

Charity registration number 1166460

Company registration number 09784120 (England and Wales)

DUDLEY CANAL AND TUNNEL TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

DUDLEY CANAL AND TUNNEL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C A Bennett R I Langford P T Smith J Deacon L Bradshaw K Williams A Truslove H O'Connor L Head BEM Dr M C Clark	(Appointed 20 February 2023) (Appointed 23 January 2023)
Charity number	1166460	
Company number	09784120	
Principal address	501 Birmingham New Road Dudley West Midlands DY1 4SB	
Auditor	CK Audit No 4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH	

DUDLEY CANAL AND TUNNEL TRUST

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DUDLEY CANAL AND TUNNEL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company governing document, the Companies Act 2006 and "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)".

Objectives and activities

The principle activity of the charity is the advancement of education for the public benefit, on the history, social history, heritage, economy, geology, geography, archaeology, architecture and other features of the Dudley canal tunnels, inland waterways, mines and its working boards; and the protection, preservation, conservation, maintenance, repair, improvement and development, to a navigable standard, of the Dudley canal tunnels, inland waterways, mines and working boats for the use and benefit of the public.

The strategies employed to achieve the charity's objectives are to:

- Develop an ambitious and forward-looking heritage attraction that celebrates its past achievements whilst looking to grow its infrastructure, develop its offer, reach a wider audience and be a vibrant part of the local community where it is situated.
- Offer opportunities for a broad range of people to become involved and engaged with the history of the tunnels, caverns, waterways and local area. This will be through offering boat trips into the tunnels on open water along with exhibitions and workshops, displays, events, talks, audio visual displays and hands on opportunities.
- Provide employment and volunteer opportunities and work with local community groups and networks and make our resources available to help them deliver their goals.
- Develop and deliver great quality formal and informal education activities for all ages. Become better known for our insight and creative use of our history, our resources, stories and our staff to produce specialist interpretive programs as well as family friendly and curriculum supporting workshops.
- Preserve the Caverns, Tunnels, Mines and Waterways under our care to the highest level. Developing specialist knowledge and approaches to this and sharing knowledge with the wider sector as best practice. Developing a stringent health and safety approach that ensures the safety of all who visit and work within the premises.
- To raise income through our activities to ensure we stay a viable and sustainable business and can further invest in the business. This can be done by selling trip tickets, commercial trade, promoting donations, gift aid and fundraising for our activities.
- To develop mutually supportive partnerships, project work and build relationships which adds to our offer, promotes what is so special about the area and help upskill our workforce, volunteers, operating approaches and activities.
- To raise the profile and awareness of the Trust and ensure all see us as an engaging, productive and professional organisation and heritage attraction. To operate with entrepreneurial flair and creativity and to trade ethically and fairly in all we do.
- To put the visitor at the heart of everything we do.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

DUDLEY CANAL AND TUNNEL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Executive Summary: 2023 marked a year of significant adaptation and growth for the Trust. Establishing new operational norms post-pandemic, the Trust successfully navigated the recovery phase, focusing on enhancing service offerings and departmental repositioning. Strategic investments in time and resources were made to improve performance and understand areas needing enhancement.

Operational Highlights:

- **Special Events:** The introduction of the Easter event significantly increased site footfall, marking a strong start to the season. The return of “Carols in the Cavern” and the early sell-out of Santa Boat Trips provided substantial boosts.
- **Paddle Boarding Initiative:** Aligning with our mission, the new paddle boarding experience emphasized the heritage of the tunnels and caverns, offering a unique engagement with our history.
- **Gongoozler Café Refurbishment:** The rebranding and refurbishment of the Gongoozler Café Restaurant were well-received, integrating it more closely with our visitor engagement strategy.
- **Product Development:** The “Crafted in the Black Country” range significantly enhanced our gift shop, emphasizing our themes, stories, and heritage.

Financial Performance:

- **Online Booking System:** The implementation of an online booking system for Underground Discovery Trips proved successful, improving operational efficiency and securing income.
- **Ticket Pricing:** Despite a ticket price increase, the Trust maintained competitive pricing, contributing to robust direct sales for boat trips.

