

**Edinburgh Union Canal Society SCIO**

**Scottish Charity Number – SC051467**

**Annual Report And Financial Statements For The Year Ended 30 September 2023**

Signed on behalf of the charity's trustees:

A handwritten signature in black ink, appearing to read 'C Buchanan', with a long horizontal flourish extending to the right.

Dr Ford Buchanan

Treasurer

19/02/24

## **For The Year Ended 30 September 2023**

The trustees have pleasure in presenting their report together with the financial statements for the year ended 30 September 2023.

### **Reference And Administrative Information**

#### **Charity Name**

Edinburgh Union Canal Society, hence referred to as EUCS

#### **Charity Number**

SC051467

#### **Address**

32 Cowan Road

Edinburgh

EH11 1RH

#### **Current Trustees**

All elected on 05/11/2023 at AGM

Andrew Burns	Chair
Vicki Morton	Secretary
Ford Buchanan	Treasurer
Sandra Purves	Membership Secretary
Robin Morton	
Guy Chisholm	
Ian White	
Richard Allen	
Stuart Rennie	
Andrew Devenport	
Glen Liddall	
Bridget Stevens	
Shawn Waddoups	

## **Structure, Governance And Management**

### **Constitution**

The charity is a Scottish Charitable Incorporated Organisation (SCIO). It was registered on 22 December 2021. EUCS replaces Edinburgh Canal Society, SC018330, which is now wound up. EUCS received all assets and liabilities of Edinburgh Canal Society. EUCS has a two-tier structure. There is the board of trustees, as listed above, and members. Trustees are also members of the society.

### **Appointment Of Trustees**

Trustees are elected at the annual general meeting held in November each year. There must be a minimum of twelve and a maximum of eighteen trustees.

### **Objectives And Activities**

#### **Charitable Purposes**

To encourage and promote the public use of those stretches of the Union Canal and its towpath lying in and near Edinburgh, for educational, sporting, leisure, and recreational purposes.

#### **Fundraising Activities**

Throughout the year, we've used information stalls on the canal towpath to publicise the society. All of our stalls have been publicised on our website and via social media, with posters put up locally. At these events, we sell refreshments and home baking, as well as providing information on our ongoing activities and future plans.

The stalls took place as part of the Flotilla of Light in November 2022, our Rowing Boat launch in April 2023, the Canal Festival in June 2023, and our Rowing Boat season finale in September 2023. These events provided an income of £2,028.

Additionally, we refurbished two traditional rowing boats in the winter of 2022 – 2023. As well as the cost of materials, we also bought buoyancy aids and took out marine insurance. We hired these out from early April until late September on Sunday afternoons. As described above, we held events to mark the start and end of the season. We secured a grant towards launching the rowing boat hire. Over the season, we managed 2/3 occupancy of hire slots and received very positive feedback from our customers across the season. The total surplus for the rowing boats was £719.

Two committee members took part in the Edinburgh Kiltwalk in September 2022. During the current year, we received £1,110 in sponsorship for this event. Buoyed on by this, four of us took part in the Edinburgh Kiltwalk in September 2023. During the current year, we received £893 of sponsorship. More will come for this event, including gift-aid, in the next financial year.

We have claimed Gift Aid on eligible memberships and small donations. This amounted to £364.

### **Achievements And Performance**

We gave two very enjoyable talks on the history of the Union Canal to The Open Door in November 2022. We also gave a talk on the history of the Union Canal to Colinton Local History Society in March 2023.

During the year, we upgraded our old event-tents, replacing them with more modern gazebos. These have proven to be far more suitable for our frequent canal-side events.

We also took an information stall to the Linlithgow Union Canal Society (LUCS) Fun Day in August 2023.

Our website is at [www.eucs.org.uk](http://www.eucs.org.uk), and we have an active presence on Facebook, Twitter and Instagram.

## **Financial Review**

Our sources of unrestricted income are fundraising activities, membership fees, and donations. We can take cash, bank transfers, card payments and have been able to sell some of our rowing boat hires online. During this financial year, we have raised £7,169 of unrestricted funds.

Before the bank account was opened in August 2022, three trustees provided expenditure in kind. They did this knowing that the money may not be paid back if the society does not have enough income. This expenditure occurred from May 2021 to July 2022. More details about expenditure in kind and its repayment are included in notes 3 and 4.

We started fundraising by contacting trusts in August 2022. We followed up with reminders in February 2023. In this financial year, we have raised £9,750, £1,000 of which was for the refurbishment of the rowing boats. Coupled with the money raised in the previous year, we now have £9,750 of restricted funds. We will use this money to obtain a business case for a future replacement for the Boathouse. To this end, we are in discussions with two agencies specialising in charity business support and aim to develop a business case by the first quarter of 2024.

