

Charity registration number 514219

Company registration number 01739659 (England and Wales)

DUDLEY CANAL TRUST (TRIPS) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

DUDLEY CANAL TRUST (TRIPS) LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Trustees' report | 1 - 2 |
| Independent examiner's report | 3 |
| Statement of financial activities | 4 |
| Balance sheet | 5 |
| Notes to the financial statements | 6 - 12 |

DUDLEY CANAL TRUST (TRIPS) LIMITED

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 charity's 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

In January 2018 the activities of the charity were transferred to Dudley Canal and Tunnel Trust and its subsidiary company. The aim was to merge this charity with Dudley Canal and Tunnel Trust: however, the legal complexities and financial costs have led to a change in direction. This charity now continues as custodian of the Portal Building, upon which a loan is secured. This enables separation between Dudley Canal and Tunnel Trust and the building asset, as good practice. The Trustees are the same for both this charity and Dudley Canal and Tunnel Trust, enabling no conflict between the two charities.

Public benefit

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

Financial review

Total incoming resources for the year amounted to £36,800 (2022 £141,000). Total resources expended were £26,099 (2022 -£66,821). Total funds at the end of the year amounted to £618,888 (2022 £608,187).

Major risks

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

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

L Bradshaw

Dr M C Clark

I Collins

(Resigned 22 November 2023)

J Deacon

R I Langford

H O'Connor

P T Smith

A Truslove

K J Williams

(Appointed 20 February 2023)

D M Caunt

(Resigned 28 March 2023)

L Head BEM

(Appointed 23 January 2023)

Recruitment and appointment of 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. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The board of trustees administer the Charity and meet annually.

DUDLEY CANAL TRUST (TRIPS) LIMITED

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

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

P T Smith
Trustee

30 May 2024

DUDLEY CANAL TRUST (TRIPS) LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DUDLEY CANAL TRUST (TRIPS) LIMITED

I report to the trustees on my examination of the financial statements of Dudley Canal Trust (Trips) Limited (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Wendy Davies FCA

Dated: 30 May 2024

DUDLEY CANAL TRUST (TRIPS) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|--|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Income from: | | | | | | | |
| Charitable activities | 2 | 6,992 | 29,808 | 36,800 | 141,000 | - | 141,000 |
| Total income | | 6,992 | 29,808 | 36,800 | 141,000 | - | 141,000 |
| Expenditure on: | | | | | | | |
| Charitable activities | 3 | 7,262 | 18,837 | 26,099 | 58,421 | 8,400 | 66,821 |
| Total expenditure | | 7,262 | 18,837 | 26,099 | 58,421 | 8,400 | 66,821 |
| Net income/(expenditure) | | (270) | 10,971 | 10,701 | 82,579 | (8,400) | 74,179 |
| Transfers between funds | | - | - | - | (73,900) | 73,900 | - |
| Net movement in funds | 5 | (270) | 10,971 | 10,701 | 8,679 | 65,500 | 74,179 |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 January 2023 | | 147,397 | 460,790 | 608,187 | 138,718 | 395,290 | 534,008 |
| Fund balances at 31 December 2023 | | 147,127 | 471,761 | 618,888 | 147,397 | 460,790 | 608,187 |

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 6 to 12 form part of these financial statements.

DUDLEY CANAL TRUST (TRIPS) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|--|-------|-----------------|------------------|-----------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 976,642 | | 990,683 |
| Current assets | | - | | - | |
| Creditors: amounts falling due within one year | 10 | <u>(43,457)</u> | | <u>(44,284)</u> | |
| Net current liabilities | | | <u>(43,457)</u> | | <u>(44,284)</u> |
| Total assets less current liabilities | | | 933,185 | | 946,399 |
| Creditors: amounts falling due after more than one year | 11 | | <u>(314,297)</u> | | <u>(338,212)</u> |
| Net assets | | | <u>618,888</u> | | <u>608,187</u> |
| Income funds | | | | | |
| Restricted funds | 12 | | 471,761 | | 460,790 |
| Unrestricted funds | | | <u>147,127</u> | | <u>147,397</u> |
| | | | <u>618,888</u> | | <u>608,187</u> |

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.

