

**Company Registration No. 05545459 (England and Wales)**

**ESSEX WATERWAYS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

# ESSEX WATERWAYS LIMITED

## COMPANY INFORMATION

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### Directors

Roy Chandler  
Neil Edwards  
James Jenkins  
Colin Edmond  
John Pomfret  
David Carrington (Appointed 8 June 2013)  
Peter Martin (Appointed 8 June 2013)

### Secretary

Neil Edwards

### Company number

05545459

### Registered office

Island House  
Moor Road  
Chesham  
HP5 1WA

### Independent Auditors

Saffery Champness  
Fox House  
26 Temple End  
High Wycombe  
Buckinghamshire  
HP13 5DR

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# ESSEX WATERWAYS LIMITED

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# ESSEX WATERWAYS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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The directors present their report and financial statements for the year ended 31 December 2013.

### Principal activities

The principal activities of the company during the year were that of managing and operating the Chelmer and Blackwater Navigation, and promoting the cause of the ultimate parent company, The Inland Waterways Association.

### Review of the business

The eighth full year of trading by Essex Waterways Ltd maintained good income levels from mooring and other fees, especially bearing in mind the current economic situation. The Company has made further significant improvements to the infrastructure of the Navigation during 2013, although a number of works were delayed owing to last minute withdrawal by a contractor. As a consequence of being unable to complete all the capital works intended, the Company made a surplus in 2013, of which £7,000 has been donated to the Company's parent charity in a restricted fund and which will be spent on future capital works to improve the Navigation for public benefit, likely in 2014. The Navigation continues to be well used by a broad cross section of local people for a wide range of amenity and recreational uses, as well as by visitors from further afield, and continues to receive much favourable comment and support.

### Acknowledgements

The directors wish to express their thanks and gratitude to the many supporters of the Navigation, and volunteers whose hard work and acts of kindness have contributed to the well being of the waterway and its surrounding community. Especial thanks go to the regular weekly volunteers, Chelmer Canal Trust and to Waterway Recovery Group. The directors wish to acknowledge the following donations and contributions:

Northumbrian Water	£28,265	General Maintenance
Essex County Council	£5,636	Towpath Maintenance
Chelmsford City Council	£2,500	Towpath Maintenance
Taylor Wimpey	£670	Quay Improvements
Others	£911	

### Future Developments

Plans for 2014 include the continuation of the principal activities. The directors have full confidence in the on-going long-term viability of the company and hope to achieve continued improvements to the Chelmer & Blackwater Navigation and its environs.

### Directors

The following directors have held office since 1 January 2013:

Roy Chandler	
Neil Edwards	
James Jenkins	
Colin Edmond	
John Pomfret	
David Carrington	(Appointed 8 June 2013)
Peter Martin	(Appointed 8 June 2013)

### Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

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# ESSEX WATERWAYS LIMITED

## DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

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### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

.....  
Roy Chandler  
**Director**  
.....

## **ESSEX WATERWAYS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESSEX WATERWAYS LIMITED**

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We have audited the financial statements of Essex Waterways Limited for the year ended 31 December 2013 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**ESSEX WATERWAYS LIMITED**

**INDEPENDENT AUDITORS' REPORT (continued)  
TO THE MEMBERS OF ESSEX WATERWAYS LIMITED**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.

**Karen Bartlett (Senior Statutory Auditor)  
for and on behalf of Saffery Champness**

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**Chartered Accountants  
Statutory Auditors**

Fox House  
26 Temple End  
High Wycombe  
Buckinghamshire  
HP13 5DR

**ESSEX WATERWAYS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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	Notes	2013 £	2012 £
<b>Turnover</b>		517,455	445,850
Cost of sales		(225,301)	(89,764)
<b>Gross profit</b>		292,154	356,086
Operating costs		(274,824)	(255,606)
Administrative expenses		(8,836)	(7,395)
<b>Operating profit</b>	<b>3</b>	8,494	93,085
Interest receivable	<b>4</b>	-	5
Interest payable and similar charges		(1,186)	(1,480)
<b>Profit on ordinary activities before donation</b>		7,308	91,610
Donation to The Inland Waterways Association	<b>5</b>	(7,000)	(90,000)
<b>Profit on ordinary activities before taxation</b>		308	1,610
Tax on profit on ordinary activities		-	-
<b>Profit for the year</b>	<b>12</b>	308	1,610

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The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.



# ESSEX WATERWAYS LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	6		35,103		46,008
<b>Current assets</b>					
Debtors	8	18,282		8,486	
Cash at bank and in hand		39,044		48,228	
		<u>57,326</u>		<u>56,714</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(61,590)</u>		<u>(60,801)</u>	
<b>Net current liabilities</b>			<u>(4,264)</u>		<u>(4,087)</u>
<b>Total assets less current liabilities</b>			30,839		41,921
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(22,340)</u>		<u>(33,730)</u>
			<u>8,499</u>		<u>8,191</u>
<b>Capital and reserves</b>					
Called up share capital	11		1		1
Profit and loss account	12		8,498		8,190
<b>Shareholders' funds</b>	13		<u>8,499</u>		<u>8,191</u>

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

The notes on pages 7 to 12 form part of these financial statements.

