

# **ASSOCIATION OF RIVERS TRUSTS**

Registered Charity No: 1107144

Company No: 5136671



**Financial Statements For The Period From 25 May 2004 To 31 December 2004**

# **ASSOCIATION OF RIVERS TRUSTS**

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# **ASSOCIATION OF RIVERS TRUSTS**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

### **Trust Director (Chief Executive)**

A J Rickard

### **Trust Secretary**

A G Hawken

### **Registered Office**

Bradford Lodge

Blisland

Bodmin

Cornwall

PL30 4LF

Tel: 01208 851369

Fax: 01208 851376

Email: [info@associationofriverstrusts.org.uk](mailto:info@associationofriverstrusts.org.uk)

### **Bankers**

Alliance & Leicester Commercial Bank Plc

Bridle Road

Bootle

Merseyside

G1R 0AA

### **Registered Auditor**

Mazars LLP

8 New Fields

2 Stinsford Road

Nuffield

Poole

Dorset

BH17 0NF

# **ASSOCIATION OF RIVERS TRUSTS**

## **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2004**

The Trustees present their report along with the financial statements of the Company (and charity) for the period from incorporation to 31 December 2004. The financial statements have been prepared on the accounting policies set out in Note 1 to the financial statements and comply with the Company's Memorandum and Articles of Association, the Companies Acts and other applicable law, and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

### **Governing Documents**

The Company is governed by its Memorandum and Articles of Association, as amended by Special Resolution on 8 November 2004.

### **Trustees**

The directors of the Company for Companies Act purposes are defined as Trustees in the Company's Articles of Association. The Trustees at the end of 2004 are set out below, and they all acted for the whole of the period from incorporation.

I D Gregg	(Chairman)
D M Haines	
J P Lord	
A Maltby	
S Marsh-Smith	
N P Yonge	

D M Haines, A Maltby, S Marsh-Smith and N P Yonge are respectively the senior executives of Westcountry Rivers Trust, Eden Rivers Trust, Wye & Usk Foundation and the Tweed Foundation. I D Gregg and J P Lord are respectively trustees of the Eden Rivers Trust and the Ribble Catchment Conservation Trust.

When complete the Board shall consist of 11 Trustees. The full Rivers Trust members have the right to nominate and appoint up to six Trustees ("Rivers Trustees") pursuant to Article 48 and all Registered Members have the right to elect up to four Trustees ("Elected Trustees") and the Chairman at an AGM pursuant to Article 49. Subject to the Articles of Association, membership is open to any individual or organisation.

All the Trustees are required to retire at the first AGM of the Company to be held in 2005. At each subsequent AGM, one Rivers Trustee and one Elected Trustee or the Chairman is required to retire by rotation.

Subject to the Articles, it is intended that Trustees will be selected generally by word of mouth, based on environmental interest, expertise, general experience of charities and integrity in order to maintain a broadly representative body, strong on governance and ability to add value. Trustees will be provided with an induction pack on the working of the Trust specifically and the rivers trust movement generally, with additional reference material based on the Charity Commission's Responsibilities of Charity Trustees and The Hallmarks of a Well-Run Charity.

### **Officers**

At the end of 2004 the principal officers of the Company (Trust) were:

A J Rickard	(Trust Director)
A G Hawken	(Trust Secretary)

# **ASSOCIATION OF RIVERS TRUSTS**

## **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2004 (continued)**

### **Objects**

The objects of the Trust are: -

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

### **Policy**

The main policies of the Trust are to co-ordinate, represent and develop the aims and interests of the Rivers Trust members in the promotion of sustainable, holistic and integrated catchment management and sound environmental practices, recognising the wide economic benefits for the local communities and the value of education.

In pursuing these policies its principles are based on:

- ❖ Consent.
- ❖ Subsidiarity - where the Trust will serve its members and decisions will be taken at the appropriate level.
- ❖ Partnership.
- ❖ Education and technology transfer - with particular reference to new and emerging trusts.