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.

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 Trustees on 30 May 2024

P T Smith
Trustee

Company Registration No. 01739659

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Dudley Canal Trust (Trips) Limited is a private company limited by guarantee incorporated in England and Wales. 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 charity's 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 charity is a Public Benefit Entity as defined by FRS 102.

The charity 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 charity. 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 charity 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 charity 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.

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 governance costs .

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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:

| | |
|-------------------------|--|
| Portal | straight line over the term of the lease |
| Leasehold improvements | straight line over the term of the lease |
| Tunnel improvements | 20% reducing balance |
| Booking office and shed | 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 Impairment of fixed assets

At each reporting end date, the charity 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).

1.8 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.

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 charity's contractual obligations expire or are discharged or cancelled.

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Income from charitable activities

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Rental income | 6,992 | 29,808 | 36,800 | 141,000 | - | 141,000 |

3 Expenditure on charitable activities

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|------------------------------------|----------------------------------|--------------------|--------------------|
| Direct costs | | | | |
| Depreciation and impairment | 5,641 | 8,400 | 14,041 | 14,408 |
| Fund transferred to Dudley Canal and Tunnel Trust | - | - | - | 3,375 |
| Release of capital grant | (827) | - | (827) | (742) |
| Loan interest | 2,448 | 10,437 | 12,885 | 49,764 |
| | 7,262 | 18,837 | 26,099 | 66,805 |
| Share of support and governance costs (see note 4) | | | | |
| Support | - | - | - | 16 |
| | 7,262 | 18,837 | 26,099 | 66,821 |

4 Support costs allocated to activities

| | 2023 £ | 2022 £ |
|---------------|-----------|-----------|
| Bank interest | - | 16 |

5 Net movement in funds

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| The net movement in funds is stated after charging/(crediting): | | |
| Depreciation of owned tangible fixed assets | 14,041 | 14,408 |

6 Trustees

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

7 Taxation

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

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Tangible fixed assets

| | Portal £ | Leasehold improvements £ | Tunnel improvements £ | Booking office and shed £ | Total £ |
|------------------------------------|-------------|--------------------------------|-----------------------------|---------------------------------|------------|
| Cost | | | | | |
| At 1 January 2023 | 3,599,859 | 97,226 | 42,754 | 50,266 | 3,790,105 |
| At 31 December 2023 | 3,599,859 | 97,226 | 42,754 | 50,266 | 3,790,105 |
| Depreciation and impairment | | | | | |
| At 1 January 2023 | 2,655,968 | 57,786 | 40,850 | 44,818 | 2,799,422 |
| Depreciation charged in the year | 10,370 | 2,200 | 381 | 1,090 | 14,041 |
| At 31 December 2023 | 2,666,338 | 59,986 | 41,231 | 45,908 | 2,813,463 |
| Carrying amount | | | | | |
| At 31 December 2023 | 933,521 | 37,240 | 1,523 | 4,358 | 976,642 |
| At 31 December 2022 | 943,891 | 39,440 | 1,904 | 5,448 | 990,683 |

An independent valuation of the Portal building was carried out to provide a market valuation at which the building will be transferred to Dudley Canal and Tunnel Trust. The impairment represents the difference between the net book value at 31 August 2018 and the market value of £975,000.

9 Loans and overdrafts

| | 2023 £ | 2022 £ |
|-------------------------|-----------|-----------|
| Other loans | 351,097 | 375,012 |
| Payable within one year | 36,800 | 36,800 |
| Payable after one year | 314,297 | 338,212 |

The long-term loan is from the Local Enterprise Partnership and is secured against the Portal building.

