

The Rivers Trust

Annual Report and Financial Statements Year Ended 31 December 2016

Company registration number: 05136671

Charity registration number: 1107144

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The Rivers Trust

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The Rivers Trust

Trustees and Advisors

President	I D Gregg OBE
Trustees	A R Wallace (Chairman) Dr G Brighty (appointed 6 July 2016) D R Brown Dr L B Couldrick V Edmondson Prof A M Gurnell (appointed 6 July 2016) C Hitchmough (appointed 6 July 2016) M J R Howat (resigned 6 July 2016) Dr S J Marsh-Smith (resigned 15 November 2016) D R Patterson J M White (appointed 6 July 2016)
Company Secretary	T Wieringa
Chief Executive Officer	A J Rickard
Registered Office	Rain-Charm House Kyl Cober Parc Stoke Climsland Callington Cornwall PL17 8PH The Group is incorporated in England and Wales.
Company Registration Number	05136671
Charity Registration Number	1107144
Bankers	Santander UK plc Bridle Road Bootle Merseyside L30 4GB The Co-operative Bank plc P.O. Box 101 1 Balloon Street Manchester M60 4EP
Independent Auditors	PKF Francis Clark Statutory Auditor North Quay House Sutton Harbour Plymouth Devon PL4 0RA

The Rivers Trust

Trustees' Report

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's Memorandum and Articles of Association, the Charities Act 2011 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 published on 16 July 2014.

Aims, objectives and activities

Objects and aims

The objects of the Trust are:

- To advance the education of the public in the management of water and environmental protection, conservation, rehabilitation and improvement
- To advance the education of the public in the understanding of rivers, their basins, fauna and flora
- To protect, conserve, rehabilitate and improve the rivers, streams, watercourses and river basins, including adjacent coastal waters and water impoundments of the United Kingdom or any part or parts thereof for the public benefit.

The underlying aim of the Trust is to promote sustainable and integrated catchment management, based on the ecosystem approach and sound environmental practices, which can bring economic and social benefits to local communities, in addition to environmental improvements. To complement this aim the Trust promotes a grass roots or bottom up approach to deliver local solutions to issues.

Policies, objectives and public benefit statement

The Board's strategy for achieving its objects and aims is twofold. The Trust, through its core activities, acts as the umbrella organisation to promote the development of the rivers trust movement. Its policy is to build capacity at the local rivers trust level to deliver the Trust's objects across England, Wales and Northern Ireland. Through its project activities, the Trust pursues mainly public grant funded opportunities to promote and develop practical solutions to environmental issues for public benefit.

In setting objectives, planning for activities and delivering those activities, the Trustees have regard for, and given due consideration to, general guidance published by the Charity Commission relating to public benefit. The Trustees are fully satisfied that the Trust has complied with its educational and environmental benefit purposes, and that such purposes are beneficial to local communities and others wherever there is a river.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Rivers Trust

Trustees' Report

Activities

The Trust maintains a small central function to evaluate, develop, undertake and disseminate innovative ideas and solutions related to the wider river environment. The total number of equivalent full time employees at the end of 2016 was 11. The Trust, therefore, operates under a unitary advancement of the rivers trust movement, with two main functional groupings: -

Core education and rivers trust development

The Trust's core activities are to promote rivers trusts at a national level and to provide technical and governance support to rivers trusts on generic issues affecting them. In so doing, it engages in an advisory role with government and others on environmental policy related to river catchments and issues.

Rivers trusts are community led charitable organisations recognised as important deliverers of education, water management advice and practical conservation work from source to sea, and improving land use, rivers and wetlands at the river catchment scale. The aim is for them to build their reputation as local "deliverers" by adopting and applying sound environmental practice and techniques at a catchment management scale in a cost effective manner.

Equally important is the dissemination of best practice and techniques. The Trust accordingly organises seminars etc., a feature of which is that they are open to all at modest cost to encourage wide participation across various communities and organisations involved with water and the environment.

National and European projects

The Trust relies on successful grant applications for projects to develop and disseminate innovative solutions related to the river environment to a wide audience across the UK and Europe.

As the umbrella body, it occupies a pivotal position in developing related networks principally across the UK and Europe. It provides a conduit for know-how, technology and best practice transfer and dissemination. Project bids encourage partnerships, target activity towards societal needs and promote fresh solutions to problems.

Projects enable the Trust to underwrite its activities. In some cases, projects directly assist local rivers trusts to deliver environmental improvements. In other cases, they enable the Trust to develop transnational policy initiatives or enable the Government and its agencies to implement policies aimed at improving our wider river environment.

Grant making policies

Where funds permit, the Trust facilitates and delivers financial support through the provision of discretionary grants to rivers trusts from its core funds, primarily in the start-up phase or to promote sustainability. The Trust also provides grants to rivers trusts to undertake river improvements, develop local capacity or implement policy initiatives through its projects. However, in these cases the Trust is obliged to comply with the eligibility and consent criteria set out by each funder.

