed to group undertakings	-	11,180
Taxation and social security	23,529	11,078
Other creditors	827	829
	<u>24,356</u>	<u>25,096</u>

6 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	41,204	46,759
	<u>41,204</u>	<u>46,759</u>

7 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	1,616	2,694
	<u>1,616</u>	<u>2,694</u>

8 Parent company

The parent company of Dudley Canal and Trust Enterprises Limited is Dudley Canal and Tunnel Trust and its registered office is 501 Birmingham New Road, Dudley, West Midlands DY1 4SB.