10 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|-----------------|-----------|-----------|
| Borrowings | 36,800 | 36,800 |
| Other creditors | 6,657 | 7,484 |
| | 43,457 | 44,284 |

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Creditors: amounts falling due within one year (Continued)

Other creditors are the deferred release of a capital grant from Advantage West Midlands in 2001, expiring in 2031.

11 Creditors: amounts falling due after more than one year

| | 2023 £ | 2022 £ |
|------------|----------------|----------------|
| Borrowings | 314,297 | 338,212 |
| | <u>314,297</u> | <u>338,212</u> |

A fixed charge dated 13 February 2014 was created between Dudley Canal Trust (Trips) Limited and The Metropolitan Borough Council of Dudley. The charge is over the leasehold land registered at H M Land Registry under title MM20235 being Todds End Field, Birmingham New Road, Dudley together with all the buildings and fixtures from time to time and the benefit of all rights, easements and privileges appurtenant to or benefiting from the same. The creation of the charge related to the European Regional Development grant. A further three charges dated 19 February 2015 were created between the charity and the National Heritage Memorial Fund, The Metropolitan Borough Council of Dudley and the Metropolitan Borough Council of Sandwell. The charges are over the buildings and fixtures.

12 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.

| | Movement in funds | | | | | | |
|-----------------|------------------------------|-----------------------|---------------|------------------------------|-----------------------|-----------------------|-----------------------------------|
| | Balance at 1 January 2022 | Resources expended | Transfers | Balance at 1 January 2023 | Incoming resources | Resources expended | Balance at 31 December 2023 |
| | £ | £ | £ | £ | £ | £ | £ |
| The Portal Fund | 395,290 | (8,400) | 73,900 | 460,790 | 29,808 | (18,837) | 471,761 |
| | <u>395,290</u> | <u>(8,400)</u> | <u>73,900</u> | <u>460,790</u> | <u>29,808</u> | <u>(18,837)</u> | <u>471,761</u> |

13 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 | Transfers | At 31 December 2023 |
|---------------|----------------------|-----------------------|-----------------------|-----------|---------------------------|
| | £ | £ | £ | £ | £ |
| General funds | 147,397 | 6,992 | (7,262) | - | 147,127 |
| | <u>147,397</u> | <u>6,992</u> | <u>(7,262)</u> | <u>-</u> | <u>147,127</u> |

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Unrestricted funds (Continued)

| Previous year: | At 1 January 2022 | Incoming resources | Resources expended | Transfers | At 31 December 2022 |
|----------------|----------------------|-----------------------|-----------------------|-----------|---------------------------|
| | £ | £ | £ | £ | £ |
| General funds | 138,718 | 141,000 | (58,421) | (73,900) | 147,397 |

14 Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| At 31 December 2023: | | | |
| Tangible assets | 220,491 | 756,151 | 976,642 |
| Current assets/(liabilities) | (13,649) | (29,808) | (43,457) |
| Long term liabilities | (59,715) | (254,582) | (314,297) |
| | <u>147,127</u> | <u>471,761</u> | <u>618,888</u> |
| | | | |
| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
| At 31 December 2022: | | | |
| Tangible assets | 226,133 | 764,550 | 990,683 |
| Current assets/(liabilities) | (14,476) | (29,808) | (44,284) |
| Long term liabilities | (64,260) | (273,952) | (338,212) |
| | <u>147,397</u> | <u>460,790</u> | <u>608,187</u> |

DUDLEY CANAL TRUST (TRIPS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Operating lease commitments

Lessee

A lease is in place relating to land at Todd's end. The rental payments are made by Dudley Canal and Tunnel Trust. At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2023 | 2022 |
|----------------------------|----------------|----------------|
| | £ | £ |
| Within one year | 2,600 | 2,600 |
| Between two and five years | 10,400 | 10,400 |
| In over five years | 216,667 | 219,267 |
| | <u>229,667</u> | <u>232,267</u> |