

**30**  **Freshwater  
Habitats Trust**  
Celebrating freshwater  
wildlife for 30 years



**Freshwater Habitats Trust**  
How we are making a difference for freshwater habitats

**Annual report and accounts 2017/18**

## Contents

---

Contents .....	2
Freshwater Habitats Trust - Protecting freshwater life for everyone .....	3
Our activities in 2017/18 .....	5
Reference details .....	9
Structure, governance and management .....	10
Financial review .....	12

## Freshwater Habitats Trust – Protecting freshwater life for everyone

---

As an evidence-based conservation charity, with a strong science grounding, Freshwater Habitats Trust was created in 1988 to ensure the future of wildlife in our freshwaters. We have now been celebrating freshwater wildlife for 30 years, working with many different people and organisations to protect the variety of life in freshwater - its biodiversity. We've discovered what makes freshwater habitats special, how best to protect them and above all tried to make a practical difference on the ground. In our 30<sup>th</sup> year we've seen some of our longest running plans come to fruition.

We are highly strategic and target our work where evidence suggests it will be most effective, to help us achieve our aim *to protect freshwater life for everyone to enjoy*.

Our organisation's strategic vision aims to achieve three primary goals:

**Species** - All threatened freshwater plants and animals to have recovered and developed sustainable populations.

**Habitats** - The UK to have a functioning network of freshwater habitats: The Freshwater Network.

**People** - People to value freshwater habitats and their wildlife.

The steps we are focusing on to get there are:

- **Identify what we have** - locate the Important Freshwater Areas (IFAs) in the UK.
- **Protect the best habitats** - ensure that important areas are recognised and protected.
- **Species conservation** - protect our most threatened freshwater plants and animals.
- **Expand and connect** - build out from the high quality areas.

Our work in all areas from policy, practical projects, partnership and outreach, to monitoring and research is always focused on helping us achieve this vision.

During 2017/18 our work was underpinned by important new sources of evidence, and by the efforts of hundreds of people who have worked with us in many different ways to protect life in freshwater.

The year saw the successful completion of our 3 year Heritage Lottery funded project – **People, Ponds and Water** – involving a huge number of enthusiastic and dedicated volunteers conducting surveys and collecting data across the three core areas of the project – PondNet, Clean Water for Wildlife and Flagship Ponds.

➤ There were many highlights in each area of the project – including:

- 210 training events through PondNet,
- 3 years of eDNA surveys for Great Crested Newts,
- New survey methods for rare species like Medicinal Leech,
- Over 30,000 water quality kits distributed through the Clean Water for Wildlife survey,
- More than 50 events at Flagship Pond sites reaching 1300 people in the wider communities around these special sites.

We continued piloting the Important Freshwater Areas (IFA) concept in Oxfordshire and the North York Moors, and got the go ahead for a new IFA project in Breckland.

Catchment work continued in the R. Ock, the R. Thame (with our partners the River Thame Conservation Trust) and in the New Forest. In the Ock catchment we began work with the Environment Agency to help get the maximum benefits for freshwater wildlife and for people through the Oxford Flood Alleviation Scheme.

We began developing new catchment projects in the Midlands with the Environment Agency and Anglian Water, building on the knowledge developed in the Water Friendly Farming project. These will see us installing and testing the multiple benefits of natural flood management techniques.

An important development was the launch of the new District Level Licencing scheme for the conservation of great crested newts. Working with Natural England (who control the licensing process), the scheme covers a large area of the South Midlands, from Oxfordshire to east of Bedford. The new scheme will offer developers the opportunity to buy into a landscape level conservation scheme for great crested newts, rather than simply trying to protect newts on the developments sites which, research evidence shows, often leads to the loss and decline of newt populations.

In all of these projects we are using the best evidence to make the greatest impact for freshwater biodiversity. We've seen endangered species colonising new high quality habitats that we've created, demonstrated that you can increase the variety of freshwater life across whole landscapes by making high quality ponds, and developed revolutionary new ways of surveying freshwater wildlife with eDNA (Environmental DNA). Throughout all of this work we've depended on the help and support of many different people and organisations – together we've shown we can make a difference for freshwater life.



## Our activities in 2017/18

Our **People, Ponds and Water** project, funded by the Heritage Lottery Fund and covering England and Wales, had a hugely successful final year addressing the 3 project aims:

- To gather evidence on freshwater habitats and species.
- To protect the best freshwater habitats.
- To champion freshwater biodiversity.

The project delivery was achieved through three overlapping project elements

**PondNet** – A volunteer survey network to collect statistically robust data to identify trends in pond quality and pond species, including uncommon plants and animals. Survey methodologies have been standardised and include environmental metrics; giving information that will help explain the reasons for changes in biological quality, and ultimately help to guide the direction of freshwater policy.

**Flagship Ponds** – A network of some of the most important pond sites in England and Wales, known to support populations of species under threat. Local communities have developed sustainable plans for these sites. Schools and local groups work on citizen science projects, bespoke to each site. New funding was provided to undertake monitoring, management, pond creation and help species recovery.



FHT  
@PondRiverStream

All that's left is to say a great big THANK YOU to everyone who has been part of #PeoplePondsWater freshwaterhabitats.org.uk/people-ponds-w... #HLFsupported @ThamesWater @DefraGovUK @NaturalEngland @NatResWales @WelshGovernment

5:00 PM - 17 Mar 2018

**Clean Water for Wildlife** – A citizen science survey to raise awareness of the true extent of nutrient pollution, and identify clean water habitats in England and Wales, with the ultimate aim of helping to protect biodiversity. Nutrient pollution is invisible so often doesn't seem 'real' to people. Using quick kits makes it possible for people to easily 'see' pollution for the first time.

This project could not have been possible without the hundreds of enthusiastic volunteers who have given their time to the project from early morning site visits, midnight surveys, scaling mountains and venturing into dense scrub – there has been no end to the lengths they have been willing to go to – to discover and protect the species and places they love.