The Rivers Trust

Trustees' Report

Review of activities

During 2016 we have achieved the following:

Core education and rivers trust development

- Cemented our role as a prime co-ordinating body working alongside Government in delivering cost effective wild freshwater fisheries management across England and building on the excellent fisheries management work conducted by local rivers trusts.
- Continued to represent the rivers trust movement and wider catchment communities, particularly regarding implementation of the Water Framework Directive.
- Developed and updated further policies and protocols, including GIS and the dissemination of data and its management, for the generic benefit of rivers trusts and wider catchment communities.
- Continued to promote the education around water generally and through partnerships with academia, other like minded charities and Wildlife and Countryside Link.
- Developed the capacity of rivers trusts in England and Wales to support public benefit across wider catchment communities.
- Continued to host seminars, conferences and events at modest cost to encourage participation by all rivers trusts and all those interested in the river environment.
- Pursued the Trust's communications strategy to develop its relationships with member rivers trusts and the wider public.
- Re-structured the Trust's executive team to promote the growth and sustainability of the rivers trust movement.

National and European projects

- Completed the 2015/16 phase of the Catchment Based Approach and provided continued national support in 2016 for the 100 plus river catchments across England and Wales.
- Completed the fifth PINPOINT project in respect of catchment sensitive farming education and training and pursued a further phase.
- Completed the second year of the 3-year WaterLife project under the EU LIFE+ programme and its associated contract on behalf of WWF.
- Started three major EU projects: LifeIP (Natural Course), TopSoil and Water Co-Governance (WaterCoG).
- Continued the environmental improvements pursuant to the Green Port, Humberside funding.
- Secured a contract under the EU Interreg VB North Sea Region programme, FRAMES, to develop the catchment approach to flood risk management.
- Submitted an application under the EU Interreg VA Cross Border (Ireland) programme to development cross-border catchment management both north and south of the Irish border.
- Secured a contract with Greggs Foundation, funded by the Plastic Bag Levy (Tax), to fund river related community educational or environmental improvements in conjunction with local rivers trusts.

Investment policy and performance

The Trust has insufficient uncommitted funds to consider long-term investments, and a review of performance and performance targets is not required. The Trust continues to grow, which dictates that the investment policy is to keep any surplus liquid funds in short-term deposits, which are low risk, and to spread that risk across at least two banks. In the fullness of time, should the Trust have sufficient funds to invest beyond short-term bank deposits, it would seek independent professional advice, including considering ethical and other issues.

The Rivers Trust

Trustees' Report

Financial review

Reserves policy

It is the aim of the Trustees to generate a level of reserves sufficient to carry out the objects of the Trust on a steady and stable basis. The Rivers Trust Reserves Policy requires that general (unrestricted) reserves are monitored throughout the year to ensure that they are at an appropriate level and sufficient to protect expenditure in the short term from any sudden drop in income. The Board has reviewed the requirement for general reserves as part of the annual planning process and decided to retain three months of unrestricted funds expenditure. This level of reserves of the charity will allow the Trust to operate effectively and take the necessary actions in the event of a sudden unpredicted drop in income. The Board has resolved to hold the surplus liquid funds in short term deposits that can be accessed readily.

At the end of 2016 the Trust held total funds of £568k, of which £278k was unrestricted, which met the reserves policy and was sufficient to carry out the objectives of the Trust. A review of the plans and forecast for 2017 has indicated that the above threshold would not be exceeded in terms of unrestricted funds, however, the Board is mindful of unforeseen EU-funded programme delays outside of the Trust's control causing indeterminate delays in claims settlements. It will therefore continually review the Trust's exposure to EU-funding and may increase the cash threshold as deemed appropriate to cover the contingency.

Principal funding

Income

Total income for the year was £1.3m (2015: £1.2m). The Trust received donations and grant support during the year from a number of sources including the Environment Agency, various EU grant-funded programmes, the Greggs Foundation, the John Ellerman Foundation and WWF. The Trust is also pleased with the support given by rivers trusts and its other members through subscriptions.

Expenditure

Total expenditure for the year was £1.5m (2015: £1.2m): £1.2m (85%) of total expenditure was spent on restricted fund projects; and £0.2m (15%) on our core area of education and supporting rivers trust development, of which £36k relates to governance expenditure. The Trust has negligible fund-raising costs.

Balance sheet

The Trust was in a reasonably healthy financial position at year end, with a cash balance of £972k; debtors of £151k, of which most was attributable to accrued grant claims; and creditors of £565k, attributable mostly to deferred income and third party liabilities.

The Board confirms that since the year-end, it is not aware of any events that would have a material detrimental impact on its position.

The Rivers Trust

Trustees' Report

Plans for the future

The UK's decision to leave the EU will set the context for future years.