## **Expenses Policy**

On the advice of our independent examiner, our committee formalised our expenses policy. All expenses for this year have had this policy applied. See the appendix for the policy.

## **Reserves Policy**

On the advice of our independent examiner, our committee agreed on a reserve policy. This is currently set at reserves of £4,000 in unrestricted money. For the year ended 30 September 2023, we had £3,658 in unrestricted money. So, we just missed our reserves policy. This was due to the third-party insurance for the next financial year of £508 coming out in this financial year. Had it come out a week later, we would have comfortably made our reserves policy. See the appendix for the policy.

## **Kelvin**

EUCS owns a launch boat, Kelvin, stored at the Scottish Canals Auchinstarry boatyard since 2015. Following discussions with the Scottish Maritime Museum in Irvine, we committed funding of £1,125 to repair Kelvin's trailer so that it could be moved to the museum in Irvine for professional assessment of its condition.

Kelvin was subsequently moved to Irvine in July 2023. Following her assessment, it has been concluded that the disposal of Kelvin is the only viable option. This disposal is ongoing, and subsequently, the refurbished trailer (as mentioned above) will be sold, and any profits will be returned to EUCS.

## **Plans For The Future**

As referenced above, we hope to obtain our business case by the first quarter of 2024.

We are in detailed discussions with Scottish Canals about a memorandum of understanding (MoU) and, eventually, a lease. This will allow us to apply for capital grants towards a new building. We are aiming to have the MoU in place before our upcoming AGM in November 2023.

During the winter of 2023 – 2024, we will refurbish at least one further rowing boat. This will add a third, which we can hire from April to September 2024.

We will continue our drive for membership and increase the number of volunteers.

We will also continue our grant fundraising for the steps towards a future building.

We are in discussions with Scottish Canals to take on the facilities block on the towpath opposite the boathouse. This will give us a new base while work is carried out on the existing boathouse site.

We plan to have several information and cake stalls, a presence at the Canal Festival and the LUCS Fun Day. We will enter a team for the Edinburgh Kiltwalk 2024.

## Statement Of Receipts And Payments For The Year Ended 30 September 2023

	Unrestricted Funds	Restricted Funds	Year ended 30/09/23	Previous Accounts
<b>Receipts</b>				
Transfer from ECS			-	536
Donations	200		200	157
Grants	1,000	8,750	9,750	1,000
Fundraising less donations	4,031		4,031	1,201
Receipts from membership fees	560		560	836
Rowing Boat Hire	1,014		1,014	
Gift Aid	364		364	
<b>Total receipts</b>	<b>7,169</b>	<b>8,750</b>	<b>15,919</b>	<b>3,730</b>
<b>Payments</b>				
Expenses for fundraising		14	14	264
Equipment & keys	1,781		1,781	19
Committee Rooms & Social	200		200	
Consumables & stationery	808		808	
Insurance	1,516		1,516	
Kelvin	1,125		1,125	
Van Hire	311		311	
Website Domain Name	14		14	
Licences & subscriptions	172		172	
Just Giving Fees	18			
<b>Total payments</b>	<b>5,945</b>	<b>14</b>	<b>5,959</b>	<b>283</b>
<b>Surplus/ (Deficit) for the year</b>	<b>1,224</b>	<b>8,736</b>	<b>9,960</b>	<b>3,447</b>

## Statement Of Balances As Of 30 September 2023

	Unrestricted Funds	Restricted Funds	Year ended 30/09/23	Previous Accounts
Opening cash at bank and in hand	2,447	1,000	3,447	
Surplus/ (Deficit) for year	1,224	8,736	9,960	2,495
<b>Closing cash at bank and in hand</b>	<b>3,671</b>	<b>9,736</b>	<b>13,407</b>	<b>2,495</b>

### Bank & Cash Balances

	Unrestricted Funds	Restricted Funds	Year ended 30/09/23	Previous Accounts
Bank deposit account	3,557	9,750	13,307	3,277
Cash Float	101		101	170
<b>Total</b>	<b>3,658</b>	<b>9,750</b>	<b>13,408</b>	<b>3,447</b>

### Liabilities (unrestricted funds)

		Year ended 30/09/23	Previous Year
<b>Expenditure in Kind (See notes 3 &amp; 4)</b>	<b>3,294</b>	<b>3,294</b>	<b>3,294</b>



## Grants & Fundraising As Of 30 September 2023

	Unrestricted Funds	Restricted Funds	Year ended 30/09/23	Previous Accounts
McNab Trust				1,000
J K Young Endowment Fund		1,000	1,000	
One City Trust		2,000	2,000	
JT Howat Charitable Trust		250	250	
Fairfield 11/22		2,500	2,500	
H & M Miller Bequest		500	500	
Fairfield 06/23		2,500	2,500	
Dr Guthrie's Association	1,000		1,000	
<b>Total</b>	<b>1,000</b>	<b>8,750</b>	<b>9,750</b>	<b>1,000</b>

