

ROCHDALE CANAL TRUST LIMITED

CHARITY REGISTRATION No. 519888

COMPANY REGISTRATION No. 1985865

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST MARCH 2000



A21
COMPANIES HOUSE

KAPPAWHS

0575
07/12/00

ROCHDALE CANAL TRUST LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2000

CONTENTS

Annual Report	Page 1
Statement of responsibilities	Page 2
Report of the Auditors	Page 3
Statement of Financial Activities (incorporating Statutory Income & Expenditure Account)	Page 4
Balance Sheet	Page 5
Notes to the Financial Statements	Page 6

ROCHDALE CANAL TRUST LIMITED**ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2000**

In order to conform to the requirements of the Companies Act and the Charities Act, this is the combined report of the Council of Management of the Company and of the Council members acting as Trustees of the Charity.

LEGAL AND ADMINISTRATIVE INFORMATION

The Rochdale Canal Trust Limited was incorporated in England and Wales on 4th February 1986 and is a charitable company, limited by guarantee. As such its governing instrument is its memorandum and articles of association. Its company registration number is 1985865 and its charity registration number is 519888.

COUNCIL OF MANAGEMENT

Calderdale M.B.C.	Councillor D T Shutt	(appointed 26.05.99) (resigned 17.05.00)
	Councillor J E Sharp	(appointed 23.05.00)
	Councillor L Riordan	(alternate - resigned 17.05.00)
	Councillor L M Stott	(alternate - appointed 23.05.00)
	Mrs C Downs	(resigned 31.10.99)
	Mr B Mowforth	(alternate)
Oldham M.B.C.	Councillor S Jacobs	(resigned 17.05.00)
	Councillor E C Ritchie	(appointed 17.05.00)
	Councillor J Greenwood	(alternate - resigned 17.05.00)
	Councillor D Phelan	(alternate - appointed 17.05.00)
	Mr C Smith	(resigned 01.10.99)
	Mr A Kilburn	(appointed 01.10.99)
	Mr P Fenton	(alternate)
Rochdale M.B.C.	Councillor A Brett	
	Councillor D Murphy	(alternate - resigned 24.05.00)
	Councillor A J Godson	(alternate - appointed 24.05.00)
	Mrs F Done	(resigned 24.05.00)
	Mr R M Ellis	(appointed 24.05.00)
	(Mr A Zuntz	(alternate)
TREASURER:	P Fenton	
SECRETARY:	G Smith	
OBSERVERS:		
Manchester C.C.	Mr N Bodman	
	Councillor K Franklin	
	Councillor P Morrison (deputy)	

REGISTERED OFFICE:

Civic Centre
West Street
Oldham
OL1 1UH

AUDITORS:

KPMG
St James Square
Manchester
M2 6DF

BANKERS:

National Westminster Bank PLC
10 Yorkshire St
Oldham
OL1 1QT

Co-Operative Bank PLC
35b The Spindles
Oldham
OL1 1HE

LEGAL ADVISORS:

Masons Solicitors
8 Exchange Quay
Salford Quays
Manchester

None of the Council of Management had any beneficial interests requiring disclosure.

The members of the Council of Management are representatives of the three constituent local authorities, namely Calderdale, Oldham and Rochdale Metropolitan Borough Councils. Two members represent each of the above bodies, with each member having an alternate. Thus there are normally six serving members of the Council of Management, who meet periodically throughout the year.

The auditors, KPMG, retire from office in accordance with the provisions of the Companies Act 1985 and offer themselves for re-appointment.

COUNCIL OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31ST MARCH 2000

The Rochdale Canal Trust's primary objective is to secure the restoration of the whole length of the canal for navigation and its maintenance for the future. This will lead to the creation of a new strategic trans pennine navigation ring with the Huddersfield Canal, resulting in long term extensive economic, environmental and social gains.

Members of the Trust include Calderdale, Rochdale and Oldham Metropolitan Borough Councils, with Manchester City Council having observer status. Whilst the canal in Calderdale has already been restored for navigation, along with a short length named "The Rochdale Nine" in Manchester, approximately 15 miles of the total 32 mile length in Lancashire is still closed for navigation.

The total remaining restoration project cost of £23.8m will be funded by The Millennium Commission (£11.9m), English Partnerships (£10.8m via The Regional Development Agency) and The Rochdale Canal Trust (£1.1m).

An Advanced Programme of Stand Alone schemes costing £1.5m was completed in the spring of 1999. Design work on the remaining schemes and negotiations with land owners regarding land acquisition continued, with the aim of starting work on site in the summer of 2000.

During the last 12 months new arrangements have been established for the restoration of the canal, and its future operation and management. Under these arrangements The Waterways Trust (TWT), will replace the Rochdale Canal Trust (RCT) as grant recipient and British Waterways will maintain the canal in the long term. In order to implement the project the constituent Local Authorities of the RCT will act as Consultant Engineers.