To celebrate the end of the initial 3 years of People, Ponds and Water we held an event at the Chester Zoo lecture theatre and despite the snow and freezing temperatures that March brought, we were able to say a personal thank you to some of the dedicated volunteers that have made the project possible.

People, Ponds and Water has harnessed the power of more than 15,000 volunteers to gather data on the health of freshwater habitats in England and Wales.

The project team has collected over 16,200 records from more than 10,000 sites.

You can see the summary report of the project outcomes on our website here - [https://freshwaterhabitats.org.uk/wp-content/uploads/2015/03/PPW-Report\\_FINALlow-res2018Mar.pdf](https://freshwaterhabitats.org.uk/wp-content/uploads/2015/03/PPW-Report_FINALlow-res2018Mar.pdf)

The People, Ponds and Water project has a great legacy that we can now continue to build on through partnership working. Through the **Flagship Ponds** network we will continue to add new sites and build out from these high quality landscapes. **PondNet** will carry on the annual surveys of many of the priority species including Great Crested Newts, Medicinal leech and Pillwort. We also decided to relaunch the highly successful public engagement survey - the **Spawn Survey** in the spring of 2018 as this helped us gather records from over 1300 participants in 2017. **Clean Water for Wildlife** has set the ground work for partner organisations to continue engaging the public with this important citizen science work using quick test kits.

The **Thames Water for Wildlife** was a sub-project of People, Ponds and Water that received additional funding from Thames Water and came to a close in November of 2017. This project ran for 2 years and was an outstanding success - helping thousands of people connect with their local freshwater environment. **Community involvement** was heart of the project with 3 key initiatives: Clean Water for Wildlife, Monitoring Freshwater Wildlife and Upskilling Events - directly engaging with over 4110 people.

**Catchment management work** has continued in the 3 catchments we are hosts or co-hosts for - River Thame (Oxon/Bucks), River Ock (Oxon) and the New Forest (Hampshire), plus through our largest current research project - Water Friendly Farming (Leicestershire).

Our work this year on the **Water Friendly Farming** project was focused on monitoring the effects of the measures we've installed across the landscape to hold back water, reduce diffuse pollution and improve freshwater biodiversity. We've started to write up the data for publication in scientific literature, with important results showing the benefits of creating new clean water ponds which have quickly increased freshwater plant diversity across the whole landscape, the first time such an effect has been properly demonstrated. The work confirms the importance of high quality ponds in reversing declines in freshwater biodiversity at a landscape scale.

In the New Forest catchment we are co-hosts with the New Forest National Park Authority with involvement with other key partners such as the Forestry Commission, Beaulieu Estate and Hampshire & IOW Wildlife Trust. During the year the **Living Waters** project focused on the Beaulieu catchment - where a group of enthusiastic volunteers have been using the quick nutrient kits to test waterbodies on a regular basis, giving us a great example of a clean water area - showing 80% of water bodies sampled were clean. Other aspects of the project included managing and creating freshwater habitats, enhancing connectivity and addressing small sources of diffuse pollution from agriculture and horse pastures.

Additional practical work in the New Forest has taken place in the **Avon Water and Sowley catchments**, where thanks to funding from the Environment Agency work to address diffuse pollution issues on freshwaters will continue into 2018/19.

In the River Thame catchment we have continued to work closely with our colleagues at The River Thame Conservation Trust and landowners, to protect and restore the areas in the greatest need of attention in the catchment. This has included raising awareness of water quality issues with arable farmers, and preliminary work on the **Waddesdon Estate** digging trial bore holes to help design a new large wetland complex. There have also been

a variety of training courses for members of the public on a range of wetland related topics – Water Shrew, Otter, Amphibians, Riverfly surveys and more.

The Important Freshwater Area Oxfordshire Pilot work funded through the Patsy Wood Trust also allowed us to create several new ponds and we are now searching for more sites suitable for high quality habitat creation.

In the River Ock catchment this year we have been feeding into local authority work on the new planned Oxford flood channel through the Oxford Flood Alleviation Scheme, which should give us some new opportunities for pond creation in the catchment. In the longer term we are hoping the scheme will provide an important new green space – rich in freshwater wildlife – on the west side of Oxford. The draft Water Environment Improvement Plan for the catchment was reviewed by partners and other organisations and is now available for everyone to use. With the Oxford Flora Group we also began working on restoring fens in this area – which are some of the most important hotspots for freshwater wildlife in the catchment – and often have unsuitable management.

During the year we were able to evaluate the data from the site in Buckinghamshire, **Burnham Beeches** that we resurveyed in 2016. Originally surveyed in the early 1990s for the **National Pond Survey (NPS)** this pond showed itself to be one of the very best ponds in a lovely location. 25 years later and the data gathered showed a worrying decline in the number of sensitive species including aquatic plants like Bladderwort and some water beetles, bugs and dragonflies.

Other resurveys of NPS sites show that this is not an isolated occurrence and even our highest quality ponds are becoming less suitable for the uncommon species that rely on them. The survey results presented to the Burnham Beeches owners – the City of London Corporation – has resulted in the enforcement of some new site management and new habitat creation.

During the 2017 survey season for **Great Crested Newts** (April – June 2017) we worked in partnership with Environment Bank, Amphibian and Reptile Conservation, NatureMetrics and ABSustain to develop a new approach to this species' conservation. This partnership took on the task of conducting **eDNA** surveys throughout 7 counties in the South Midlands region, and with the data obtained, created a new map showing the likelihood of newts being present at a given site. **District Licencing** will allow each local planning authority to charge developers depending on the risk of affecting newt population at their site. These funds will be used to create new pond and terrestrial habitats, in the right place to allow the species to continue to thrive. Natural England granted the licence to trial this approach in February 2018 and the new community-benefit society that will implement the practical work – **South Midlands Newt Conservation Partnership, SMNCP** – will be fully up and running creating new habitats in 2018/19.