Core education and rivers trust development

- **Brexit:** it is considered that there is significant medium to long-term environmental, social and economic risk arising from Brexit principally in the continuity of the environmental legislation and the continuity of funding for protecting, restoring and conserving the environment. The Rivers Trust will continue to engage constructively with government and its agencies, based on best available science and practice, to represent the rivers trust movement and catchment communities to help to develop mutually agreeable solutions for effective catchment management and improvement for public benefit, including freshwater fisheries.
- **RT Communications, website and social media development:** the substantial updating and creative development of RT's website to make it more "public facing" and interactive with systems to incorporate new methods of providing technical support, mass communication and fundraising.
- **Fundraising:** A Board-led Working Group has been established to lead on the generation of funds from non-governmental sources. This Group is led by the Trust's Chairman.
- **Education:** continue to promote the education of water generally and through partnerships.
- **Capacity:** develop the capacity of rivers trusts in England and Wales and establish new rivers trusts in Northern Ireland.

National and European projects

- **Brexit and EU-funding:** The UK's decision to leave the EU has not yet limited project funding applications as several projects have been approved since the referendum whilst some other bids would appear to be being expedited. We shall continue to progress the bids currently submitted and we shall submit new bids for EU-funding as and when the opportunities arise.
- **UK Government funding post-Brexit:** a constrained public purse creates uncertainty over the scale/scope of future public funding for environmental projects. Our strategy will be to continue to engage constructively with ministers, civil servants and government agencies to help to develop mutually agreeable policy solutions to protect and maintain the environment, highlighting our ability to effectively deliver on the ground improvements through rivers trusts and Catchment Based Approach (CaBA) catchment community partnerships.
- **CaBA post-2017:** This project is wholly aligned with our charitable objects and it extends to the 108 Catchment Partnerships where it builds capacity at a critical time in the movement's development. We shall assist the Defra and the EA in developing a suitable business case to secure the continued investment in this programme.
- **Significant new projects in pipeline:** we shall continue to progress a number of promising new projects in the pipeline which align with our charitable objects, including "Source to Tap" which is a significant a cross-border initiative between Northern Ireland and Eire.
- **EU Projects:** complete the final year of the 3-year WaterLife project and undertake the first full year of the 3 major projects: Topsoil, Water Co-Governance and FRAMES.
- **Humber:** complete the environmental improvements pursuant to the Green Port, Humberside funding.
- **Coca Cola:** begin a large catchment based program fully-funded by Coca Cola.

Going concern

After making appropriate enquiries and due consideration, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

The Rivers Trust

Trustees' Report

Structure, governance and management

Constitution

The Trust is a registered charity and company limited by guarantee, governed by its Articles of Association, which were updated in 2011 to align with the Companies Act 2006. Subject to the Articles of Association, membership is open to any individual or organisation.

The Trust has a wholly owned subsidiary, River Ecosystem Services Limited, which was incorporated in 2013. The distributable profit of the subsidiary is covenanted to the Trust.

Method of appointment or election of Trustees

The governing body of the Trust is the board of Trustees, which comprises up to 11 Trustees. Rivers Trust members have the right to nominate and appoint up to six Trustees ("Rivers Trustees") and all Members have the right to elect up to five Trustees ("Elected Trustees") at an AGM pursuant to Articles 21 and 24. One Rivers Trustee and one Elected Trustee are required to retire annually by rotation.

The recruitment of Trustees is by communication with Rivers Trust members and others. Subject to the Articles, selection is based on environmental or specific rivers trust interest, expertise in environmental or other relevant matters, general experience of charities and integrity, with the over-riding objective of maintaining a broadly representative body, strong on governance and ability to add value. The Trust has adopted a skills matrix approach to assist in meeting this objective.

Policies adopted for the induction and training of trustees

Newly appointed Trustees receive a letter of appointment, including appointment declarations, and access to an on-line reference pack, which covers the modus operandi of the Trust and includes pertinent information on charities, such as the Charity Commission's The Hallmarks of an Effective Charity (CC10). The pack is continually updated and provides all Trustees with a dynamic support tool.

For on-going training purposes, the Board has agreed that the on-line reference pack, presentations etc. and Board papers will maintain standards of governance on a timely basis.

Organisational structure and decision-making

The Board recognises that as an umbrella organisation representing the rivers trust movement there is an obligation on the Trust positively to embrace best governance practice. The Board meets formally up to four times per year, but there is frequent consultation with Trustees individually and as groups outside formal meetings. The Board has established a Business Committee, principally to deal with the strategic development of the Trust and to incorporate the roles previously undertaken by the Finance Committee and the Remuneration Committee, which were accordingly wound up. The Business Committee consists of at least two Trustees and it meets up to four times per year and reports to the following Board meeting.