Awards and Recognition:

- **Community Awards:** The Trust was honoured with the Dudley Borough Community Awards for Best Environmental Project and Business of the Year.
- **Individual Recognition:** Trustee Lyn Head received the British Empire medal, acknowledging her exceptional contributions to the Trust.
- **Rebranding and Marketing:** 2023 saw a real increase in rolling out our new contemporary branding and messaging and the returns for this with increased social media reach, filming enquiries and increased online sales.

Governance:

- **Chair:** Due to unexpected work commitments our new Chair had to step down, but the position was filled by a long-standing member of the Board, Mr Paul Smith who has a strong business and boating background.

Challenges:

- **Supply and Cost Management:** The Trust faced supply chain issues and rising costs, particularly within hospitality and maintenance departments.
- **Staffing:** Addressing increasing staff costs and minimum wage requirements remains challenging. However, the Trust’s commitment to staff training and development is unwavering, recognizing the team’s passion and the invaluable support of volunteers contributing approximately 10,000 hours annually.
- **Gift Aid:** Due to operational difficulties with the new till system the Trust suffered a shortfall in Gift Aid income.

Conclusion: The Trust’s dedication to its mission, innovative service offerings, and community engagement has led to a year of notable achievements amidst challenges. The collective efforts of staff and volunteers have been instrumental in the Trust’s success, setting a positive trajectory for the future.

DUDLEY CANAL AND TUNNEL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

Total income for the year amounted to £1,074,203 (2022 £978,383). Total expenditure amounted to £1,026,432 (2022 £1,048,860). This resulted in a net surplus for the year of £47,819 (2022 net deficit £70,987).

Reserves policy

Our unrestricted funds are freely available to spend on any of the charity's purposes in delivering our aims and keeping our business sustainable. Restricted funds and tangible fixed assets do not form part of our reserves. They are in place to protect the charity and its operations during down turns in business or other major occurrence to ensure it can continue to protect and preserve the unique environment in its care and engage the public with its historic importance. Reserves are also used to support new projects and activities which the Trust has identified as part of its business development and planning.

The Trust aims to maintain a minimum of £300,000 as reserves. This is calculated using the predicted three highest expenditure months for 2023 for non-discretionary spending. Where funds exceed this amount by more than £50,000 the Trust will review the reserve policy and either amend it or identify a way of using the funds to support the charity's objectives. Where funds fall below this amount the Trust will review a "Zero Level" approach, identifying the associated risks and mitigating them, building back reserves and diversifying the funding base.

Our readily available cash reserves are currently £327,201 which is slightly above our policy of £300,000. We also have £144,445 on fixed term deposit.

Risk management

The trustees have reviewed the major risks to which the charity is exposed and confirm that systems have been established to mitigate those risks. Particular attention has focused on non-financial risks arising from fire, health and safety of staff, trippers and audiences. A key element in the management of financial risk is the ongoing commitment to gain an increasing number of visitors by offering deals through various mediums, together with attending various community events.

Governing document and constitution

The company is limited by guarantee and hence there is no share capital.

Dudley Canal and Tunnel Trust is governed by its Memorandum and Articles of Association dated 18 September 2015. It is a registered charity with the Charity Commission.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

C A Bennett	
D M Caunt	(Resigned 28 March 2023)
R I Langford	
P T Smith	
J Deacon	
L Bradshaw	
K Williams	(Appointed 20 February 2023)
A Truslove	
H O'Connor	
L Head BEM	(Appointed 23 January 2023)
I Collins	(Resigned 22 November 2023)
Dr M C Clark	

Trustees' indemnity

The charity has Trustees' indemnity insurance in place.

DUDLEY CANAL AND TUNNEL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Organisational structure

The board of trustees, who meet bi-monthly administer the charity. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity and attend the bi-monthly board meetings to present the Chief Executive's report on the day to day running of the business.