Partnership work in 2017/18 with the **Mineral Products Association** focused on a Quarry Waterblitz using the quick **clean water kits** to evaluate whether waterbodies like gravel pit ponds and lakes are valuable to wildlife – the answer is they are and stand out from the rest of the landscape as clean water hotspots. The results of this backs up other case studies, including the Lower Windrush Valley Project case study, to show once again how important ponds are to the overall health of freshwater biodiversity.



**Engagement with the public through our Website, Social Media, Advice line, Ripples newsletters, Videos and other articles has continued at a high level throughout this year – the People, Ponds and Water project especially giving so many great stories that the communications team were able to use.**

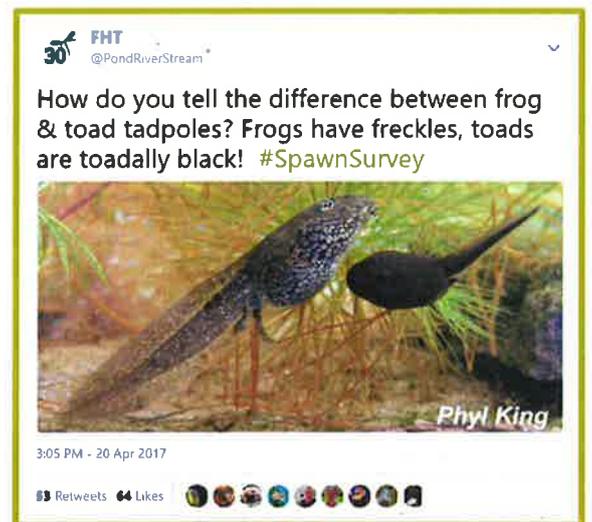
Freshwater Habitats Trust was founded in 1988 which means throughout the whole of 2018 we will be celebrating how we have made a difference for freshwater habitats and wildlife over the past 30 years and how we plan to continue doing so over the next 30 years!



Working in partnership as a member of the Wildlife & Countryside Link in England and Wales allows us to engage at a higher policy level of engagement with governmental authorities than we would be able to do

with our limited resources alone.

Social Media apps Twitter and Facebook are good free engagement tools we currently have at our fingertips and they allow us to link to blogs and news articles on our website – helping take annual traffic of new users to our site [freshwaterhabitats.org.uk](http://freshwaterhabitats.org.uk) to over 84,000 in 2017/18.



Our youtube Channel has also continued to grow with the addition of 8 new videos through the year, including a slideshow to highlight our 2017 achievements and several videos of the FHT staff having their say about the world they would like to leave behind to encourage legacy giving through Remember a Charity in your Will week.

## Reference details

---

### Patron:

The Earl of Selborne GBE DL FRS

### Board of Trustees:

Roger Thomas	Chair of Trustees - Elected Jul17
Paul Jackson	Treasurer
Baroness Hilton of Eggardon	
Professor Lorraine Maltby	Elected Jul17
Geoff Phillips	
Keith Lawrey	Re-elected Jul17
Dr Mark Downs	
Martin Layer	Retired Jul17
Juliette Jowit	Retired Jul17
Kasia Ladds	Retired Oct17

### Company Secretary:

Ms Jo Fever

### Senior Management Team:

Dr Jeremy Biggs	Director
Penny Williams	Technical Director
Dr Pascale Nicolet	Technical Director (part-time secondment as CEO to SMNCP)
Dr Naomi Ewald	Director of Research and Development
Natasha Challoner	Finance Manager

### Registered Office:

Bury Knowle House,  
North Place, Headington,  
Oxford, OX3 9HY

### Auditors:

Kingston Smith  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

### Bankers:

HSBC Bank plc  
108 London Road, Headington  
Oxford, OX3 9AP

Freshwater Habitats Trust is a registered charity, no. 1107708, and a company limited by guarantee registered in England and Wales, no. 5317683, at the above registered address.

## Structure, governance and management

---

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- There is no relevant information of which the charitable company's independent examiner is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

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.

Freshwater Habitats Trust is an incorporated charity established and governed under a Memorandum and Articles of Association completed in December 2004, under the name of Pond Conservation: The Water Habitats Trust. The Trust was entered onto the Register of Charities, Number 1107708, on 19th January 2005. It was registered as a Limited Company, Number 5317683, on 20th December 2004. Pond Conservation remained inactive until 1st April 2005, at which point it took over the charity "The Ponds Conservation Trust". It subsequently also took over the subsidiary company "The Ponds Conservation Trust: Policy & Research Ltd". The Trust's name was changed to Freshwater Habitats Trust in August 2013 and the Memorandum and Articles of Association were updated to reflect this in October 2013.

The Trust is administered by a Board of Trustees, currently consisting of eight members. The Senior Management Team (SMT) reports to the Trustee Board, and manages staff and activities of the Trust under delegated authority from the Trustee Board.

The financial management and fundraising strategy of the Trust are supervised by Trustees and SMT, reporting and making recommendations to the full board for implementation.

The Trust currently provides an informal induction process for new Trustees. Prospective trustees are nominated for their professional experience and the match of their skills to the board's needs. They are approached by the Chair or an SMT member, the aims and activities of the Trust are explained to them, and they are provided with explanatory information and reports. They are invited to attend a board meeting to learn more of our work and procedures and when possible, to meet staff. On becoming a Trustee, they are provided with explanatory material on Trusteeship from the Charity Commission, and copies of the budget, recent accounts, and recent staff and board meeting minutes.

### **Public Benefit**

The Board of Trustees is satisfied that they have complied with the duty in of the 2011 Charities Act to have due regard to public benefit guidance issued by the Charity Commission, and that the mission, aims and activities of Freshwater Habitats Trust meet with these criteria.