The Board operates a "Chairmen's and CEOs' Annual Forum" as a means of formal communication with its rivers trust members on strategy, members' priorities and the Board's own performance. The Forum has proven successful and has been incorporated into the annual calendar to coincide with, and complement, the Annual General Meeting.

The Rivers Trust

Trustees' Report

Related party relationships

The Trust works closely with its rivers trust members and other charities and organisations. However, all relationships are conducted on an arms' length basis.

Risk management

The policy of the Trustees is to manage risk by relevant and proportionate measures. The Trustees encourage the executive team to adopt innovative approaches in developing the rivers trust movement, to promote leadership and initiative and to make real and significant contributions to environmental improvements. The policy is conducted against a framework of good governance, prudent financial control, sustainability and a culture of mutual trust.

The Trustees promote continual risk assessment and management, both by the executive team and/or any Trustee. In addition, the Trustees have adapted the framework suggested by the Charity Commission for a formal Annual Risk Management Review undertaken by the Business Committee. Identified higher priority risks are highlighted therein for ease of reference within a comprehensive table of risk assessment, measures and accountability.

The Trustees are mindful of the negative reputational publicity in respect of the charitable sector during the past in terms of poor governance, opacity and commercial conflicts of interest. They are fully satisfied that the Trust acts with the utmost integrity in respect of fundraising, where no third parties are involved and where, as a non-campaigning charity, there is no direct solicitation of funds from the public. Moreover, governance is open and transparent and no commercial conflicts of interest exist.

The Trust maintains employers' liability and public liability insurance cover, professional indemnity and Trustees' indemnity insurance for additional protection. Insurance cover is considered to be the measure of last resort.

Key management personnel

At the end of 2016 the key management personnel of the Trust were:

A Rickard, Chief Executive Officer
T Wieringa, Finance Director & Company Secretary
A Maltby, Operations Director
B Bendall, Director Water & Land
Dr R Collins, Director Policy & Science
D Johnson, Catchment Based Approach (CaBA) Support Manager

Pay policy

The Trust operates a national pay policy guide and grading structure based on an independent benchmarked locally and against a study of organisations within the environmental sector. This policy is applied to all staff of The Rivers Trust, including the key management personnel.

The Rivers Trust

Trustees' Report

Small companies provision statement

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

Approved by the Board on 16 May 2017 and signed on its behalf by:


.....
A R Wallace (Chairman)
Trustee

The Rivers Trust

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of The Rivers Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- The Trustees, having made enquiries of fellow Trustees and the group's auditor that they ought to have individually taken, have each taken all steps that he / she is obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board on 16 May 2017 and signed on its behalf by:


A R Wallace (Chairman)
Trustee

The Rivers Trust

Independent Auditors' Report to the Trustees of The Rivers Trust

We have audited the financial statements of The Rivers Trust for the year ended 31 December 2016, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

This report is made solely to the charitable company's Trustees, 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 charitable company's Trustees those matters we are required to state to them in an auditor's 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 10), the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its results 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

The Rivers Trust

Independent Auditors' Report to the Trustees of The Rivers Trust

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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Duncan Leslie (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

16 May 2017

The Rivers Trust

Consolidated Statement of Financial Activities

Year Ended 31 December 2016

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Restricted funds £	Unrestricted funds £	Total funds 2016 £	Total funds 2015 £
Income from:					
Donations and legacies	2	-	101,216	101,216	205,730
Charitable activities	3	1,079,455	66,152	1,145,607	932,281
Other trading activities	4	-	46,246	46,246	18,332
Investments	5	-	876	876	615
Total income		<u>1,079,455</u>	<u>214,490</u>	<u>1,293,945</u>	<u>1,156,958</u>
Expenditure on:					
Charitable activities	6	<u>(1,247,205)</u>	<u>(215,944)</u>	<u>(1,463,149)</u>	<u>(1,180,800)</u>
Total expenditure		<u>(1,247,205)</u>	<u>(215,944)</u>	<u>(1,463,149)</u>	<u>(1,180,800)</u>
Net expenditure		<u>(167,750)</u>	<u>(1,454)</u>	<u>(169,204)</u>	<u>(23,842)</u>
Net movement in funds		(167,750)	(1,454)	(169,204)	(23,842)
Reconciliation of funds					
Total funds brought forward		<u>457,910</u>	<u>279,560</u>	<u>737,470</u>	<u>761,312</u>
Total funds carried forward	18	<u>290,160</u>	<u>278,106</u>	<u>568,266</u>	<u>737,470</u>

The statement of financial activities includes all gains and losses recognised in the year.

All of the Group's activities derive from continuing operations during the above two periods.