### **Aims and Objectives**

The medium term aims and objectives of the Trust are to:

- ❖ Establish it as the natural leader of the "rivers trust movement" and voice for river basin and water related community improvement activities at a national level with Government, decision makers, opinion formers and others within England & Wales.
- ❖ Forge international links, particularly with Scotland and the rest of the EU, in order to promote the "rivers trust movement" across a broader policy making spectrum and, reciprocally, to communicate international best practice and experience to its Rivers Trust members.
- ❖ Provide new and emerging trusts with a focal point of contact and support, utilising electronic media, e.g. website and newsletter, as far as practicable for cost effectiveness and accessibility.
- ❖ Draw on the technical expertise and experience of the Rivers Trust members to assist emerging trusts and underpin its technical competence, developing capacity at the regional Rivers Trust level and providing net financial benefit to Rivers Trust members.
- ❖ Maintain a small central administrative function to support areas of common interest to Rivers Trust members and emerging trusts.
- ❖ Establish the Trust as a reputable body, with high standards of compliance and integrity.

## **ASSOCIATION OF RIVERS TRUSTS**

### **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2004 (continued)**

#### **Review of activities and achievements**

The Trust, as an unincorporated body, was launched during 2001 by the Eden Rivers Trust, Tweed Foundation, Westcountry Rivers Trust and Wye & Usk Foundation. In 2003 the Ribble Catchment Conservation Trust joined them. This development had followed a considerable consultation period, *including communication with other river and fishery improvement trusts, the Atlantic Salmon Trust, the Scottish Fishery Trusts, ACA and the Environment Agency.* The five founder Trusts are all registered charitable trusts and each has made a significant contribution in their own areas to improve the aquatic environment and adjacent river corridor.

The need for such a body was a logical extension of the increasing level of liaison that had taken place for some time between established rivers trusts on matters of common interest. However the speed with which the new organisation has become recognised and the demands placed upon it could hardly have been anticipated. As a result of the natural progression and requirement for a national voice, it was decided by the founder trusts that the Trust should develop its own status and the "Association of Rivers Trusts" was incorporated as a company limited by guarantee on 25 May 2004, with Company Registration No: 5136671. In August 2004 the Trust's Director and Secretary moved across from Westcountry Rivers Trust and began their new executive roles to concentrate on fulfilling the Trust's aims and objectives. Shortly afterwards an application was made to the Charity Commission, and on 7 December 2004 the Trust was delighted to be granted charitable status, with Charity Registration No: 1107144.

The Trust is already widely recognised and accepted as the national representative umbrella body of the rivers trust movement. The Director sits on Defra's national Water Framework Directive (WFD) Stakeholders' Group and Defra's Catchment Sensitive Farming Stakeholders' Group and was invited to speak at the Water UK Source 2004 event, hosted by Right Hon. Margaret Beckett, Secretary of State at Lancaster House. He also represents the Trust on the Salmon & Trout Association Environment and Technical Committee.

Since 2001 the Trust has run national 2-day Seminars and Field Visits on a 6-monthly basis. These have attracted the regulatory agencies and non-governmental organisations (NGO's) with interests in the sector as well as existing and emerging rivers and fisheries trusts. The mix of delegates has been particularly satisfying, because it provides a great opportunity for communication, discussion and *understanding between the various agencies and others, in a non-confrontational and non-political setting.* Kindly supported financially by WWF, HSBC & BOC Foundation for the Environment, a modest fee structure has encouraged wide participation. Demand is strong and numbers have doubled in the last 3 years.

The Autumn 2004 Seminar took place on 9<sup>th</sup>/10<sup>th</sup> November 2004 at Chipping in the Hodder Valley, which forms part of the Ribble catchment. The Ribble is the pilot river basin for the implementation of the Water Framework Directive in England and Wales, which is acknowledged as the most important piece of legislation to shape our use of water and rivers for the ensuing two decades. Over 100 delegates from Great Britain and Ireland gathered to hear of opportunities under the new EU Directive from key speakers including WWF, Defra, the Environment Agency, the NFU and leading Rivers Trusts.

Following the seminar, delegates attended our inaugural Awards Dinner where the Trust and VIP's announced the five recipients of the first awards of their kind, "in recognition of excellence and achievement" and their contribution to the growing Rivers Trusts movement.

The Awards, again supported by WWF & HSBC included a cheque of £2000 for each recipient (to be spent on the river conservation project of their choice) together with a certificate and a specially commissioned, water themed vase in lead crystal.