Approved by the Board and authorised for issue on .....

.....  
Roy Chandler  
**Director**

.....  
Neil Edwards  
**Director**

**Company Registration No. 05545459**

# ESSEX WATERWAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### Going Concern

The company relies on the continued support of the parent organisation. The Inland Waterways Association has confirmed its continued support and therefore the directors have prepared the financial statements on a going concern basis.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

#### 1.4 Tangible fixed assets and depreciation

Fixed assets are stated at historical cost less depreciation. Tangible fixed assets costing more than £1,000 are capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful lives on a straight line basis as follows:-

Land and buildings Leasehold	10 years
Plant and machinery	1 - 10 years
Motor vehicles	4 years

#### 1.5 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**ESSEX WATERWAYS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013****2 Employees**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Staff Costs</b>		
Wages and salaries	156,278	144,793
Social security costs	10,830	10,581
Pension costs	9,122	8,482
	<u>176,230</u>	<u>163,856</u>

	<b>2013</b>	<b>2012</b>
	<b>No</b>	<b>No</b>
The average number of employees, calculated on a full-time equivalent basis analysed by function was:		
Management and administration	2	2
Repairs and maintenance	5	4
Lockkeeper Duties	1	1
	<u>8</u>	<u>7</u>

**3 Operating profit**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation of tangible assets	12,363	10,031
Auditors' remuneration	5,050	4,150
Directors' emoluments	-	-
	<u>-</u>	<u>-</u>

**4 Investment income**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Interest on bank deposits	-	5
	<u>-</u>	<u>5</u>

**ESSEX WATERWAYS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

<b>5 Gift Aided Profits</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Donation to The Inland Waterways Association	7,000	90,000

The donation to The Inland Waterways Association is made to a restricted fund for future expenditure by The Inland Waterways Association in achieving its charitable objectives on the Chelmer & Blackwater Navigation.

<b>6 Tangible fixed assets</b>	<b>Leasehold land and buildings £</b>	<b>Plant and machinery etc £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2013	6,500	61,817	68,317
Additions	-	1,458	1,458
At 31 December 2013	6,500	63,275	69,775
<b>Depreciation</b>			
At 1 January 2013	1,720	20,589	22,309
Charge for the year	875	11,488	12,363
At 31 December 2013	2,595	32,077	34,672
<b>Net book value</b>			
At 31 December 2013	3,905	31,198	35,103
At 31 December 2012	4,780	41,228	46,008

**ESSEX WATERWAYS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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**7 Fixed asset investments**

**Shares in the Chelmer and Blackwater Navigation Company Limited**

**Cost**

At 1 January 2013 & at 31 December 2013 £  
900

**Provisions for diminution in value**

At 1 January 2013 & at 31 December 2013 900

**Net book value**

At 31 December 2013 -

At 31 December 2012 -

<b>8 Debtors</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,846	2,868
Prepayments and accrued income	3,618	2,116
Amounts owed by parent company	9,820	-
Other debtors	1,998	3,502
	<u>18,282</u>	<u>8,486</u>

<b>9 Creditors: amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade creditors	3,249	4,407
Amounts due to parent company	12,764	12,383
Other taxes and social security costs	3,233	2,969
Accruals and deferred income	27,604	35,188
Other creditors	14,740	5,854
	<u>61,590</u>	<u>60,801</u>

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**ESSEX WATERWAYS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

<b>10 Creditors: amounts falling due after more than one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Loan from parent company	22,340	33,730
	<u>22,340</u>	<u>33,730</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	7,668	12,278
In more than two years but not more than five years	11,472	15,052
In more than five years	3,200	6,400
	<u>3,200</u>	<u>6,400</u>

An interest bearing loan was provided to the company by its parent, The Inland Waterways Association. The loan is repayable by annual instalments and will be fully repaid by 2019.

The loan is secured on the company's assets via a fixed and floating charge.

<b>11 Share capital</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
1 Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

<b>12 Statement of movements on profit and loss account</b>	<b>Profit and loss account £</b>
Balance at 1 January 2013	8,190
Profit for the year	308
	<u>8,498</u>
Balance at 31 December 2013	<u>8,498</u>

<b>13 Reconciliation of movements in shareholders' funds</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	308	1,610
Opening shareholders' funds	8,191	6,581
	<u>8,499</u>	<u>8,191</u>
Closing shareholders' funds	<u>8,499</u>	<u>8,191</u>

## ESSEX WATERWAYS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

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#### 14 Control

The ultimate parent company is The Inland Waterways Association, a company limited by guarantee and incorporated in England and Wales.