	Income	Previous Accounts
Information & Cake Stall - Flotilla 200		282
Information & Cake Stall - Flotilla of Light	516	
Information & Cake Stall - RB Launch	350	
Information & Cake Stall - Canal Festival	662	455
Information & Cake Stall - RB Finale	500	464
Kiltwalk 2022	1,110	
Kiltwalk 2023	893	
Rowing Boat Hire	1,014	
Donation	200	
<b>Total</b>	<b>5,245</b>	<b>1,201</b>

## Projects as of Of 30 September 2023

### Rowing Boats

	Income	Expenditure	Surplus/ (Deficit)
Hire	1,014		
Grant from Dr Guthrie Association	1,000		
Paint etc.		430	
Bouyance Aids		331	
Marine Insurance		534	
<b>Total</b>	<b>2,014</b>	<b>1,295</b>	<b>719</b>

### Kelvin

	Expenditure
Trailer MOT	104
Trailer repair	860
Removal to Irvine	160
<b>Total</b>	<b>1,124</b>

## Notes To The Accounts – For The Year Ended 30 September 2023

### 1. Basis Of Accounting

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

### 2. Nature And Purpose of Funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trustees maintain a single unrestricted fund for day-to-day running of the society.

Restricted funds may only be used for specific purposes. In 2021 – 2022 and 2022 – 2023, we raised money for a business case for a replacement building for the Boathouse. In 2021 – 2022, we received £1,000 towards this; in 2022 – 2023, we received a further £8,750. In 2022 – 2023 we also received a further £1,00 in grant money towards refurbishing the rowing boats. See note 6.

### 3. Expenditure In Kind

There has been no expenditure in kind during the year 2022-2023.

The remainder of this note is from the previous accounts.

The seventeen months the previous accounts cover can be divided into three periods.

May 2021 – December 2021, the eight months before EUCS was registered with OSCR.  
January 2022 – July 2022, the seven months before we got a bank account.  
August 2022 – September 2022, the two months when we had a bank account.

Before registration, we could not pay expenses. The expenditure in kind was paid for by three people who became trustees: Andrew Devenport, Andrew Burns and Ford Buchanan.

These trustees gave this expenditure in kind in the full knowledge that it may not be repaid. The committee of EUCS agreed on a policy that would repay some or all of this expenditure as a goodwill gesture. This is dependent on the finances of EUCS allowing. See note 4 below.

The money spent in the first period is as follows:

Expenditure in Kind Before Registration on 22/12/21			
Trustee	Amount Owed	Receipts	No Receipts
Andrew Devenport	1,187	1,187	-
Andrew Burns	570	570	-
Ford Buchanan	81	81	-
<b>Total</b>	<b>1,838</b>	<b>1,838</b>	-

<b>Expenditure in Kind Before Registration on 22/12/21</b>			
<b>Category</b>	<b>Amount</b>	<b>Receipts</b>	<b>No Receipts</b>
Equipment	1,209	1,209	-
Consumables	141	141	-
Van Hire	239	239	-
Fuel	83	83	-
Publicity	117	117	-
Stationery	24	24	-
Keys	25	25	-
<b>Total</b>	<b>1,838</b>	<b>1,838</b>	<b>-</b>

Once the society was registered, it took a further seven months for the bank account to be set up. Expenditure in kind was continued during this period:

<b>Expenditure in Kind After Registration on 22/12/21</b>			
<b>Trustee</b>	<b>Amount Owed</b>	<b>Receipts</b>	<b>No Receipts</b>
Andrew Devenport	1,327	1,327	-
Andrew Burns	87	87	-
Ford Buchanan	42	42	-
<b>Total</b>	<b>1,456</b>	<b>1,456</b>	<b>-</b>

<b>Expenditure in Kind After Registration on 22/12/21</b>			
<b>Category</b>	<b>Amount</b>	<b>Receipts</b>	<b>No Receipts</b>
Equipment	179	179	-
Consumables	881	881	-
Van Hire	87	87	-
Fuel	284	284	-
Publicity	-	-	-
Stationery	-	-	-
Keys	25	25	-
<b>Total</b>	<b>1,456</b>	<b>1,456</b>	<b>-</b>

The expenditure in kind totals £3,294. This amount will not increase and only decrease if EUCS is able to make repayments. Receipts have been provided for some of this expenditure, with receipts promised for the remainder.

The expenditure in kind covered the period May 2021 – July 2022 inclusive. Since August 2022 we have had a bank account, and all expenditure is treated as expenses and documented and claimed accordingly.