In the meantime the Trust has continued to liaise with user groups of the canal and work in partnership with British Waterways on fundraising.

The Trust is now engaged in finalising the revised working arrangements with British Waterways and establishing mechanisms to monitor the project and resulting regeneration, environmental and social benefits.

The financial results for the year and the state of the company's affairs are set out in the attached financial statements. Under its constitution, the Trust is prevented from paying a dividend, which leaves a deficit of £106,970 on the year's activities which was transferred to reserves.

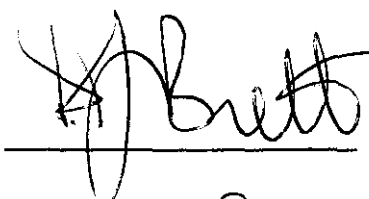
ROCHDALE CANAL TRUST LIMITED

STATEMENT OF RESPONSIBILITIES
OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT

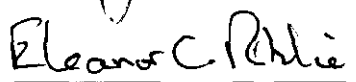
Company and Charity law require the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the members of the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The members of the Council of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Council Member



Council Member



St James' Square
Manchester M2 6DS
United Kingdom

Report of the auditors to the members of Rochdale Canal Trust

We have audited the financial statements on pages 4 to 6d.

Respective responsibilities of council of management and auditors

As described on page 2 the Trust's Council of Management is responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you on our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the Council of Managements' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Council of Management remuneration and transactions with the company is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2000 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

Chartered Accountants

Registered Auditors

20 October 2000

ROCHDALE CANAL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31ST MARCH 2000
INCORPORATING STATUTORY INCOME AND EXPENDITURE ACCOUNT

		Unrestricted Funds	
	Notes	2000 £	1999 £
INCOME & EXPENDITURE			
Incoming Resources			
Investment income	2	1,277	1,773
Other income	3	1,686,760	1,997,659
Total incoming resources		<u>1,688,037</u>	<u>1,999,432</u>
Resources expended			
Direct Charitable Expenditure	4	1,549,899	1,785,635
Management & Administration of the Charity	5	143,442	295,844
Total Resources Expended	6	<u>1,693,341</u>	<u>2,081,479</u>
Net (outgoing)resources for the year - also representing (deficit)		(5,304)	(82,047)
Other Recognised Gains & Losses		-----	-----
Net movement in funds/(deficit) for year		(5,304)	(82,047)
Balances Brought forward at 1 April 1999		(101,666)	(19,619)
Balances Carried forward at 31 March 2000		<u>(106,970)</u>	<u>(101,666)</u>

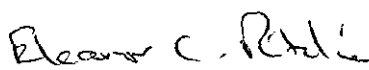
ROCHDALE CANAL TRUST LIMITED
BALANCE SHEET AS AT 31 MARCH 2000

	Notes	2000	1999
		£	£
FIXED ASSETS			
			0
CURRENT ASSETS:			
Debtors	7	327,153	1,266,194
Cash at bank		49,664	53,342
		<u>376,817</u>	<u>1,319,536</u>
LIABILITIES:			
Amounts falling due within one year	8	(483,787)	(1,421,202)
NET CURRENT LIABILITIES		(106,970)	(101,666)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(106,970)</u>	<u>(101,666)</u>
LIABILITIES:			
Amounts falling due after one year:		0	0
		<u>(106,970)</u>	<u>(101,666)</u>
FUNDS			
Called up share capital		0	0
Other Reserves	12	(106,970)	(101,666)
		<u>(106,970)</u>	<u>(101,666)</u>

Approved by the Council of Management on the 26th September, 2000, and signed on its behalf
 by:



Council Member



Council Member

ROCHDALE CANAL TRUST LIMITED

NOTES ON THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2000

1. ACCOUNTING POLICIES

(a) Accounting Convention

The Financial Statements are prepared under the Historical Cost Convention and in accordance with applicable Accounting Standards. They have been drawn up to comply with the Statement of Recommended Practice on Accounting by Charities.

(b) Treatment of Capital Costs

The acquisition of land in furtherance of the Company's objectives and all capital works, together with expenditure on equipment are currently dealt with through the Statement of Financial Activities as costs of the restoration programme. As a matter of prudence the capitalisation of such costs is deemed inappropriate.

(c) Fund Accounting

All the funds held by the Company are unrestricted. Unrestricted funds may be spent on any legitimate charitable aim as laid down in the Company's memorandum of association.

(d) Accruals Basis of Accounting

The accounts include all income due from all sources, including funding from constituent local authorities, whether or not received by the year-end, provided such amounts are ascertainable. All liabilities, commitments and awards, whether or not paid by the year-end, are included in the accounts.