#### 15 Related party relationships and transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties within the group as the company is included in the financial statements of The Inland Waterways Association. A copy of these consolidated financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

During the year the company purchased goods (net of VAT) totalling £12,921 (2012: £24,990) from Chandler Material Supplies Limited, a company controlled by family members related to Roy Chandler, a director of Essex Waterways Limited. The balance due to Chandler Material Supplies Limited as at 31 December 2013 was £1,613 (2012: £3,761). The company also purchased good (net of VAT) totalling £281 (2012: £158) from Elmdale Welding and Engineering Supplies Limited, a company controlled by family members related to Roy Chandler, a director of Essex Waterways Limited. The balance due to Elmdale Welding and Engineering Supplies Limited as at 31 December 2013 was £nil (2012: £nil). All transactions were undertaken on a commercial arms length basis.

## ESSEX WATERWAYS LIMITED

### DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

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	2013	2012
	£	£
<b>Turnover</b>		
<b>Mooring Related Income</b>		
Mooring Fees	329,660	329,727
Plot Income	3,635	4,229
Electricity Income	6,049	6,246
Canoe Income	9,310	7,562
Angling Club Income	10,282	9,979
Other Income	20,873	13,344
<b>Grant Related Income</b>		
Essex County Council Grass Cutting	5,636	5,636
Chelmsford Conservation Grant	2,500	-
Grant From IWA Restricted fund	90,000	-
Essex & Suffolk Water	28,265	27,415
Donations	911	839
Indigo Wharf Wall Project	670	-
<b>Other Income</b>		
Sale of Willows	8,910	40,298
Lease Income	754	575
	<hr/>	<hr/>
	517,455	445,850

This page does not form part of the financial statements on which the auditors have reported.



**ESSEX WATERWAYS LIMITED****DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013****Cost of sales****Mooring Related**

Planting Willow Sets	-	2,280
Grass Cutting	1,100	-
Helmsman Course Expenditure	1,500	1,586
Weed Cutting	-	1,984
Service Improvements	214	232
Jetty Improvements	6,340	14,173
WRG Work Party Costs	6,132	2,239
Road Repairs Heybridge	-	366
General Lengthsmens Duties	14,555	8,269
Little Baddow Mill Project	2,087	25,238
Paper Mill Slipway	-	5,378
Sewage Costs	5,012	1,809
Radio Licensing costs	75	190
Utilities - Improvements	4,240	5,175
Boatyard Operating Costs	1,026	286

**Grant Related**

Heybridge Basin North Quay	137	5,217
Facilities Block Refurbishment	1,724	8,059
Toilet Improvement Paper Mill	6,916	-
Paper Mill Lock	-	3,300
Rushes Weir	-	3,983
Lock Landings Project	1,306	-
Indigo Wharf Wall Project	670	-
Sandford Towpath	2,623	-
Paper Mill Towpath Piling	133,716	-
Ricketts Lock Project	730	-
Cuton Lock Repairs	138	-
Hoe Mill Repairs	1,204	-
Barnes Lock	22,608	-
Hoe Mill Lock Landing Stage	1,935	-
Paper Mill Car Park	9,313	-

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**225,301**

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**89,764****Gross profit****292,154****356,086**

This page does not form part of the financial statements on which the auditors have reported.

**ESSEX WATERWAYS LIMITED****DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013****Operating Costs**

Credit Card Costs	620	552
Insurance	8,910	8,450
Officers Expenses	586	579
Rates	7,330	8,748
Utilities	15,313	15,415
Repairs to Machinery	3,431	2,776
Lock House Repairs	778	622
Purchase of Tools and Safety Equipment	4,225	5,972
Fuel & Transport Costs	8,013	5,791
Vehicle & Plant Costs	3,703	4,511
Staff Salaries	176,230	163,856
Staff Training	1,078	1,570
Repairs to Buildings	1,744	1,726
Printing, Postage & Stationery	1,658	1,646
Telephone	2,164	2,016
IWA Staff Costs Recharged	19,559	16,318
Computer Software & Support Costs	6	10
Staff Expenses	413	928
Volunteer Expenses	338	-
Pest Control	31	60
Subscriptions Paid	943	840
Plant and Equipment Depreciation	11,488	3,827
Shed Depreciation	375	220
Springfield Basin Office Depreciation	500	500
Crane Repairs and Maintenance	3,807	2,954
Work Boat Costs	1,581	235
Motor Vehicle Depreciation	-	5,484

274,824

255,606

**Administrative expenses**

Audit and Accountancy	5,050	4,925
Legal and Professional	1,385	60
General Expenses	365	489
Provision for Bad Debts	936	421
Chelmer & Blackwater Navigation Company Fees	1,100	1,500

8,836

7,395

**Operating Profit**

8,494

93,085

This page does not form part of the financial statements on which the auditors have reported.

**ESSEX WATERWAYS LIMITED**

**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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**Other interest receivable and similar income**

Bank interest received - 5

**Interest payable**

Interest payable on inter-company loan (1,186) (1,480)

**Net Profit for the year** 7,308 91,610

Donations to The Inland Waterways Association

Restricted Fund 7,000 90,000

**Result for the year** 308 1,610

This page does not form part of the financial statements on which the auditors have reported.