

Treasurer's Report to the Swansea Canal Society

Trustees' Open Meeting on Monday 11th December 2023

Following the minuted agreement of the last meeting I have taken the £11,051.40 excess depreciation back into the unallocated current surplus.

Similarly, I have increased the provision for this year's audit to £1500 to reflect the likely cost of a full audit as rather than an examination of the books on our accounting system.

However, it is important to realise that the increase in the unallocated funds does not change the real financial position of the society as all of the society's unrestricted funds are still available for the trustees to use as they wish.

While I have been treasurer I have been careful to ensure that the gross amount of our nett unrestricted current assets does not fall below the level needed as working capital, sometimes known as the revolving fund.

This fund is very important for the successful running of any organisation. As an example, in the current financial year I needed the whole of this funds to temporarily finance the work on Clydach lock ultimately financed by the Brilliant Basics grant.

Notwithstanding the more relaxed accounting requirements for the SPF grant, I expect the revolving fund to be essential to get the work done as planned.

As another example, the proper use of this working capital could have paid Daley Homes the £116,000 he received last month by the middle of August.

As you will have seen in the accounts there has been little financial movement on the SPF grant so far. James Daley is starting to do good exploratory work on the lock but I don't expect an invoice until the end of this month.

My main concern is that that I have not yet had sight of any auditable document telling me that we have the grant.

In the absence of such a document I will need to remove all transactions relating to our being awarded the grant before the AGM and handing over the accounts to my successor as to do anything else would be tantamount to fraud.

I have been informed by John Davies that the allocation of £2,500 of the Canoe Foundation grant towards restoring Clydach Lock is incorrect as the grant was not for a pair of canoe ramps for the lock but only for one. Despite being partially spent, John has asked me to re-allocate the entire £5,000 grant from Clydach Lock to the Canal Centre to assist in his search for match funding. It is not normally allowable for a grant to be diverted to different purpose without the agreement of the funder, I have therefore asked him for documentary evidence that the Canoe Foundation are agreeable. Given documentation which will pass audit inspection, I will move the money between the projects.

Most of my time at the moment is taken up with getting into place a working feedback mechanism for book sales to enable correct recording of sales within the accounts, together with the administrative changes and additional documentation needed to ensure a smooth handover of the treasurer's job.

This is particularly important as I will be on holiday for a significant portion of January and February and keeping the accounts up to date remotely is much easier than supporting somebody remotely.

The profit and loss account and balance sheet for this financial year as at 8th December are attached to the email.

Please make sure you have a copy of this report and its attachments if you wish to refer to them during the meeting.

John Gwalter
Hon. Treasurer