### **Objects**

- To advance public education in the conservation and ecology of ponds, wetlands, catchment systems and other water habitats;
- To promote for public benefit the conservation and creation of freshwater habitats and their wildlife, and their sustainable enjoyment by the public, in particular, but not exclusively, through:
  - (a) Promotion and conduct of active creation and conservation of freshwater habitats and their catchments.
  - (b) Public education in the conservation and ecology of freshwater habitats and their catchments.
  - (c) Promotion and conduct of research and the dissemination of useful results.
  - (d) Advocacy to promote the conservation, creation, sustainable use and enhancement of freshwater habitats.

### **Mission statement**

To protect freshwater life for everyone to enjoy.

### **Risk management**

The Board of Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations, reputation, business and finance of Freshwater Habitats Trust. The Senior Management Team (SMT) assess and update the likelihood and impact of material risks on a risk management matrix, which is reviewed by the Board on a quarterly basis at Trustee meetings. Any significant changes are reported to Trustees as they arise.

Health and Safety Procedures are reviewed annually on a rotational basis, with Health and Safety reports as standing items on Board, SMT and staff meeting agendas. Specific risk assessments are carried out for all new activities and field working sites. Health and Safety is a primary element of the staff induction system, and training is provided whenever appropriate.

### **Data Protection**

The Board of Trustees recognises the importance of protecting the personal information FHT collect and how this is handled within the organisation. Guidelines, Privacy Policies and Procedures are regularly reviewed and Data Protection is a standing item at internal meetings.

## Financial review

---

The Statement of Financial Activities for the year ended 31 March 2018 is set out on page 16 of this report.

### Income

Freshwater Habitats Trust's total income decreased slightly by 1% in 2017/18 to £956k (2016/17: £962k).

Voluntary income of £726k (2016/17: £638k) still represents the majority of Freshwater Habitats funding: People Ponds & Water received £507k Heritage Lottery Fund. Continuing grants included, Water Friendly Farming research funding (£49k), Environment Agency (73k), and New Forest National Park (£25k).

Charitable activities income of £228k is lower than the prior year (2016-17: £323k). This included Environment Agency, Water Friendly Farming project (£45k), eDNA Great Crested Newt monitoring (£70k), River Thames Conservation Trust (£38k) and other smaller projects (£72k).

### Expenditure

Total expenditure for 2017/18 is higher by 22% at £1,061k (2016/17: £868k) due to the higher level of project funds carried forward and spent from the previous year. The fundraising and governance costs of the organisation remain low at 1% of total expenditure (2016/17: 1%), with no dedicated fundraiser during the year.

Charitable expenditure is dominated by public outreach and partnership projects due to the People, Ponds and Water project, although this does have both practical and research and monitoring elements:

- Practical Projects including the Catchment Partnership Projects and New Forest projects make up 15% (2016/17: 16%).
- Public Outreach and Partnership, including People, Ponds & Water, make up 65% (2016/17: 62%).
- Research and Monitoring, including Water Friendly Farming make up 19% (2016/17: 16%).
- Policy spending at only 1% (2016/17: 6%) remains relatively small, but does not require extensive practical costs.

### Reserves position

Closing reserves of £483k are 18% lower than 2016/17 (£588k).

Restricted reserves decreased 33% to £103k (2016/17: £154k) due to completing a number of grant funded projects which started in the previous financial year.

Unrestricted reserves decreased 12% to £381k (2016/17: £434k). This was in part due to funds held over relating to contract funds on ongoing projects (£22k, 2016/17: £275k).