## ASSOCIATION OF RIVERS TRUSTS

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2004 (continued)

"Award for Contribution to Science" presented by Professor Lynda Warren to: -  
Dr Ronald Campbell, Tweed Foundation.

"Award for Contribution to Best Farm Practice" presented by Professor Ed Maltby to: -  
Simon Evans, Wye & Usk Foundation.

"Award for Outstanding Contribution by a Volunteer" presented by John Bateman of HSBC to: - Philip  
Lord, Ribble Catchment Conservation Trust.

And two "Special Lifetime Awards for Outstanding Contribution to the Rivers Trust Movement"  
presented by Dr Dafydd Evans of the Environment Agency: -  
The first to: - Dr Martin O'Grady, Central Fisheries Board (Ireland).

The second to: Dr Alastair Stephen, Scottish & Southern Energy plc (Scotland) - who was  
unavoidably absent - and accepted on his behalf by Dr Ronald Campbell.

These awards represent a landmark in the development of the Rivers Trust movement and reflect a  
massive body of work undertaken over the last fifteen years. The Trust is delighted to be able to mark  
each of the winner's achievements in this way and raise the profile of Rivers Trusts' activities. Rivers  
trusts now represent catchments across a large part of England and Wales. In addition, there is  
excellent co-operation with the Association of Scottish Fisheries Boards (ASFB) and the Rivers and  
Fisheries Trusts of Scotland (RAFTS).

The Trust is also pleased to extend its horizons to Europe. Under the French lead partner Union des  
Terres de Rivières (U.TdR), the Trust has participated in a successful bid within the Interreg IIIC  
Programme (South Zone) for a networking project across the EU involving 24 partners in 10  
countries. The U.TdR communication and information network will focus on river basin management  
issues based on the *Ecosystem Approach including best practice*. Themes include communication,  
technical and education. A key element will be policy guidance and the implementation of the EU  
Water Framework Directive, in particular with regard to public participation. The project was given  
leave to commence on 1 December 2004 and is for a term of 2 years. The gross project budget for  
the Trust over the 2 years is just over £100k, with grant payable at 75%.

The Trust has been fortunate to receive support and assistance from a number of sources to date,  
including the Environment Agency, Fishmongers' Hall, WWF, in partnership with BOC Foundation for  
the Environment and HSBC, and Water UK. Its financial position is healthy with a £84k surplus of  
income over expenditure for the period to 31 December 2004 and a cash balance of approximately  
£88k.

Going forward in 2005 the Trust is increasingly confident that its role is necessary and sustainable.  
There is growing national awareness of the importance of rivers for wildlife and of managing  
catchments and their ecosystems as environmental and ecological service providers. The Rivers  
Trust movement is a bottom up "wet feet" development, initiated by a number of different community  
groups, from around the country working independently to form regional trusts, and dedicated to  
delivering real improvements on the ground. Improving the riverine corridor and surrounding  
catchment is a complex process. The Trust provides a link between the established and the newly  
emerging rivers and fisheries trusts, and provides a forum to develop ideas, best practice and policy  
guidance and to test transferability. It provides an important platform for regional trusts to "showcase"  
their work nationally, inform and enthuse others and ultimately to influence the policy makers towards  
"thinking globally, acting locally" empowerment.

# **ASSOCIATION OF RIVERS TRUSTS**

## **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2004 (continued)**

### **Organisational Structure**

The organisational policy of the Trust is to maintain a small central executive function, relying on expertise from Rivers Trust members to provide additional technical support and capacity.

During 2004 the Director has concentrated on policy issues and strategic development in concert with the Board. The Secretary has provided administrative, legal and financial support.

It is intended to keep the Board likewise small, concentrating on governance, with the evolution of a management board involving the key executives of Rivers Trust members to formulate strategic direction and priorities in order to retain a strong grassroots appeal.

The total number of part-time staff at the end of 2004 was 3. There were no full time employees.