The Rivers Trust

Consolidated Balance Sheet

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	14	9,640	3,234
Current assets			
Debtors	16	151,457	101,610
Cash at bank and in hand		<u>972,288</u>	<u>706,588</u>
		1,123,745	808,198
Creditors: Amounts falling due within one year	17	<u>(565,119)</u>	<u>(73,962)</u>
Net current assets		<u>558,626</u>	<u>734,236</u>
Net assets		<u>568,266</u>	<u>737,470</u>
Funds of the Group:			
Restricted income funds		(290,160)	(457,909)
Unrestricted income funds		<u>(278,106)</u>	<u>(279,561)</u>
Total funds	18	<u>(568,266)</u>	<u>(737,470)</u>

The financial statements on pages 13 to 32 were approved by the Trustees, and authorised for issue on 16 May 2017 and signed on their behalf by:


 A R Wallace (Chairman)
 Trustee

Company Registration Number: 05136671

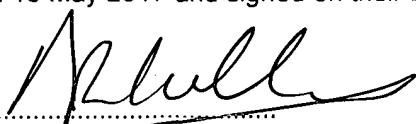
The Rivers Trust

Balance Sheet

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	14	7,254	2,317
Investments		<u>200</u>	<u>200</u>
		<u>7,454</u>	<u>2,517</u>
Current assets			
Debtors	16	153,819	114,425
Cash at bank and in hand		<u>945,734</u>	<u>692,951</u>
		1,099,553	807,376
Creditors: Amounts falling due within one year	17	<u>(538,765)</u>	<u>(70,071)</u>
Net current assets		<u>560,788</u>	<u>737,305</u>
Net assets		<u>568,242</u>	<u>739,822</u>
Funds of the charity:			
Restricted income funds		(290,160)	(457,907)
Unrestricted income funds		<u>(278,082)</u>	<u>(281,915)</u>
Total funds	18	<u>(568,242)</u>	<u>(739,822)</u>

The financial statements on pages 13 to 32 were approved by the Trustees, and authorised for issue on 16 May 2017 and signed on their behalf by:



 A R Wallace (Chairman)
 Trustee

Company Registration Number: 05136671

The Rivers Trust

Consolidated Statement of Cash Flows Year Ended 31 December 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net expenditure for the reporting period		(169,204)	(23,842)
Adjustments for:			
Depreciation		4,127	4,667
Investment income	5	(876)	(615)
(Increase)/decrease in debtors	16	(49,847)	223,739
Increase in creditors	17	184,727	41,877
Increase in deferred income		<u>306,430</u>	<u>-</u>
Net cash flows from operating activities		<u>275,357</u>	<u>245,826</u>
Cash flows from investing activities			
Interest receivable and similar income	5	876	615
Purchase of tangible fixed assets	14	<u>(10,533)</u>	<u>(1,485)</u>
Net cash flows from investing activities		<u>(9,657)</u>	<u>(870)</u>
Net increase in cash and cash equivalents		265,700	244,956
Cash and cash equivalents at 1 January		<u>706,588</u>	<u>461,632</u>
Cash and cash equivalents at 31 December		<u><u>972,288</u></u>	<u><u>706,588</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

1 Accounting policies

Statement of compliance

The financial statements have been prepared under the historical cost convention with items being recognised at cost or transaction value unless otherwise stated in the notes to these accounts.

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) with FRS102 and with the requirements of the Companies Act 2006.

The Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Basis of consolidation

The financial statements consolidate the accounts of The Rivers Trust and its subsidiary undertaking.

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

Income and endowments

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the claim.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Grants receivable

Grants are recognised as income when all the terms attached to the grant are within the control of the Trust.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

Fund accounting

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the registered office.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions that have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory examination and legal fees together with an apportionment of overhead and support costs. These costs are included within charitable activities where relevant.

Tangible fixed assets

All equipment costing less than £500 is written off in the statement of financial activities when the expenditure is incurred.

Impairment reviews are carried out on a periodic basis. If an asset is found to have a carrying value materially higher than its recoverable amount it is written down accordingly.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Office and other equipment

Depreciation method and rate

3 years straight line

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

Fixed asset investments

Investments in subsidiaries are valued at cost less provision for impairment.

Foreign exchange

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

Fund structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds

Funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the company.

Pensions and other post retirement obligations

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the Trust

The company is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

2 Income from donations and legacies

	Unrestricted Total 2016 £	Unrestricted Total 2015 £
Donations from individuals	99,656	205,730
Donations from organisations	1,560	-
	<u>101,216</u>	<u>205,730</u>

3 Income from charitable activities

	Total 2016 £	Total 2015 £
National and European projects	1,129,772	906,348
Education and River Trust development	15,835	25,933
	<u>1,145,607</u>	<u>932,281</u>

The income from charitable activities was £1,145,607 (2015 - £932,281) of which £66,152 was unrestricted (2015 - £53,346) and £1,079,455 was restricted (2015 - £878,935).