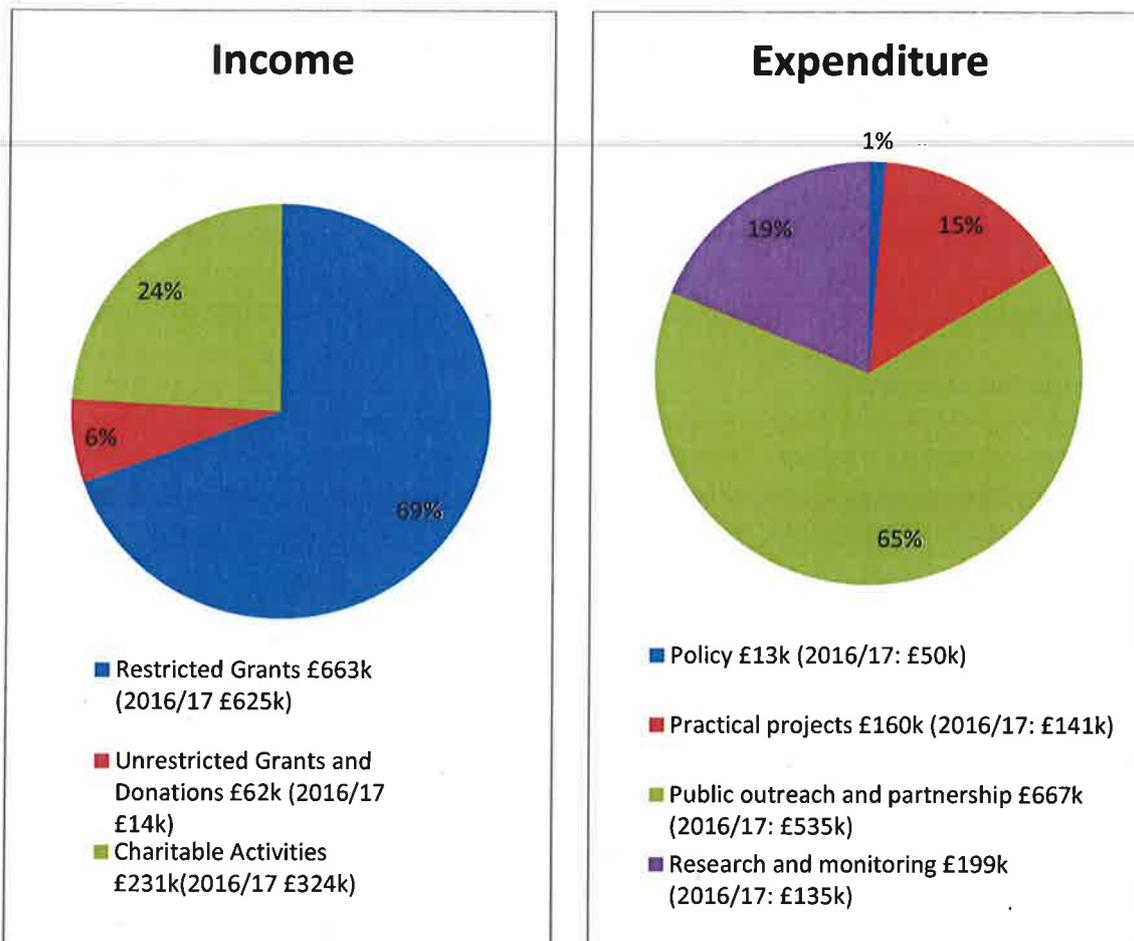
### Reserves policy

The Trustees have agreed to maintain unrestricted reserves to meet the requirements of Freshwater Habitats Trust's working capital, in order to meet any temporary shortfall in funds, or cover unexpected expenditure, such as finding new accommodation, and therefore enable Freshwater Habitats Trust to fulfil its charitable objectives. Working capital is defined as the equivalent of 6 months' unrestricted expenditure (£157k).

The Board of Trustees reviews the Reserves Policy and amount of reserves required annually as part of the budget setting process. The unrestricted reserves at the end of this period were £381k and comply with this policy.

Restricted reserves represent unspent monies received from donors who have specific conditions as to their use on agreed projects. These funds are fully covered by matching assets. No project funds are in deficit at the end of the financial year, and the Board of Trustees anticipates that these are sufficient to fulfil project requirements.

The Board of Trustees considers there are sufficient reserves held at the year end and therefore continues to adopt a going concern basis in preparing the accounts.



## Approval

### Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements.
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

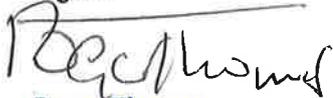
- There is no relevant information of which the charitable company's independent examiner is unaware; and
- The trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

The Trustees' Annual Report is approved by the Trustees of the Charity.

### Small Company Rules

These accounts have been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the Trustees on 24 July 2018.....



Roger Thomas  
Chair



Paul Jackson  
Treasurer

## Independent examiner's report to the Trustees of Freshwater Habitats Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directors given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies. I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statements of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Neil Finlayson, FCA DChA  
Institute of Chartered Accountants in England and Wales  
For and on behalf of Kingston Smith LLP  
Chartered Accountants

19.11.18

## Statement of financial activities for the year ended 31 March 2018

(Incorporating the summary Income and Expenditure account)

	Note	Unrestricted funds	Restricted funds	Total funds year ended 31-Mar-18	Total funds year ended 31-Mar-17
		£	£	£	£
<b>Income from:</b>					
Grants and donations	2	62,118	663,406	725,524	638,467
Investments		2,693	-	2,693	445
Charitable activities	3	221,172	6,920	228,092	323,172
<b>Total income</b>		<b>285,983</b>	<b>670,326</b>	<b>956,309</b>	<b>962,084</b>
<b>Expenditure on:</b>					
Raising funds	4	2,169	185	2,354	6,414
Charitable activities	5				
Influencing policy		1,589	11,160	12,749	50,149
Practical projects		62,629	99,214	159,843	141,080
Public outreach & partnership		75,869	611,425	687,294	535,327
Research & monitoring		173,983	25,152	199,135	135,409
		312,070	746,951	1,059,021	861,965
<b>Total expenditure</b>		<b>314,239</b>	<b>747,136</b>	<b>1,061,375</b>	<b>868,379</b>
Transfers between funds		(25,283)	25,283	-	-
<b>Net movement in funds</b>		<b>(53,539)</b>	<b>(51,527)</b>	<b>(105,066)</b>	<b>93,705</b>
Fund balances at 1 <sup>st</sup> April 2017		434,082	154,147	588,229	494,524
<b>Fund balances at 31<sup>st</sup> March 2018</b>		<b>380,543</b>	<b>102,620</b>	<b>483,163</b>	<b>588,229</b>

## Balance sheet as at 31 March 2018

	Note	31-Mar-18	31-Mar-18	31-Mar-17	31-Mar-17
		£	£	£	£
<b>Fixed assets:</b>					
Intangible assets	11	3,375		6,267	
Tangible assets	12	<u>5,656</u>		<u>3,057</u>	
			9,031		9,324
<b>Current assets:</b>					
Stock	13	370		813	
Debtors	14	289,226		246,015	
Cash at bank and in hand		<u>294,264</u>		<u>500,346</u>	
<b>Total current assets:</b>		<b>583,860</b>		<b>747,174</b>	
<b>Creditors:</b>					
Amounts falling due within one year	15	(109,728)		(168,269)	
<b>Net current assets:</b>			<u>474,132</u>		<u>578,905</u>
<b>Net assets:</b>			<u>483,163</u>		<u>588,229</u>
<b>The funds of the charity:</b>					
Restricted funds			102,620		154,147
Unrestricted funds			<u>380,543</u>		<u>434,082</u>
<b>Total charity funds</b>	16		<u>483,163</u>		<u>588,229</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These statements were approved and authorised for issue by the Trustees on 24 July 2018 and signed on their behalf by:



Roger Thomas  
Chair

Company Number 5317683

## Cash flow statement

For the year ended 31<sup>st</sup> March 2018

	Notes	2018	2017
		£	£
<b>Cash flows from operating activities:</b>			
Net cash (used in)/provided by operating activities	see below	(204,119)	131,894
<b>Cash flows from investing activities:</b>			
Interest income		2,693	445
Purchase of plant and equipment	12	(4,656)	-
<b>Net cash (used in)/provided by investing activities</b>		<u>(1,963)</u>	<u>445</u>
Change in cash and cash equivalents in the reporting period		(206,082)	132,339
Cash and cash equivalents at the beginning of the reporting period		500,346	368,007
Cash and cash equivalents at the end of the reporting period		<u>294,264</u>	<u>500,346</u>