### **Investment Policy**

The Trustees are empowered by the Memorandum of Association to invest the capital and income of the Trust in furtherance of the objects of the Trust in any manner as they in their discretion see fit. At this stage of its development, the Trust has insufficient funds to consider long term investments, and a detailed review of performance and performance targets is not required. The Trust's investment policy currently is to keep any surplus liquid funds in short-term deposits that are low risk.

The remaining free reserves are £74,852.

### **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 Board has therefore resolved to hold surplus liquid funds in short term deposits that can be accessed readily, until such time that the Board is comfortable that the level of reserves is sufficient to meet the cash flow requirements of funding its activities, including projects, for at least the ensuing 12 months without the need for overdraft or other loan facilities.

### **Risk Management**

The Board, towards the end of 2004, undertook its first review of the major risks faced by the Trust. The administrative nature of the Trust, the experienced, close knit and professional status of the officers, and the control systems adopted are considered to render the Trust's activities as a generally low foreseeable risk. However, in addition to existing Employers' Liability and Public Liability insurance cover, the Board resolved to effect Professional Indemnity and Directors' & Officers Liability Insurance for "catastrophe" protection.

As the Trust grows it is intended to adopt and adapt more formally the Charity Commission's risk management precedent as a template for an annual review. The Trustees confirm that they have established systems to mitigate the significant risks as far as reasonably practicable.

### **Grant making activity**

The Trust has made grants from restricted funds in 2004, pursuant to its project funding from WWF. In addition it gave 5 awards each of £2,000, as more particularly described in the "Review of activities and achievements" above, in respect of outstanding contributions to the Rivers Trust movement.



## ASSOCIATION OF RIVERS TRUSTS

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2004 (continued)

#### Relationships with other charities and organisations

The Trust works closely with its Rivers Trust members and other charities and organisations. However all relationships are conducted at an arms' length basis and an inter trust services agreement formalises the contractual position in respect of full Rivers Trust members, who pursuant to the Articles, are required to be bona fide rivers trusts and registered charities.

#### Statement of Trustees' responsibilities

Law applicable to charities and companies in England and Wales requires the Trustees to prepare financial statements for each financial period that give a true and fair view of the charity's and company's activities during the year and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice 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 charity and company will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the company and charity and which enable them to ascertain the financial position of the company and charity and which enable them to ensure that the financial statements comply with applicable laws, regulations and its Memorandum and Articles of Association. *They are also responsible for safeguarding the assets of the charity and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.*

#### Auditors

Mazars LLP were appointed by the Board as the independent auditor to the Charity during the year and a resolution proposing that they will be re-appointed will be put to the Annual General Meeting.

The report of the Trustees has been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Trustees and signed on their behalf by:

*Alan G. Hawken*

A G Hawken  
Company Secretary

Date: 11<sup>th</sup> April 2005

# **ASSOCIATION OF RIVERS TRUSTS**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASSOCIATION OF RIVERS TRUSTS**

We have audited the financial statements of the Association of Rivers Trusts for the period ended 31 December 2004 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of Companies Act 1985. 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 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 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**

The trustees' (who are the directors of the Association of Rivers Trusts for the purposes of company law) responsibilities for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' annual report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the other information contained in the trustees' annual report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

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

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

## ASSOCIATION OF RIVERS TRUSTS

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION OF RIVERS TRUSTS (continued)

#### Opinion

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 2004 and of its incoming resources and application of resources, including its income and expenditure, in the period then ended and have been properly prepared in accordance with the Companies Act 1985.