A Finance and HR Manager looks after the Trusts finances and supports the Chief Executive on all HR issues. A Heritage Engagement Officer is responsible for the Trusts education offer as well as its volunteer programme. The Operations manager looks after the boat trips and health and safety requirements. All report to the Chief Executive.

Induction and training of new trustees

New trustees are briefed by the management regarding the operations and their legal obligations under charity and company law. They are also given a tunnel tour to obtain a better understanding of the company history and operations.

Related parties

The charity has a wholly-owned subsidiary, Dudley Canal and Tunnel Trust Enterprises Limited, a limited company whose purpose is to raise monies through commercial enterprise with the aim of profit making so that these profits may be gifted to Dudley Canal and Tunnel Trust to support their charitable purposes.

Auditor

In accordance with the company's articles, a resolution proposing that CK Audit be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

P T Smith

Trustee

Dated: 30 May 2024

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of Dudley Canal and Tunnel Trust for the purpose of company law, are responsible for preparing the Trustees' 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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 that 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.

DUDLEY CANAL AND TUNNEL TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DUDLEY CANAL AND TUNNEL TRUST

Opinion

We have audited the financial statements of Dudley Canal and Tunnel Trust (the 'charitable company') and its subsidiary ('the group') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DUDLEY CANAL AND TUNNEL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DUDLEY CANAL AND TUNNEL TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identified and assessed the risks of material misstatement of the financial statements, in respect of irregularities whether due to fraud or error, or non compliance with laws and regulations and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity by discussion and enquiry with the trustees and management team and our general knowledge and experience of the charity.

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities SORP, legislation, data protection, employment, and health and safety legislation;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing correspondence with relevant regulators.

Audit response to risks identified

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included but were not limited to:

- Discussions with trustees and management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Confirming our understanding of controls by performing a walk through test or observation and enquiry;
- Performing analytical procedures to identify any unusual or unexpected relationships;
- Challenging assumptions and judgements made by management in accounting for long term construction contracts including recognition of income and estimation of costs to complete;
- Identifying and testing journal entries;
- Reviewing unusual or unexpected transactions; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

DUDLEY CANAL AND TUNNEL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DUDLEY CANAL AND TUNNEL TRUST

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wendy Davies (Senior Statutory Auditor)
for and on behalf of CK Audit

3 June 2024

Chartered Accountants
Statutory Auditor

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

CK Audit is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	2	134,547	4,000	138,547	101,858	9,866	111,724
Charitable activities	4	761,923	-	761,923	711,792	-	711,792
Other trading activities	3	160,295	-	160,295	147,172	-	147,172
Investments	5	10,439	-	10,439	264	-	264
Other income	6	3,126	-	3,126	7,431	-	7,431
Total income		1,070,330	4,000	1,074,330	968,517	9,866	978,383
Expenditure on:							
Raising funds	7	70,482	-	70,482	72,350	-	72,350
Charitable activities	8	954,469	546	955,015	960,764	14,643	975,407
Other expenditure	14	935	-	935	1,103	-	1,103
Total expenditure		1,025,886	546	1,026,432	1,034,217	14,643	1,048,860
Net gains/(losses) on investments	13	48	-	48	(510)	-	(510)
Net income/(expenditure) and movement in funds		44,492	3,454	47,946	(66,210)	(4,777)	(70,987)
Reconciliation of funds:							
Fund balances at 1 January 2023		432,743	2,880	435,623	498,953	7,657	506,610
Fund balances at 31 December 2023		477,235	6,334	483,569	432,743	2,880	435,623

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 13 to 28 form part of these financial statements.