### Reconciliation of net (expenditure)/income to net cash flow from operating activities

		2018	2017
		£	£
Net(expenditure)/ income (as per the statement of financial activities)		(105,066)	93,705
<b>Adjustments for:</b>			
Depreciation and amortisation charges	11,12	4,949	5,245
Investment income		(2,693)	(445)
Decrease/(Increase) in stocks	13	443	(714)
(Increase) in debtors	14	(43,211)	(64,360)
(Decrease)/Increase in creditors	15	(58,541)	98,463
<b>Net cash (used in)/ provided by operating activities</b>		<u>(204,119)</u>	<u>131,894</u>

### Analysis of cash and cash equivalents

	2018	2017
	£	£
Cash in hand	294,264	500,346
Total cash and cash equivalents	<u>294,264</u>	<u>500,346</u>

# Notes to the financial statements for the year ended 31 March 2018

## 1. Accounting policies

### a. Accounting convention

#### Basis and preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable United Kingdom and Republic of Ireland (FRS 102) issued 16 July 2014.

The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

### b. Going concern basis

The financial statements have been prepared on a going concern basis.

Having carried out a detailed review of the Charity's resources and the current economic challenges facing both the charity and its members, the Trustees are satisfied that the charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

### c. Fund accounting

Unrestricted funds are those funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those funds over which the trustees do not have full discretion concerning their use.

### d. Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes legally entitled to the income and when this income can be quantified with reasonable accuracy. Any contract income received in advance of the work being done is deferred.

No amounts are included in the financial statements for services provided by volunteers.

### e. Resources expended

All expenditure is recognised on an accruals basis. Raising funds are those costs incurred in attracting voluntary income. Charitable activities include costs in furtherance of the charity's objects and support costs relating to those activities. Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements. Support costs include administrative staff and central office costs. Where support staff work for a particular activity their costs are allocated to that activity based on an hourly recharge rate. Any remaining support costs are allocated to the charitable activities in the same percentage.

#### **f. Intangible and tangible fixed assets and depreciation**

Depreciation and amortisation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Computers and software - 33% straight line.
- Leasehold costs - depreciated over the period of the lease (5 years).
- Assets costing less than £1,000 are not capitalised and are included in expenditure.

#### **g. Stocks**

Stocks and work in progress are included at the lower of cost and net realisable value.

#### **h. Pension costs**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity in the year.

#### **i. Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the balance sheet date. All exchange differences are included in the statement of financial activities.

#### **j. Financial instruments**

##### Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

##### Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

#### **k. Critical accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. There are no significant estimates or judgments that have a material effect on amounts recognised in the financial statements.

## 2. Grants and donations

<b>Year to 31 March 2018</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2018</b>
			<b>£</b>
<b>Practical projects</b>			
Environment Agency	-	73,350	73,350
New Forest National Park Authority	-	24,938	24,938
Other	-	21,174	21,174
	-	<b>119,462</b>	<b>119,462</b>
<b>Public outreach and partnership</b>			
Heritage Lottery Fund	-	507,339	507,339
Southern Water Ltd	-	5,403	5,403
Other	-	25,000	25,000
	-	<b>537,742</b>	<b>537,742</b>
<b>Research and monitoring</b>			
Environment Agency	48,950	-	48,950
	<b>48,950</b>	-	<b>48,950</b>
<b>Other</b>			
Supporter Scheme	10,968	-	10,968
Other	2,200	6,202	8,402
	<b>13,168</b>	<b>6,202</b>	<b>19,370</b>
<b>Total grants and donations:</b>	<b>62,118</b>	<b>663,406</b>	<b>725,524</b>

Note some grants are given for projects which bridge different areas of activities. Allocations have been made according to where the majority of the work fits.

## 2. Grants and donations (continued)

Year to 31 March 2017	Unrestricted	Restricted	Total 2017
	£	£	£
<b>Policy</b>			
The Patsy Wood Trust	-	26,020	26,020
	-	26,020	26,020
<b>Practical projects</b>			
Environment Agency	-	30,000	30,000
New Forest National Park Authority	-	23,529	23,529
Hampshire and IOW Wildlife Trust	-	1,000	1,000
Trust for Oxfordshire's Environment (TOE)	-	9,750	9,750
Other	-	5,000	5,000
	-	69,279	69,279
<b>Public outreach and partnership</b>			
Heritage Lottery Fund	-	398,154	398,154
Thames Water Utilities Ltd	-	51,144	51,144
	-	449,298	449,298
<b>Research and monitoring</b>			
Earthwatch UK	-	45,030	45,030
Syngenta Ltd	-	26,260	26,260
Thames Water Utilities Ltd	-	3,000	3,000
NERC	-	4,525	4,525
Other	450	-	450
	450	78,815	79,265
<b>Other</b>			
Supporter Scheme	11,566	-	11,566
Other	1,514	1,525	3,039
	13,080	1,525	14,605
<b>Total grants and donations:</b>	<b>13,530</b>	<b>624,937</b>	<b>638,467</b>

### 3. Charitable activities

	Unrestricted	Restricted	Total
	£	£	£
<b>Year to 31 March 2018</b>			
Influencing policy	4,298	1,900	6,198
Practical projects	61,912	-	61,912
Public outreach and partnership	30,338	5,020	35,358
Research and monitoring	121,744	-	121,744
Corporate membership & sponsorship	2,880	-	2,880
	<b>221,172</b>	<b>6,920</b>	<b>228,092</b>

	Unrestricted	Restricted	Total
	£	£	£
<b>Year to 31 March 2017</b>			
Practical projects	38,129	43,250	81,379
Public outreach and partnership	83,491	-	87,016
Research and monitoring	152,632	3,525	152,632
Corporate membership & sponsorship	2,145	-	2,145
	<b>276,397</b>	<b>46,775</b>	<b>323,172</b>