#### **MAZARS LLP**

*Chartered Accountants and Registered Auditors*

8 New Fields, 2 Stinsford Road

Nuffield

Poole

Dorset

BH17 0NF

Date: 11 April 2005

# ASSOCIATION OF RIVERS TRUSTS

## Statement of financial activities

For the period from 25 May 2004 to 31 December 2004

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
<b>Incoming resources</b>				
Donations and gifts	2	118,640	13,000	131,640
Activities in furtherance of the charity's objects:				
Project income	3	750	-	750
Seminar income	4	6,622	-	6,622
Subscriptions income	5	1,500	-	1,500
Activities for generating funds:				
Investment income	6	334	-	334
<b>Total incoming resources</b>		<u>127,846</u>	<u>13,000</u>	<u>140,846</u>
<b>Less: cost of generating funds</b>				
Fundraising and publicity	8	2,778	-	2,778
Net incoming resources available for charitable application		<u>125,068</u>	<u>13,000</u>	<u>138,068</u>
<b>Charitable expenditure</b>				
Costs of activities in furtherance of the charity's objects:				
Grants payable	9	10,000	4,500	14,500
Project expenditure	10	6,080	-	6,080
Seminar expenditure	11	7,861	-	7,861
Support costs	13	20,476	-	20,476
Management and administration	15	5,799	-	5,799
<b>Total charitable expenditure</b>		<u>50,216</u>	<u>4,500</u>	<u>54,716</u>
<b>Total resources expended</b>		<u>52,994</u>	<u>4,500</u>	<u>57,494</u>
<b>Net incoming resources and funds at 31 December 2004</b>	21	<u>74,852</u>	<u>8,500</u>	<u>83,352</u>

All of the company's activities are classed as continuing.

The Statement of financial activities shows all movements on reserves and all recognised gains and losses in the period.

## ASSOCIATION OF RIVERS TRUSTS

### Balance Sheet

As at 31 December 2004

	Notes	2004 £
<b>Fixed assets</b>		
Furniture and equipment	17	1,156
<b>Current assets</b>		
Debtors	18	3,335
Cash at bank and in hand		87,916
		<hr/> 91,251
<b>Creditors: Amounts falling due within one year</b>	19	<hr/> 9,055
<b>Net current assets</b>		<hr/> 82,196
<b>Net assets</b>		<hr/> <u>83,352</u>
<b>Funds</b>		
Unrestricted funds:		
General fund	21	74,852
Restricted funds	21	8,500
<b>Total funds</b>	21	<hr/> <u>83,352</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Trustees on 11<sup>th</sup> April 2005

Signed on their behalf by:

I D Gregg



# **ASSOCIATION OF RIVERS TRUSTS**

## **Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004**

### **1. Principal accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in October 2000.

#### **1.2 Gifts in kind**

Voluntary income received by way of donations to the charity is included in full in the Statement of Financial Activities when receivable. Intangible income is not included unless it represents goods or services which would have otherwise been purchased. Gifts in kind are included at its market value and as resources expended at the same value when distributed.

#### **1.3 Incoming resources**

Income is recognised in the period in which the charitable group is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

In accordance with this policy, legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

#### **1.4 Grants receivable**

Government grants are accrued on a linear basis in line with the expected expenditure profile. Therefore, grant income for a period immediately prior to the year end, where expenditure has been defrayed but not recovered, is accrued for.

#### **1.5 Resources expended and basis of allocation of costs**

Expenditure on operational programmes is recognised in the period in which it is incurred.

Grants payable to partner organisations for projects are included in the SOFA when approved by the Trustees and agreed with the other organisation.

#### **1.6 Grants payable**

The Trust awards a small number of nominal grants to other charitable organisations as recognition for their contribution to the Rivers Trusts movement.

# ASSOCIATION OF RIVERS TRUSTS

## Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004

### 1. Principal accounting policies (continued)

#### 1.7 Fund-raising costs

These include the salaries, direct expenditure and overhead costs of the staff who promote fund-raising, including events.

#### 1.8 Support costs

Support costs represent the costs incurred by staff directly providing support for the projects, including management, policy and supervision and technical support for projects. Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities, over and above a material de-minimis.

#### 1.9 Costs of managing and administering the charity

These represent costs incurred by finance, human resources, internal audit and directorate departments, attributable to the management of the charity's assets, governance and related support costs and compliance with constitutional and statutory requirements.

#### 1.10 Funds accounting

Funds held by the charity are:

*Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

*Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.11 Transfers

For funds held on behalf of other organisations, transfers between projects are executed at the fund holders' request, provided adequate justification and supporting evidence is supplied.

For funds held for the Trust, transfers are executed for projects which have been completed, but have a remaining surplus. Transfers only take place with the funders' consent.

#### 1.12 Fixed Assets

All equipment purchased exceeding £300 is capitalised.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

	Annual rate
Office equipment & furniture	33%

# ASSOCIATION OF RIVERS TRUSTS

## Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004

### 1. Principal accounting policies (continued)

#### 1.13 Irrecoverable Value Added Taxation

Irrecoverable Value Added Taxation is aggregated with the expenditure to which it relates.