DUDLEY CANAL AND TUNNEL TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		45,067		44,337
Investments	17		11,552		11,504
			<u>56,619</u>		<u>55,841</u>
Current assets					
Stocks	19	30,795		18,789	
Debtors	20	8,812		78,020	
Investments	21	144,445		162,000	
Cash at bank and in hand		344,321		212,058	
		<u>528,373</u>		<u>470,867</u>	
Creditors: amounts falling due within one year	23	(65,805)		(49,881)	
Net current assets			<u>462,568</u>		<u>420,986</u>
Total assets less current liabilities			<u>519,187</u>		<u>476,827</u>
Creditors: amounts falling due after more than one year	24		(35,618)		(41,204)
Net assets excluding pension liability			<u>483,569</u>		<u>435,623</u>
Net assets			<u><u>483,569</u></u>		<u><u>435,623</u></u>
The funds of the charitable company					
Restricted income funds	26		6,334		2,880
Unrestricted funds			477,235		432,743
			<u>483,569</u>		<u>435,623</u>

The notes on pages 13 to 28 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

DUDLEY CANAL AND TUNNEL TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

The financial statements were approved by the trustees on 31 May 2024

P T Smith
Trustee

Company registration number 09784120 (England and Wales)

DUDLEY CANAL AND TUNNEL TRUST

PARENT CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	16		40,947		39,456
Investments	17		11,551		11,503
			<u>52,498</u>		<u>50,959</u>
Current assets					
Stocks	19	8,378		-	
Debtors	20	5,778		75,485	
Investments	21	144,445		162,000	
Cash at bank and in hand		288,381		131,935	
		<u>446,982</u>		<u>369,420</u>	
Creditors: amounts falling due within one year	23	(68,147)		(50,700)	
Net current assets			<u>378,835</u>		<u>318,720</u>
Total assets less current liabilities			<u>431,333</u>		<u>369,679</u>
			<u><u>431,333</u></u>		<u><u>369,679</u></u>
Income funds					
Restricted funds	26		6,334		2,880
Unrestricted funds			424,999		366,799
			<u>431,333</u>		<u>369,679</u>
			<u><u>431,333</u></u>		<u><u>369,679</u></u>

The notes on pages 13 to 28 form part of these financial statements.

The net result reported in the Statement of Financial Activities of the parent charity for the year was £61,528 (2022: £53,348).

The financial statements were approved by the Trustees on 31 May 2024

P T Smith
Trustee

Company registration number 09784120

DUDLEY CANAL AND TUNNEL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Dudley Canal and Tunnel Trust is a charitable company incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 501 Birmingham New Road, Dudley, West Midlands DY1 4SB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company governing document, the Companies Act 2006 and "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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable 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 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

No amount is included in the financial statements for volunteer time in line with SORP (FRS102).

Grants are included in incoming resources when they are receivable. Performance related grants are deferred and released after any performance conditions are met.

DUDLEY CANAL AND TUNNEL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that a settlement will be required and the amount of the obligation can be measured reliably. Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

1.6 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:

Leasehold buildings	10% straight line
Boats and equipment	20% reducing balance and at varying rates on cost
Office furniture and equipment	20% reducing balance

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 recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

DUDLEY CANAL AND TUNNEL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

1.11 Financial instruments

The charitable 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 charitable company's balance sheet when the charitable 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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	31		119,756		(57,498)
Investing activities					
Purchase of tangible fixed assets		(9,902)		-	
Purchase of investments		-		(10,004)	
Transfer (in)/out of short term investments		17,555		(162,000)	
Investment income received		10,439		264	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			18,092		(171,740)
Financing activities					
Repayment of bank loans		(5,585)		(5,555)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(5,585)		(5,555)
			<u> </u>		<u> </u>
Net increase/(decrease) in cash and cash equivalents			132,263		(234,793)
Cash and cash equivalents at beginning of year			212,058		446,851
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			344,321		212,058
			<u> </u>		<u> </u>

The notes on pages 13 to 28 form part of these financial statements.