Only expenditure that is receipted will be paid.

#### **4. Repayment Of Expenditure In Kind**

The EUCS committee agreed on a repayment policy for expenditure in kind at the committee meeting on the 10<sup>th</sup> of May, 2022.

Repayments are considered based on the financial position of EUCS on the 30<sup>th</sup> of September each year. The policy is triggered if the bank balance, omitting any restricted grant funding,

exceeds twice the previous year's payments. Any amount above this will be considered for the expenditure in kind repayments.

The committee will approve any repayments. The repayments will be made in the ratio of any expenditure in kind outstanding. All expenditure has evidence of a receipt.

Initially, all categories apart from equipment will be considered. After all this expenditure in kind has been paid off, the expenditure in kind of equipment will be considered. The former form part of the society's running costs and the latter are likely to be one-off costs.

For the year ended 30<sup>th</sup> September 2023, the final balance of unrestricted money in the bank account was £3,557. The payments for the year were £5,959. To consider making any repayment, we would need a final bank balance of £11,918 in unrestricted funds. We did not have this so no repayment will be made for 2022 – 2023.

Repayments will be reconsidered in September 2024.

## **5. Insurances**

We currently have two types of insurance. Employers' insurance for third-party liabilities. This insures against accidents on-site and at the events that we host on the towpath. For the year 2022-2023, this was £473. To hire rowing boats, we need to have marine insurance. For 2022-2024, this cost £534. We discussed the possibility of combining these to gain a saving with our insurer. However, this combination was the lowest we found for the necessary insurances. The third-party insurance for 2023-2024 came out at the very end of this financial year. It was £509.

## **Appendix**

### **Trustee Expenses Policy for Edinburgh Union Canal Society (SC051467)**

The purpose of this policy is to ensure that as a result of purchasing items, or performing any other tasks as part of their post holder duties, the Trustees within EUCS are not placed at a financial disadvantage. Equally there should be no financial gain from purchases or activities that are necessary to undertake the role of a post holder of EUCS.

The policy reflects the Trustee Duties contained in Section 66 of The Charities and Trustee Investment (Scotland) Act 2005.

All Trustees of EUCS have a duty to act with care and diligence in the best interests of EUCS. Trustees will act with a higher level of care than they may do with their own finances and affairs, and this will be reflected in their minimising the expenses that they reclaim from EUCS.

All expenses need to be verified with a receipt, a scan of a receipt, or an electronic receipt, for the expenses to be reimbursed.

If no receipt is available, then evidence from a bank statement or credit card statement may be accepted if verified by two Office Bearers.

Expenses must be claimed within four weeks from the date of the receipt.

Receipts should be given or emailed to the Treasurer.

A Trustee can claim up to £50 in total per calendar month.

If a Trustee needs to spend money on behalf of EUCS, which amounts to more than £50 in one calendar month, then the Trustee needs prior approval from at least two Office Bearers. This has to be by email or text.

If there is any dispute about an expense, then it will be put to the main committee for approval.

An Office Bearer cannot approve themselves.

Ford Buchanan, drafted 29/11/22

Approved by EUCS committee by 23/12/22

END

### **Reserves Policy for Edinburgh Union Canal Society (SCIO) SC051467**

The trustees regularly review reserves, using the Reserves Policy to support both the Financial Strategy and the Strategic Plan. A risk-based approach is used to calculate an optimal amount of reserves that looks at reliability of income, costs for re-organisation of activities, and specific liabilities. Amounts are included for risks we are aware of as well as contingencies to allow Edinburgh Union Canal Society to cope with unexpected costs and opportunities.

We principally hold reserves to:

- protect the continuity of Edinburgh Union Canal Society's work against uncertain future income streams
- provide the capital needed to finance investment in operations
- provide funds to replace assets
- to cover for specific liabilities and identifiable risks
- to allow Edinburgh Union Canal Society to respond to unexpected opportunities that can further mission
- to allow Edinburgh Union Canal Society to meet contractual obligations.

The trustees have set optimal reserves at £4,000 which equates to approximately 12 months unrestricted expenditure. As at 31 January 2023, the level of free reserves (defined as total

general unrestricted funds and excluding earmarked grants) stands at £3,740, thereby below the optimal reserves figure. We plan to increase this amount through memberships, sales of refreshments at events, and sponsored activities.

Edinburgh Union Canal Society has designated reserves of £6,750 and restricted reserves of £0. The designated reserves are held to represent reserves that are not available for other activities since they are to be used to commission a business case for a future boathouse. Restricted reserves relate to income to be used in accordance with specific restrictions imposed by funders and therefore do not form part of general reserves.

The Reserves Policy is reviewed every year as part of our annual accounts.

END

**END**