2. INVESTMENT INCOME

	2000	1999
	£	£
Bank Interest	<u>1,277</u>	<u>1,773</u>

3. OTHER INCOME

	2000	1999
	£	£
Restoration income :-		
Grant income receivable	149,110	1,336,290
Contributions from local authorities	0	135,450
Other contributions	1,354,520	270,531
	<u>1,503,630</u>	<u>1,742,271</u>
Other contributions from local authorities :-		
Calderdale MBC re loan	55,682	56,443
Other	103,916	172,057
Licence / slipway fees	23,532	26,888
	<u>1,686,760</u>	<u>1,997,659</u>

4. DIRECT CHARITABLE EXPENDITURE

	2000	1999
	£	£
Restoration works	1,549,899	1,785,635
	<u>1,549,899</u>	<u>1,785,635</u>

5. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	2000	1999
	£	£
Salaries	35,919	34,358
Loan repayments	55,682	55,682
Oldham Council's charge for services	6,600	6,600
Equipment	0	1,746
Insurances	10,608	11,918
Travelling & subsistence	2,061	1,304
Audit Fee	2,600	2,000
Advertising & publicity	1,332	2,026
Bank Interest	28,091	
Consultant's fees	(2,416)	170,057
Printing, postage & stationery	1,706	4,057
Premises costs	283	3,081
Sundry expenses	976	3,015
	<u>143,442</u>	<u>295,844</u>

6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Other Costs £	Total 2000 £	Total 1999 £
Direct Charitable expenditure	42,237	461,897	504,134	1,785,635
Management & Administration of the Charity	35,919	107,523	143,442	295,844
	<u>78,156</u>	<u>569,420</u>	<u>647,576</u>	<u>2,081,479</u>
	2000	1999		
	£	£		
Salaries	69,303	52,407		
Social Security Costs	4,908	4,134		
Pension Costs	3,945	2,672		
	<u>78,156</u>	<u>59,213</u>		

No employee earned £40,000 p.a. or more.

The project co-ordinator, on full-time secondment from Oldham MBC, and the engineering co-ordinator were employed for the full year. In addition, a marketing assistant was seconded from Rochdale MBC. There were no other employees.

7. DEBTORS

	2000	1999
	£	£
Grant debtors	306,301	1,021,781
Other debtors	14,854	239,989
Prepayments	5,998	4,424
	<u>327,153</u>	<u>1,266,194</u>

8. LIABILITIES: Amounts falling due within one year

	2000	1999
	£	£
Bank loan instalments	0	67,932
Bank overdraft	22,863	994,530
Accruals	2,600	---
Trade creditors	458,324	358,740
	<u>483,787</u>	<u>1,421,202</u>

9. TAXATION

Because of the charitable nature of the Company there is no liability to Corporation Tax.

10. CAPITAL

The Company is limited by guarantee and has no share capital.

11. FUNDING

The Company had previously agreed with its bankers an overdraft facility to cover restoration works to the Rochdale Canal, principally at Copperas Culvert and Tuel Lane.

At the end of the overdraft period, on 19th November 1990, the Company arranged for the overdraft to be converted to a loan, amounting to £347,800, repayable over a 20 year period quarterly by instalments of £13,920.

Due to a steady fall in interest rates, the balance of the loan has been repaid as follows:

	2000	1999
	£	£
Within 1 year	----	67,932
After 1 year but before 5 years	----	----

The loan and loan repayments were been underwritten by Calderdale MBC.

12. OTHER RESERVES

These are revenue reserves but they represent the amounts of unused grant monies from each principal source, i.e.:

	2000	1999
	£	£
Calderdale MBC	(207)	(19,602)
Manchester CC	(0)	(9,840)
Oldham MBC	(54,716)	(61,211)
Rochdale MBC	(52,047)	(11,013)
	<u>(106,970)</u>	<u>(101,666)</u>

The balances on the reserve accounts as at 31st March, 1999, were repaid during the year. An amount of £106,970 was transferred from Income & Expenditure Account in the year.

13. INTERESTS OF THE TRUSTEES / COUNCIL OF MANAGEMENT

Trustees are required to declare an interest in contracts with which they are connected. No trustee had any significant personal interest in contracts with the Trust during the year. No remuneration was paid.

14. RELATED PARTIES

The Rochdale Canal Trust Ltd is a local authority controlled company. Most of its income is currently provided by its constituent local authorities and a significant proportion of its expenditure is recharged to it by the same authorities on an arms length basis. The constituent authorities are shown in note 12.

Amounts owing by constituent authorities was £106,970 at 31st March 2000.

15. POST BALANCE SHEET EVENTS

Since the end of the financial year, negotiations have continued with the two funding bodies and British Waterways to draw up the agreements required to secure the completion of the restoration project. These negotiations were completed in July, 2000, enabling the restoration works to be completed in 2001/2002.