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	134,547	4,000	138,547	90,899	9,866	100,765
Grants received	-	-	-	10,959	-	10,959
	<u>134,547</u>	<u>4,000</u>	<u>138,547</u>	<u>101,858</u>	<u>9,866</u>	<u>111,724</u>
Donations and gifts						
Donations	11,631	4,000	15,631	1,097	31	1,128
Donations from Dudley Canal Trust	98,119	-	98,119	10,168	9,835	20,003
Donation from Dudley Canal Trust (Trips) Limited	-	-	-	3,375	-	3,375
Gift aid	24,670	-	24,670	76,259	-	76,259
Other	127	-	127	-	-	-
	<u>134,547</u>	<u>4,000</u>	<u>138,547</u>	<u>90,899</u>	<u>9,866</u>	<u>100,765</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Donations and legacies (Continued)

Grants receivable for core activities

Other	-	-	-	10,959	-	10,959
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,959</u>	<u>-</u>	<u>10,959</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,959</u>	<u>-</u>	<u>10,959</u>

3 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	135,188	129,609
Letting and licensing arrangements	7,025	5,751
Catering	18,082	11,812
	<u>160,295</u>	<u>147,172</u>
Other trading activities	<u>160,295</u>	<u>147,172</u>

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Boat income	404,961	382,359
Workshop income	13,438	12,673
Admissions and booking fees	10,978	6,812
Membership	918	829
Rental income	1,880	4,812
Event income	137,031	137,781
Cruises	5,401	3,722
Cafe	187,316	162,804
	<u>761,923</u>	<u>711,792</u>
	<u>761,923</u>	<u>711,792</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	549	264
Interest receivable	9,890	-
	<u>10,439</u>	<u>264</u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	3,126	7,431
	<u>3,126</u>	<u>7,431</u>

7 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Trading costs		
Direct costs	70,482	72,350
	<u>70,482</u>	<u>72,350</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

	Direct costs 2023 £	Direct costs 2022 £
Staff costs	487,428	426,877
Depreciation and impairment	7,396	7,729
Electric, gas, telephone and water	49,771	42,671
Insurance	23,823	21,899
Maintenance and upkeep	30,027	53,512
Marketing advertising and PR	18,326	17,793
Service contracts	7,700	6,712
Heritage activities and donations	626	8
Health and safety	2,460	1,896
Consumables	2,016	1,812
Volunteer expenses	-	121
Activities and events	213	443
Events	25,000	22,204
Commission	24,520	24,068
Rent	39,400	142,872
Cruises	1,509	1,867
Specific Historic England spend	-	42
Cafe	76,468	68,507
	<u>796,683</u>	<u>841,033</u>
Share of support and governance costs (see note 10)		
Support	145,996	125,808
Governance	12,336	8,566
	<u>955,015</u>	<u>975,407</u>
Analysis by fund		
Unrestricted funds	954,469	960,764
Restricted funds	546	14,643
	<u>955,015</u>	<u>975,407</u>

Rent, rates and insurance for 2023 includes rent paid to Dudley Canal Trust (Trips) Limited amounting to £36,800 (2022 - £141,000).

9 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,450	-
Depreciation of owned tangible fixed assets	9,171	10,010
	<u>7,450</u>	<u>10,010</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs

	Support costs	Governance costs	2023 Support costs	Governance costs	2022
	£	£	£	£	£
Staff costs	86,390	-	86,390	81,567	81,567
Depreciation	1,775	-	1,775	2,282	2,282
Service costs	31,321	-	31,321	19,650	19,650
Directors expenses	574	-	574	1,975	1,975
Motor travel and entertaining	273	-	273	237	237
Legal and professional fees	2,163	-	2,163	2,140	2,140
Audit and accountancy	-	-	-	79	79
Bank charges	23,500	-	23,500	17,878	17,878
Audit fees	-	7,450	7,450	-	-
Legal and professional	-	1,661	1,661	-	4,639
Accountancy and payroll services	-	3,225	3,225	-	3,927
	<u>145,996</u>	<u>12,336</u>	<u>158,332</u>	<u>125,808</u>	<u>134,374</u>
Analysed between					
Charitable activities	<u>145,996</u>	<u>12,336</u>	<u>158,332</u>	<u>125,808</u>	<u>134,374</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	7	4
Operational	30	28
Total	<u>37</u>	<u>32</u>

Employment costs

	2023 £	2022 £
Wages and salaries	528,731	469,819
Social security costs	34,951	31,863
Other pension costs	10,136	6,762
	<u>573,818</u>	<u>508,444</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 to £70,000	1	1

Remuneration of key management personnel

	2023 £	2022 £
Aggregate compensation	67,834	61,138

The Trust considers its key management personnel to be the Chief Executive. The employee benefits of key management personnel amounted to £67,834 (2022: £61,138).