4 Income from other trading activities

The charity is the beneficial owner of 100% of the issued ordinary share capital of River Ecosystem Services Limited, a company incorporated in England and Wales in 2013. River Ecosystem Services Limited undertakes the trading activities of the charity. The company pays distributable profits to the charity by gift aid donation.

Summary of trading results:

	2016 £
Turnover	46,246
Cost of sales	<u>(39,498)</u>
Gross profit	6,748
Administrative expenses	(4,371)
Donation to The Rivers Trust	-
Net profit for the year	<u>2,377</u>

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

Assets and liabilities

	2016 £
Assets	34,642
Liabilities	(34,417)
Capital	200
Reserves	<u>25</u>

5 Income from investments

All of the group's unrestricted investment income of £876 (2015 - £615) arises from money held in interest bearing deposit accounts.

6 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
National and European projects	-	1,247,205	1,247,205	1,036,869
Education and River Trusts development	179,878	-	179,878	113,907
Governance	36,066	-	36,066	30,025
	<u>215,944</u>	<u>1,247,205</u>	<u>1,463,149</u>	<u>1,180,801</u>

	Activity undertaken directly £	Grant funding of activity £	Activity support costs £	Total 2016 £	Total 2015 £
National and European projects	945,371	301,834	-	1,247,205	1,036,869
Education and River Trusts development	44,921	-	134,957	179,878	113,907
Other costs	-	-	36,066	36,066	30,025
	<u>990,292</u>	<u>301,834</u>	<u>171,023</u>	<u>1,463,149</u>	<u>1,180,801</u>

£215,944 (2015 - £143,932) of the above expenditure was attributable to unrestricted funds and £1,247,205 (2015 - £1,036,869) to restricted funds.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

7 National and European projects

	Total funds 2016 £	Total funds 2015 £
Activities undertaken		
Project costs	42,541	56,661
Other costs	35,504	159,474
Consultancy	462,266	426,370
Wages and salaries	356,372	322,955
National insurance	31,097	31,480
Pension costs	17,591	17,472
	<u>945,371</u>	<u>1,014,412</u>
Grants to institutions		
Ballinderry Rivers Trust	5,000	5,000
Community Forest Trust	22,145	-
Erne Rivers Trust	-	4,957
Healthy Waterways Trust	11,438	-
Lune Rivers Trust	23,682	-
Ribble Rivers Trust	103,866	-
South Cumbria Rivers Trust	29,364	-
Tyne Rivers Trust	4,600	-
Wear Rivers Trust	4,600	-
West Cumbria Rivers Trust	27,846	-
Wyre Rivers Trust	3,585	-
Other grants to institutions	65,708	12,500
	<u>301,834</u>	<u>22,457</u>
Total	<u>1,247,205</u>	<u>1,036,869</u>

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

8 Education and Rivers Trust development

	Total funds 2016 £	Total funds 2015 £
Activities undertaken		
Seminar costs	5,423	146
Other costs	32,310	8,587
Wages and salaries	6,324	7,602
National insurance	552	741
Pension costs	312	411
	<u>44,921</u>	<u>17,487</u>
Support costs		
Office costs	24,751	2,516
Travel	6,235	4,221
Consultancy	6,009	1,434
Exchange rate (gain)/loss	(6,694)	20,164
Wages and salaries	88,444	55,071
National insurance	7,718	5,368
Pension costs	4,366	2,979
Depreciation	4,128	4,667
	<u>134,957</u>	<u>96,420</u>
Total	<u>179,878</u>	<u>113,907</u>

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

9 Analysis of governance and support costs

	General support £	Governance £	Total 2016 £	Total 2015 £
Office costs	24,751	3,437	28,188	3,075
Travel	6,235	2,965	9,200	6,221
Consultancy	6,009	40	6,049	2,993
Exchange rate (gain)/loss	(6,694)	-	(6,694)	20,164
Wages and salaries	88,444	16,924	105,368	69,313
National insurance	7,718	1,477	9,195	6,756
Pension cost	4,366	835	5,201	3,749
Depreciation	4,128	-	4,128	4,667
Auditor's remuneration - charity	-	7,088	7,088	5,100
Auditor's remuneration - subsidiary	-	1,822	1,822	1,250
Trustees expenses reimbursed	-	1,478	1,478	3,157
	<u>134,957</u>	<u>36,066</u>	<u>171,023</u>	<u>126,445</u>

The Trust initially identifies the total cost of its support functions and then apportions the element associated with the governance of the charity to governance costs. The remainder of these support costs are incurred in developing the River Trusts and Education.

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

6 trustees received reimbursement of travel and subsistence expenses amounting to £1,478 in the current year (2015 - 6 trustees; £3,157).