### 2. Donations, legacies and similar incoming resources

	Unrestricted	Restricted	Total
	£	£	£
<b>Donations</b>			
Donations, appeals and Fund-raising events	118,640	13,000	131,640
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Donations and gifts</b>	<u>118,640</u>	<u>13,000</u>	<u>131,640</u>

The donation arose as a result of the trust formerly being a restricted fund within Westcountry Rivers Trust and the donation represents the fund balance at 31 December 2003 and the net transactions between the 1 January 2004 and 31 July 2004, being the total funds being transferred.

### 3. Project income

	Unrestricted	Restricted	Total
	£	£	£
Miscellaneous income	750	-	750
	<u>          </u>	<u>          </u>	<u>          </u>
	<u>750</u>	<u>-</u>	<u>750</u>

### 4. Seminar income

	Unrestricted	Restricted	Total
	£	£	£
Seminar income	6,622	-	6,622
	<u>          </u>	<u>          </u>	<u>          </u>
	<u>6,622</u>	<u>-</u>	<u>6,622</u>

### 5. Subscriptions income

	Unrestricted	Restricted	Total
	£	£	£
Registered members	1,500	-	1,500
	<u>          </u>	<u>          </u>	<u>          </u>
	<u>1,500</u>	<u>-</u>	<u>1,500</u>



# ASSOCIATION OF RIVERS TRUSTS

Notes forming part of the financial statements  
For the period ended 31<sup>st</sup> December 2004

## 6. Investment income and interest

	Unrestricted	Restricted	Total
	£	£	£
Deposit Interest	334	-	334
	<u>334</u>	<u>-</u>	<u>334</u>

## 7. Net incoming resources

This is stated after charging:

	2004 £
Depreciation of tangible assets	69
Audit	<u>1,880</u>

## 8. Fund-raising and publicity costs

	Unrestricted	Restricted	Total
	£	£	£
Publicity costs	2,778	-	2,778
	<u>2,778</u>	<u>-</u>	<u>2,778</u>

## 9. Grants payable

	Unrestricted	Restricted	Total
	£	£	£
Awards given	10,000	-	10,000
Delegated non EU grants given	-	4,500	4,500
	<u>10,000</u>	<u>4,500</u>	<u>14,500</u>

## 10. Project expenditure

	Unrestricted	Restricted	Total
	£	£	£
Interreg expenditure	4,337	-	4,337
Professional services	1,743	-	1,743
	<u>6,080</u>	<u>-</u>	<u>6,080</u>

# ASSOCIATION OF RIVERS TRUSTS

## Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004

### 11. Seminar expenditure

	Unrestricted £	Restricted £	Total £
Awards and design costs	2,216	-	2,216
Meeting facility costs	3,953	-	3,953
Administration costs	417	-	417
Other costs	1,275	-	1,275
	<u>7,861</u>	<u>-</u>	<u>7,861</u>

### 12. Indemnity Insurance

The charity will pay insurance premiums to indemnify directors and senior staff from any loss arising from the neglect or defaults of directors or staff and any consequent loss.

### 13. Support costs

	Unrestricted £	Restricted £	Total £
Wages & salaries	18,036	-	18,036
Travel	2,440	-	2,440
	<u>20,476</u>	<u>-</u>	<u>20,476</u>

No employee earned more than £20,000 in the period.

### 14. Staff numbers

The average number of staff employed by the charity during the year was as follows (part time equivalent)

	Number
Core staff	<u>3</u>

### 15. Management and administration of the charity

	Unrestricted £	Restricted £	Total £
Audit	1,880	-	1,880
Accountancy	1,175	-	1,175
Office costs	2,744	-	2,744
	<u>5,799</u>	<u>-</u>	<u>5,799</u>

### 16. Trustees' Remuneration and Expenses

The Trustees received no remuneration, either from the charity or its trading subsidiary. No Trustees received reimbursement for travel costs for attending meetings.