13 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	48	(510)

14 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Financing costs	935	1,103

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Tangible Fixed Assets - Group

	Leasehold buildings	Boats and equipment	Office furniture and equipment	Total
	£	£	£	£
Cost				
At 1 January 2023	2,350	236,436	33,572	272,358
Additions	9,303	-	599	9,902
	<u>11,653</u>	<u>236,436</u>	<u>34,171</u>	<u>282,260</u>
At 31 December 2023				
Depreciation and impairment				
At 1 January 2023	447	197,232	30,343	228,022
Depreciation charged in the year	235	8,178	758	9,171
	<u>682</u>	<u>205,410</u>	<u>31,101</u>	<u>237,193</u>
At 31 December 2023				
Carrying amount				
At 31 December 2023	10,971	31,026	3,070	45,067
	<u>1,903</u>	<u>39,390</u>	<u>3,044</u>	<u>44,337</u>
At 31 December 2022				

Tangible Fixed Assets - Charity

	Leasehold buildings	Boats and equipment	Office furniture and equipment	Total
	£	£	£	£
Cost				
At 1 January 2023	2,350	229,393	33,014	264,757
Additions	9,303	-	599	9,902
	<u>11,653</u>	<u>229,393</u>	<u>33,613</u>	<u>274,659</u>
At 31 December 2023				
Depreciation and impairment				
At 1 January 2023	447	194,511	30,343	225,301
Depreciation charged in the year	235	7,474	702	8,411
	<u>682</u>	<u>201,985</u>	<u>31,045</u>	<u>233,712</u>
At 31 December 2023				
Carrying amount				
At 31 December 2023	10,971	27,408	2,568	40,947
	<u>1,903</u>	<u>34,882</u>	<u>2,671</u>	<u>39,456</u>
At 31 December 2022				

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

17 Fixed asset investments Group and parent

	Listed investments £
Cost or valuation	
At 1 January 2023	11,504
Valuation changes	48
	<hr/>
At 31 December 2023	11,552
	<hr/>
Carrying amount	
At 31 December 2023	11,552
	<hr/> <hr/>
At 31 December 2022	11,504
	<hr/> <hr/>

	Notes	2023 £	2022 £
Other investments (Charity only) comprise:			
Investments in subsidiaries		1	1
		<hr/> <hr/>	<hr/> <hr/>

The Charity holds 100% of the issued Ordinary Shares of Dudley Canal and Tunnel Trust Enterprises Limited. This wholly-owned subsidiary undertakes on-site trading to support the charitable activities of the Charity. At 31 December 2023, its net assets and shareholder's funds amounted to £52,234 (2022: £65,942).

18 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	144,445	162,000
	<hr/> <hr/>	<hr/> <hr/>

19 Stocks

	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Finished goods and goods for resale	30,795	18,789	8,378	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Debtors

	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Amounts falling due within one year:				
Trade debtors	4,877	9,135	2,762	7,519
Other debtors	919	66,600	-	65,681
Prepayments and accrued income	3,016	2,285	3,016	2,285
	<u>8,812</u>	<u>78,020</u>	<u>5,778</u>	<u>75,485</u>

Other debtors in the charity relates to gift aid claims yet to be received.

21 Current asset investments

	2023 £	2022 £
Fixed term bonds	144,445	162,000
	<u>144,445</u>	<u>162,000</u>

22 Loans and overdrafts

	2023 £	2022 £
Bank loans	35,618	41,204
	<u>35,618</u>	<u>41,204</u>
Payable after one year	35,618	41,204
	<u>35,618</u>	<u>41,204</u>