### 4. Raising funds

	Unrestricted	Restricted	Total
	2018	2018	2018
	£	£	£
<b>Year to 31 March 2018</b>			
Staff costs	-	166	166
Support costs	2,169	19	2,188
	<b>2,169</b>	<b>185</b>	<b>2,354</b>

	Unrestricted	Restricted	Total
	2017	2017	2017
	£	£	£
<b>Year to 31 March 2017</b>			
Staff costs	1,000	1,514	2,514
Support costs	3,764	136	3,900
	<b>4,764</b>	<b>1,650</b>	<b>6,414</b>

## 5. Cost of charitable activities including grants payable and activities undertaken directly by the charity

	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2018
<b>Year to 31 March 2018</b>	£	£	£	£	£	£
Influencing policy	-	8,208	2,030	-	2,511	12,749
Practical projects	3,750	89,492	43,056	-	23,545	159,843
Public outreach & partnership	-	238,951	290,817	41,652	115,874	687,294
Research & monitoring	17,750	55,032	99,333	1,505	25,515	199,135
	<b>21,500</b>	<b>391,683</b>	<b>435,236</b>	<b>43,157</b>	<b>167,445</b>	<b>1,059,021</b>

	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2017
<b>Year to 31 March 2017</b>	£	£	£	£	£	£
Influencing policy	-	18,688	26,420	-	5,041	50,149
Practical projects	-	75,271	49,459	407	15,943	141,080
Public outreach & partnership	38,242	219,675	157,054	4,659	115,697	535,327
Research & monitoring	-	46,022	45,440	300	43,647	135,409
	<b>38,242</b>	<b>359,656</b>	<b>278,373</b>	<b>5,366</b>	<b>180,328</b>	<b>861,965</b>

## 6. Support costs

	Unrestricted 2018	Restricted 2018	Total 2018
<b>Year to 31 March 2018</b>	£	£	£
Staff costs	11,912	63,378	75,290
Office running costs	13,381	71,191	84,572
Governance costs	823	4,379	5,202
Other	377	2,004	2,381
	<b>26,493</b>	<b>140,952</b>	<b>167,445</b>

	Unrestricted 2017	Restricted 2017	Total 2017
<b>Year to 31 March 2017</b>	£	£	£
Staff costs	4,477	79,534	84,011
Office running costs	4,581	81,388	85,969
Governance costs	465	8,261	8,726
Other	87	1,535	1,622
	<b>9,610</b>	<b>170,718</b>	<b>180,328</b>

## 7. Net incoming resources

Net incoming resources are stated after charging:

	2018	2017
	£	£
Auditors' remuneration for audit services	-	6,950
Independent examiner's remuneration	3,950	-
Depreciation on tangible assets	2,057	2,835
Amortisation intangible assets	<u>2,892</u>	<u>2,410</u>

## 8. Trustees' remuneration and related parties

Trustees received reimbursement £582 (2017: £851) in relation to travel expenses in the financial year and no trustees received any remuneration.

Unrestricted donations from trustees were £120 (2017: £210)

## 9. Employees remuneration

The aggregate payroll costs of employees were:

	2018	2017
	£	£
Wages and salaries	402,430	385,845
Social security	39,581	33,935
Pension costs	22,761	21,804
	<u>460,772</u>	<u>441,584</u>

No employee received emoluments of more than £60,000 during the year (2017 - no. 0)

## Average number of employees:

	2018	2017
Policy	-	0.5
Practical projects	2	2
Public outreach & partnership	6	6.5
Research & monitoring	1	1
Support	3	3
	<u>12</u>	<u>13</u>

Key management personnel includes the Trustees and senior management. The total employee benefits, including pension costs, of the charity's key management personnel were £204,088 (2017: £187,938)

## 10. Taxation

The company is a registered charity and is, therefore, exempt from taxation.

## 11. Intangible fixed assets

	Software £	Fixed assets £
<b>Cost</b>		
At 01/04/17	8,677	8,677
Additions	-	-
At 31/03/18	<u>8,677</u>	<u>8,677</u>
<b>Amortisation</b>		
At 01/04/17	2,410	2,410
Annual charge	2,892	2,892
At 31/03/18	<u>5,302</u>	<u>5,302</u>
<b>At 31/03/18</b>	<u><b>3,375</b></u>	<u><b>3,375</b></u>
At 31/03/17	<u><b>6,267</b></u>	<u><b>6,267</b></u>

## 12. Tangible fixed assets

	Leasehold costs £	Computers £	Fixed Assets £
<b>Cost</b>			
At 01/04/17	5,575	9,410	14,985
Additions	-	4,656	4,656
At 31/03/18	<u>5,575</u>	<u>14,066</u>	<u>19,641</u>
<b>Depreciation</b>			
At 01/04/17	3,345	8,583	11,928
Annual Charge	1,115	942	2,057
At 31/03/18	<u>4,460</u>	<u>9,525</u>	<u>13,985</u>
<b>Net book value</b>			
At 31/03/18	<u><b>1,115</b></u>	<u><b>4,541</b></u>	<u><b>5,656</b></u>
At 31/03/17	<u><b>2,230</b></u>	<u><b>827</b></u>	<u><b>3,057</b></u>

**13. Stocks**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Books for resale	<u>370</u>	<u>813</u>

**14. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Project debtors	34,461	140,019
Prepayments and accrued income	252,455	103,540
Other debtors	2,310	2,456
	<u>289,226</u>	<u>246,015</u>

**15. Creditors falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Project creditors	60,095	78,956
Deferred income < one year	2,080	-
Accruals	22,976	33,010
Taxation and social security costs	22,201	53,693
Other creditors	2,376	2,610
	<u>109,728</u>	<u>168,269</u>