11 Staff costs

The aggregate payroll costs were as follows:

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	468,064	399,870
Social security costs	40,844	38,977
Pension costs	<u>23,102</u>	<u>21,632</u>
	<u>532,010</u>	<u>460,479</u>

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

The average monthly number of persons employed by the group during the year was as follows:

2016	2015
No	No
<u>13</u>	<u>12</u>

The number of employees whose emoluments fell within the following bands was:

	2016	2015
	No	No
£70,001 - £80,000	<u>1</u>	<u>1</u>

The key management personnel of the group comprises A Rickard, T Wieringa, A Maltby, B Bendall, Dr R Collins, D Johnson and A Hawken.

The total employee benefits of the key management personnel of the group were 324,623 (2015 - £283,281).

12 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2016	2015
	£	£
Audit fees	8,910	6,350
Depreciation of fixed assets	<u>4,128</u>	<u>4,667</u>

13 Taxation

The company is a registered charity and is therefore exempt from taxation on its charitable activities.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

14 Tangible fixed assets

Group

	Office and other equipment £
Cost	
At 1 January 2016	33,433
Additions	<u>10,533</u>
At 31 December 2016	<u>43,966</u>
Depreciation	
At 1 January 2016	30,199
Charge for the year	<u>4,127</u>
At 31 December 2016	<u>34,326</u>
Net book value	
At 31 December 2016	<u>9,640</u>
At 31 December 2015	<u>3,234</u>

Charity

	Office and other equipment £
Cost	
At 1 January 2016	30,131
Additions	<u>7,571</u>
At 31 December 2016	<u>37,702</u>
Depreciation	
At 1 January 2016	27,814
Charge for the year	<u>2,634</u>
At 31 December 2016	<u>30,448</u>
Net book value	
At 31 December 2016	<u>7,254</u>
At 31 December 2015	<u>2,317</u>

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

15 Fixed asset investments

Charity

	2016 £	2015 £
Shares in group undertakings	<u>200</u>	<u>200</u>

Shares in group undertakings

	Subsidiary undertakings £
Cost	
At 1 January 2016	<u>200</u>
At 31 December 2016	<u>200</u>
Net book value	
At 31 December 2016	<u>200</u>
At 31 December 2015	<u>200</u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
River Ecosystem Services Limited	England and Wales	Ordinary	100%	Environmental consulting activities

The activities of this company are summarised in note 4.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

16 Debtors

	2016 £	Group 2015 £	2016 £	Charity 2015 £
Trade debtors	10,040	98,241	9,000	92,901
Due from group undertakings	-	-	8,064	18,155
Prepayments	3,778	3,369	3,778	3,369
Accrued income	136,892	-	132,977	-
Other debtors	747	-	-	-
	<u>151,457</u>	<u>101,610</u>	<u>153,819</u>	<u>114,425</u>

17 Creditors: amounts falling due within one year

	2016 £	Group 2015 £	2016 £	Charity 2015 £
Trade creditors	28,989	4,261	23,589	4,261
Other creditors	206,111	57,402	206,111	55,110
Accruals	23,589	12,299	20,804	10,700
Deferred income	306,430	-	288,261	-
	<u>565,119</u>	<u>73,962</u>	<u>538,765</u>	<u>70,071</u>

Deferred income

Group	2016 £
Deferred income at 1 January 2016	-
Resources deferred in the period	<u>306,430</u>
Deferred income at 31 December 2016	<u>306,430</u>

Income has been deferred on the basis that the relevant performance criteria have not been met.

Charity	2016 £
Deferred income at 1 January 2016	-
Resources deferred in the period	<u>288,261</u>
Deferred income at 31 December 2016	<u>288,261</u>

Income has been deferred on the basis that the relevant performance criteria have not been met.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

18 Funds

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Balance at 31 December 2016 £
Unrestricted funds				
	<u>279,560</u>	<u>214,490</u>	<u>(215,944)</u>	<u>278,106</u>
Restricted funds				
CaBA	111,186	235,289	(323,460)	23,015
DEFRA RIF	1,008	-	-	1,008
EA Your Fisheries Phase 2	-	12,500	(10,944)	1,556
Eels	64,583	-	(1,163)	63,420
Eire Start-Up	1,522	-	(1,522)	-
Fishmongers' Fisheries	-	12,500	(487)	12,013
FRAMES	-	3,559	(3,559)	-
Greggs PBT	-	84,375	(84,375)	-
Humber	172,034	-	(89,479)	82,555
Keeping Rivers Cool	8,532	-	(476)	8,056
Natural Course	-	396,955	(396,955)	-
Nestle (BITC)	-	5,000	(539)	4,461
Northern Ireland	19,414	-	(10,579)	8,835
PinPoint	-	45,000	(41,404)	3,596
RAFTS	930	-	(930)	-
Strategic Development Fund	68,701	-	(277)	68,424
Thames Catchment	10,000	-	(3,938)	6,062
Tipperary EIRE	-	14,848	(14,544)	304
TopSoil	-	8,467	(8,467)	-
WaterCoG	-	34,238	(34,238)	-
WATERLife	-	188,352	(183,414)	4,938
Other restricted funds	-	38,372	(36,455)	1,917
Total restricted funds	<u>457,910</u>	<u>1,079,455</u>	<u>(1,247,205)</u>	<u>290,160</u>
Total funds	<u>737,470</u>	<u>1,293,945</u>	<u>(1,463,149)</u>	<u>568,266</u>

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

Description of funds:

The above projects can be summarised as follows:

Catchment Based Approach (CaBA): funds received from Defra under the catchment based approach initiative support to provide national technical support to all NGO catchment partnerships in England and Wales and to support additional specific aspects identified and determined by the CaBA National Steering (Support) Group.