# ASSOCIATION OF RIVERS TRUSTS

## Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004

### 17. Fixed assets

	Furniture & equipment £
<b>Cost</b>	
Additions in period and at 31 <sup>st</sup> December 2004	<u>1,225</u>
<b>Depreciation</b>	
Charge for the period and at 31 <sup>st</sup> December 2004	<u>69</u>
<b>Net Book Value</b> At 31 <sup>st</sup> December 2004	<u><u>1,156</u></u>

### 18. Debtors

	£
Trade debtors	2,576
Prepayments	759
	<u><u>3,335</u></u>

All debts are due within one year.

### 19. Creditors: Amounts falling due within one year

	£
Trade creditors	6,000
Other creditors	3,055
	<u><u>9,055</u></u>

### 20. Analysis of group net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fund balances at 31 December 2004 as represented by:			
Fixed assets	1,156	-	1,156
Net current assets	73,696	8,500	82,196
Total net assets	<u><u>74,852</u></u>	<u><u>8,500</u></u>	<u><u>83,352</u></u>

# ASSOCIATION OF RIVERS TRUSTS

## Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004

### 21. Funds

	At 25 May 2004	Incoming	Outgoing	At 31 December 2004
	£	£	£	£
<u>Restricted funds</u>				
Pembrokeshire Rivers Trust	-	3,000	-	3,000
Teme Rivers Trust	-	5,000	-	5,000
Tyne Rivers Trust	-	5,000	(4,500)	500
Restricted funds	-	13,000	(4,500)	8,500
<u>Unrestricted funds</u>				
General fund	-	127,846	(52,994)	74,852
Total funds	-	<u>140,846</u>	<u>(57,494)</u>	<u>83,352</u>

### 22. Fund descriptions

#### Pembrokeshire Rivers Trust

Is a ring-fenced fund for a grant given by WWF as part of its UK Natural Rivers Programme to promote the development of rivers trusts. Part of the fund has been drawn down by Pembrokeshire Rivers Trust, which became a registered charity in 2004, and funds will be released during 2005 as a contribution to its Celtic Rivers Project.

#### Tyne Rivers Trust

Is a similar ring-fenced fund representing an initial grant given by WWF as part of its UK Natural Rivers Programme to promote the development of rivers trusts. The Tyne Rivers Trust also became a registered charity in 2004 and funds were substantially expended during 2004 by Tyne Rivers Trust in setting up. The Tyne Rivers Trust was formally launched on 8 March 2005.

#### The Teme Rivers Trust

Is a ring-fenced fund for a proposed rivers trust covering at least part of the River Severn catchment. The funds represent a further grant from WWF under its UK Natural Rivers Programme to promote the development of rivers trusts. The Teme Rivers Trust is in the early stages of setting up and has yet to draw down any funds from the ring-fenced fund.

## **ASSOCIATION OF RIVERS TRUSTS**

### **Notes forming part of the financial statements For the period ended 31<sup>st</sup> December 2004**

#### **23. Related party transactions**

As the company did not commence to trade until the 1 August 2004 as a separate company, the fund balance as at that date which is the net transactions value from the 1 January 2004 to the 31 July 2004, in addition to the fund balance as at the 31 December 2003, was shown as the grant payable of £131,640 from Westcountry Rivers Trust. In essence this means that the accounts only show the transactions that occurred in the period from 1 August 2004 to 31 December 2004.

D M Haines is the director of Westcountry Rivers Trust and is a trustee of the Association of Rivers Trusts.

The company has entered into an agreement with Westcountry Rivers Trust for the provision of payroll services.

A Maltby is a senior executive with the Eden Rivers Trust, S Marsh-Smith is the director of The Wye and Usk Foundation and N P Yonge is a senior executive of the Tweed Foundation. There were no material transactions in respect thereof during the year to be disclosed.

The Association of Rivers Trusts has entered an umbrella agreement related to standard terms and conditions for the provision of services, if required, between Rivers Trusts. The agreement is with effect from the 1<sup>st</sup> January 2005; the following parties are part of the umbrella agreement:

Eden Rivers Trust  
Ribble Catchment Conservation Trust  
Thames 21 Limited  
Tweed Foundation  
Westcountry Rivers Trust  
The Wye and Usk Foundation

#### **24. Control**

The Charity is controlled by its directors.