## 16. Analysis of funds

	At 1-Apr-17 £	Incoming resources £	Resources expended £	Fund transfers £	Balance 31-Mar-18 £
<b>Restricted funds</b>					
Catchment Partnership Funds: Ock, Thame & New Forest	14,285	42,000	44,404	2,709	14,590
Earthwatch training France	2,512	-	2,512	-	-
Avon & Sowley Catchments	-	33,000	19,053	-	13,947
Important Freshwater Areas CaBA	321	1,900	2,324	103	-
Important Freshwater Areas Oxfordshire	11,341	-	1,115	-	10,226
Important Areas for Ponds	6,405	-	6,775	370	-
Pond Digging Fund	17,459	-	-	-	17,459
Million Ponds Project Phase 2	6,203	-	176	-	6,027
Million Ponds Project Dissemination	4,653	-	-	-	4,653
New Forest Catchments	7,031	-	-	(2,629)	4,402
New Forest HLF Beaulieu	-	15,938	15,938	-	-
New Forest Hatchet	11,428	-	11,057	(371)	-
People, Ponds & Water Project HLF	20,210	542,311	601,351	38,830	-
People, Ponds & Water Project Valpak	638	-	-	(638)	-
Policy Officer	-	-	946	946	-
Arable Farming:Ock & Thame	-	13,825	4,777	-	9,048
Thames Water Pinkhill	462	-	846	384	-
Thames Water for Wildlife	21,053	-	10,075	(10,978)	-
Trust for Oxfordshire Environment	4,785	-	1,354	(3,431)	-
Tubney Development Fund	2,538	-	2,526	(12)	-
Water Friendly Farming Researcher	22,823	-	20,215	-	2,608
Other Small projects	-	21,352	1,692	-	19,660
<b>Total restricted funds:</b>	<b>154,147</b>	<b>670,326</b>	<b>747,136</b>	<b>25,283</b>	<b>102,620</b>
<b>Unrestricted funds</b>					
General funds	434,082	285,983	314,239	(25,283)	380,543
<b>Total unrestricted funds:</b>	<b>434,082</b>	<b>285,983</b>	<b>314,239</b>	<b>(25,283)</b>	<b>380,543</b>
<b>TOTAL FUNDS</b>	<b>588,229</b>	<b>956,309</b>	<b>1,060,375</b>	<b>-</b>	<b>483,163</b>

16. Analysis of funds (continued)

	At 1-Apr-16 £	Incoming resources £	Resources expended £	Fund transfers £	Balance 31-Mar-17 £
<b>Restricted funds</b>					
Catchment Partnership Funds: Ock, Thame & Beaulieu	7,628	48,000	41,343	-	14,285
Earthwatch training France	-	13,457	10,945	-	2,512
Earthwatch training UK	-	31,573	31,573	-	-
Important Freshwater Areas CaBA	5,238	-	4,917	-	321
Important Freshwater Areas Oxfordshire	23,592	26,020	38,271	-	11,341
Important Areas for Ponds	6,405	-	-	-	6,405
Pond Digging Fund	17,959	-	500	-	17,459
Million Ponds Project Phase 2	6,448	-	245	-	6,203
Million Ponds Project Dissemination	-	5,000	347	-	4,653
NERC Macronutrients	-	4,525	739	(3,786)	-
New Forest Catchments	21,888	-	14,857	-	7,031
New Forest HLF Beaulieu	-	31,529	31,542	13	-
New Forest Hatchet	-	18,250	6,822	-	11,428
People, Ponds & Water Project HLF	10,795	403,204	395,305	1,516	20,210
People, Ponds & Water Project Valpak	3,700	-	3,062	-	638
Policy Officer	3,841	-	3,841	-	-
Tassel Stonewort Translocation Project	3,862	-	3,862	-	-
Thames Water Pinkhill	-	3,000	2,538	-	462
Thames Water for Wildlife	12,038	51,144	36,054	(6,075)	21,053
Thompson Common Pingo Project	2,877	-	2,877	-	-
Trust for Oxfordshire Environment	-	9,750	4,965	-	4,785
Tubney Development Fund	24,491	-	21,953	-	2,538
Water Friendly Farming Researcher	12,581	26,260	16,018	-	22,823
<b>Total restricted funds:</b>	<b>163,343</b>	<b>671,712</b>	<b>672,576</b>	<b>(8,332)</b>	<b>154,147</b>
<b>Unrestricted funds</b>					
General funds	331,181	290,372	195,803	8,332	434,082
<b>TOTAL FUNDS</b>	<b>494,524</b>	<b>962,084</b>	<b>868,379</b>	<b>-</b>	<b>588,229</b>

Restricted funds consist of grants which have been made Freshwater Habitats Trust which have yet to be fully completed and span over the year end. Transfers between funds occur when there is match funding agreed at the start of the project.

## 17. Analysis of net assets by funds

	Unrestricted	Restricted	Total Funds
<b>Year to 31 March 2018</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	9,031	-	9,031
Current assets	409,347	174,513	583,860
Current liabilities	(37,835)	(71,893)	(109,728)
Net assets	<u>380,543</u>	<u>102,620</u>	<u>483,163</u>

	Unrestricted	Restricted	Total Funds
<b>Year to 31 March 2017</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	9,324	-	9,324
Current assets	512,335	234,839	747,174
Current liabilities	(87,577)	(80,692)	(168,269)
Net assets	<u>434,082</u>	<u>154,147</u>	<u>588,229</u>

## 18. Operating lease commitments

As of 31 March 2018 the charity had the following commitments under non-cancellable operating leases.

	Land and buildings 2018 £	Land and buildings 2017 £
Expire within one year:	<u>-</u>	<u>-</u>
Expiry in one to three years:	<u>21,000</u>	<u>21,000</u>

## 19. Financial instruments

Financial instruments	2018 £	2017 £
Financial assets measured at amortised cost	<u>284,026</u>	<u>244,596</u>
Financial liabilities measured at amortised cost	<u>85,447</u>	<u>135,258</u>