Defra River Improvement Fund (RIF): there remains a small balance of funds for additional publicity and related reporting issues.

EA Your Fisheries: a project funded by the EA to enable the better understanding and protection of rivers across England and meet the Fisheries priorities and Water Framework Directives responsibilities for these bodies.

Eels: funding to support continued development work related to Eel populations.

Eire Start-up: funding provided by the Eire government to promote rivers trust development in the Republic of Ireland.

Fishmongers' Fisheries: a grant from the Fishmongers' Company for the Trust to collaborate with the Angling Trust to evaluate freshwater fisheries management in England, Wales and Northern Ireland.

FRAMES: a partially-funded EU project to develop flood resilience through the multi-layer safety (MLS) concept, which integrates the three aspects of prevention, mitigation and emergency response to flooding.

Greggs PBT: this project is fully-funded by the Greggs Foundation and is designed to engage and directly benefit local communities through education and participation within environmental projects that will target young people and the disadvantaged.

Humber: funding provided by Associated British Ports by way of mitigation for the Green Port Development to undertake river improvements to aid fish passage in the catchments flowing into the Humber Estuary.

Keeping Rivers Cool: a fully-funded project in partnership with the Environment Agency to make riparian shade data available to rivers trusts and Catchment Based Approach partnerships to help them to combat climate change impacts etc.

Natural Course: a partially-funded EU Project to support the implementation of the North West (NW) River Basin Management Plan by building the strategic capacities needed in authorities and stakeholders. This will lead to new ways of working that will make protecting water resources in the NW more achievable and more affordable.

Nestle (BITC): a project fully-funded by Nestle to investigate innovative methods for farmers to better understand, act-upon and reduce their impact on water quality and water consumption.

Northern Ireland Trust Development: funding provided by the Northern Ireland Environment Agency to assist the establishment of charitable rivers trusts in Northern Ireland.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

PinPoint: grant funding from Natural England to train rivers trusts and others to promote catchment sensitive farming.

Strategic Development Fund: a fund from donations received, established to carry out strategic development in accordance with the Trust's objectives.

Thames Catchment: a grant from the Fishmongers' Company for the Trust to support the development of a rivers trust in the Thames basin

TopSoil: a partially-funded EU project which explores the possibilities for using the uppermost soil layers to solve current and future water challenges.

Water Co-Governance (WaterCoG): a partially-funded EU project to explore the role of increased stakeholder involvement in the management of water in the North Sea Region.

WaterLife: a partially-funded EU project involving civil society and the private sector in the delivery of the Water Framework Directive across the EU and restoring rivers to good ecological status. In association therewith, the Trust is also delivering the water stewardship aspect for WWF.

19 Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	9,640	-	9,640
Current assets	346,471	777,274	1,123,745
Current liabilities	(78,005)	(487,114)	(565,119)
Total net assets	<u>278,106</u>	<u>290,160</u>	<u>568,266</u>

20 Share capital

The charitable company is limited by guarantee and has no share capital. In the event of winding up the liability of each member is limited to £1.

21 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. Pension costs represent the contributions payable during the accounting period. The pension cost charge for the year represents the contributions payable to the Rivers Trust Pension Scheme by the charity to the fund of participating employees and amounted to £23,101 (2015 - £21,633). The charity has no liability under the scheme other than for the payment of those contributions. Contributions totalling £nil (2015 - £nil) were payable to the fund at the balance sheet date.

The Rivers Trust

Notes to the Financial Statements

Year Ended 31 December 2016

22 Related party transactions

During the year the charity received total donations of £99,647 (2015: £205,704) from related parties. There were no conditions attached to these donations.

During the year the charity purchased consultancy services from the wife of a Trustee. The purchases amounted to £936 (2015: £4,403) and there was no balance outstanding at the year end.

A Trustee is the Chief Executive of a related Rivers Trust. During the year, The Rivers Trust purchased services amounting to £27,491 (2015: £44,615) from this Rivers Trust. There was a balance outstanding of £10,732 (2015: £8,622) due to this Rivers Trust at the year end. During the year The Rivers Trust received £1,650 from this Rivers Trust in fees.

23 Control

The ultimate controlling party are the Trustees.