23 Creditors: amounts falling due within one year

	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Other taxation and social security	36,353	34,847	33,878	11,318
Trade creditors	11,100	6,407	10,750	6,407
Amounts owed to subsidiary undertakings	-	-	7,453	25,175
Other creditors	2,713	1,840	2,027	1,813
Accruals and deferred income	15,639	6,787	14,039	5,987
	<u>65,805</u>	<u>49,881</u>	<u>68,147</u>	<u>50,700</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Creditors: amounts falling due after more than one year

	Notes	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Bank loans	22	35,618	41,204	-	-

25 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,136	6,762

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

26 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
Richardson Foundation	-	4,000	-	4,000
Historic England	2,880	-	(546)	2,334
	<u>2,880</u>	<u>4,000</u>	<u>(546)</u>	<u>6,334</u>

Previous year:

	At 1 January 2022 £	Incoming resources £	Resources expended £	At 31 December 2022 £
Richardson foundation	2,000	-	(2,000)	-
Harry Payne	-	31	(31)	-
Dudley No. 2 Canal Project	-	9,835	(9,835)	-
Historic England	5,657	-	(2,777)	2,880
	<u>7,657</u>	<u>9,866</u>	<u>(14,643)</u>	<u>2,880</u>

The balance on the Historic England restricted fund includes £2,057 relating to fixed assets which are being depreciated on a 20% reducing balance basis.

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

27 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	432,743	1,070,330	(1,025,886)	48	477,235
	<u>432,743</u>	<u>1,070,330</u>	<u>(1,025,886)</u>	<u>48</u>	<u>477,235</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	498,953	968,517	(1,034,217)	(510)	432,743
	<u>498,953</u>	<u>968,517</u>	<u>(1,034,217)</u>	<u>(510)</u>	<u>432,743</u>

28 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	43,010	2,057	45,067
Investments	11,552	-	11,552
Current assets/(liabilities)	457,745	4,823	462,568
Long term liabilities	(35,618)	-	(35,618)
	<u>476,689</u>	<u>6,880</u>	<u>483,569</u>
Per balance sheet	477,235	6,334	483,569
Balance to allocate	546	(546)	-
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
At 31 December 2022:			
Tangible assets	41,766	2,571	44,337
Investments	11,504	-	11,504
Current assets/(liabilities)	420,677	309	420,986
Long term liabilities	(41,204)	-	(41,204)
	<u>432,743</u>	<u>2,880</u>	<u>435,623</u>

DUDLEY CANAL AND TUNNEL TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

29 Related party transactions

Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

During the year a trustee of the charity gained income from the charity through her professional services and wares amounting to £804.

During the year the wife of a trustee of the charity gained income from the charity through selling her wares amounting to £996.

30 Results of the Charity's Subsidiary Trading Company

The Charity (parent) wholly owns a trading subsidiary which is incorporated in the UK and has the same registered office as the Charity. The subsidiary undertaking, Dudley Canal and Tunnel Trust Enterprises Limited (Company Registration No. 10299996) operates the ancillary commercial activities connected to the activities of Dudley Canal and Tunnel Trust. The trading company donates its' taxable profit to the Trust as unrestricted funds. A summary of the results is set out below. Separate unaudited accounts have been filed with the Registrar of Companies, with the same accounting reference date as the Charity.

Profit & Loss Account	2023	2022
	£	£
Turnover	185,028	491,262
Cost of sales	(70,482)	(164,928)
Gross profit	115,032	326,334
Administrative expenses	(68,462)	(269,309)
Operating profit	46,570	59,692
Interest payable/receivable	(449)	(1,103)
Profit for year before and after taxation	45,635	58,589

31 Cash generated from operations	2023	2022
	£	£
Surplus/(deficit) for the year	47,946	(70,987)
Adjustments for:		
Investment income recognised in statement of financial activities	(10,439)	(264)
Fair value gains and losses on investments	(48)	510
Depreciation and impairment of tangible fixed assets	9,171	10,011
Movements in working capital:		
(Increase)/decrease in stocks	(12,006)	1,766
Decrease/(increase) in debtors	69,208	(11,875)
Increase in creditors	15,924	13,341
Cash generated from/(absorbed by) operations	119,756	(57,498)
Per cash flow statement page	119,756	(57,498)