

Charity Registration No. 1085518

Company Registration No. 4090701 (England and Wales)

WATFORD AND THREE RIVERS TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

WATFORD AND THREE RIVERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ann Beatty John Casstles Lisa Dunstan Guy Foxell Harjit Grewal Steve McNicholas Pam Parmar Alec Ray Parwez Samnakay Juliette Sibson Mo Usman
Honorary Presidents	Dean Russell MP Peter Taylor, elected Mayor of Watford Baroness Thornhill MBE
Honorary Vice Presidents	Pearline McFarlane Phil Willerton
Chair	Guy Foxell
Vice Chair	Alec Ray
Treasurer and Company Secretary	John Casstles
Chief Executive Officer	Bob Jones
Charity number	1085518
Company number	4090701
Principal address and Registered Office	Holywell Community Centre Chaffinch Lane Tolpits Lane Watford Hertfordshire WD18 9QD
Auditor	Gowers Limited The Old School House Bridge Road Hunton Bridge Kings Langley Hertfordshire WD4 8SZ

WATFORD AND THREE RIVERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds Bank
32 & 32a Intu Shopping Centre
High Street
Watford
Hertfordshire
WD17 2UB

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

WATFORD AND THREE RIVERS TRUST

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WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and accounts for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Watford and Three Rivers Trust

Our mission and purpose

The charitable aims and objectives of Watford and Three Rivers Trust (W3RT) as defined by our Articles of Association, are:

The promotion of any charitable purposes for the benefit of the community in the Borough of Watford or the District of Three Rivers or their surrounding areas, and in particular the advancement of education, the protection of health and the relief of poverty, distress and sickness.

What we believe

Volunteering and a good public spirit are at the heart of every successful community and every contented individual. We've worked for over forty years to ensure that our community benefits from voluntary groups that are welcoming, effective, accountable and sustainable, and to ensure that people can contribute to the design and delivery of the services on which they rely.

What we do

In the days before Covid-19, we:

- ran the Watford CVS service supporting local charities on fundraising and governance;
- initiated or supported community initiatives in Watford;
- hosted the Watford Community Fund raising monies for local charities;
- produced a quarterly "What's On" guide with details of around 300 activities for older people;
- hosted up to fourteen weekly clubs or activities for older people;
- completed around 200 interventions each month to help vulnerable people living at home,
- completed around 25,000 miles taking people to medical and other appointments;
- managed two community centres hosting 2,500 community activities each year, and
- hosted a social prescribing partnership aimed at supporting 14,000 people a year to relieve pressures on the NHS and adult care services.

Since the arrival of the Covid-19 virus in March 2020, we have played a central role in the local response.

Our vision

W3RT's vision is of a community in which people are connected, informed and take responsibility for the wellbeing of themselves and others.

Our purpose

In particular, we work to:

- ensure that our community benefits from voluntary organisations that are welcoming, effective, sustainable and accountable;
- help older and vulnerable people to build social networks and design and secure services appropriate to their needs;
- encourage and support people to be active in their communities for the wellbeing of themselves and others.

WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and programmes, Trustees pay due regard to the Charity Commission's guidance on public benefit.

Review of the Year

Objectives for year

W3RT's objectives for 2020-21 were set out in a one year business plan and a three year strategic plan agreed by the Board of trustees in February 2020. This plan included specific targets for each of our different activities and set out W3RT's commitments to:

- deliver on existing programmes;
- respond to changes and emerging needs;
- modernise systems to be more responsive and scalable;
- improve impact reporting
- review its constitution;
- seek out new development opportunities.

But within weeks of this plan being agreed, the Government announced the first "lockdown" in response to the Covid-19 pandemic. W3RT had to rapidly shelve its plans and suspend most of its activities.

Remit and partnerships

W3RT holds a broad remit to develop activities that encourage constructive local engagement and strengthen the local community. Under this remit, we work in close partnership with many individuals and organisations:

- local government including WBC, TRDC and HCC
- the NHS including HVCCG, WHHT, other NHS foundations, and GP surgeries
- hundreds of local voluntary organisations
- TeamHerts on Volunteering
- Herts CVS to deliver the Community Help Herts programme.
- Age UK Herts, Age UK Dacorum, British Red Cross, Carers in Herts, Dacortium, Pohwer and Watford Community Housing, and other to deliver the HertsHelp Hospital and Community Navigation Service
- wellbeing providers on the Watford and Three Rivers Health and Wellbeing network
- hundreds of local individuals who supported their families and neighbours, donated money or food, volunteered, organised their communities, or worked for essential services such as health and care services, food distribution or retail.

Covid response

W3RT's plans and activities may not have survived the first weeks of lockdown, but there was no retreat into "self-isolation".

We never doubted for a moment that our local community would respond to the crisis with courage, generosity and togetherness. And we never doubted that W3RT would play a key role in the local response, inspired by our values, relying on our networks, systems and determination - and drawing on the strength and commitment of our staff, volunteers and trustees.

None of our staff were furloughed, many learned completely new skills and accepted major changes in their working arrangements to better serve their community.

WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

W3RT CVS

W3RT's work supporting Community and Voluntary Services has been funded by Watford Borough Council for many years and W3RT supports its member organisations with funding applications and business planning, charity registration, board development, training, volunteering, networking, news, benchmarking and much else. We help the local sector exert greater influence by representing and championing the sector in forums, helping groups promote the needs of their members, or by helping groups come together to have a louder voice. We also run a programme of regular networking opportunities, conferences, training and events.

After Covid-19 arrived, we:

- immediately suspended "paid for" CVS membership and offered all support free of charge;
- worked with WBC and others to help set up the Watford Helps Covid-19 appeal – led and championed by Mayor Peter Taylor and Luther Blissett, and generously supported by many individuals and businesses including Camelot;
- surveyed groups on their plans and needs, keeping in regular contact with many groups as they navigated their way through lockdown while supporting their members and service users;
- employed new staff to liaise with the many neighbourhood groups that emerged to support isolated and vulnerable people;
- worked with TeamHerts, HCC, WBC, TRDC and the NHS to recruit and deploy volunteers;
- supported WBC and TRDC initiatives to set up emergency networks to co-ordinate the community response, including on emergency food distribution;
- with support from TRDC, extended our CVS support into Three Rivers;
- in partnership with WBC and TRDC, distributed £160k in grants to local charities.

Community Wellbeing

Prior to the first lockdown, W3RT managed many programmes of activity including:

- Getting Together, supported by HCC and providing health and wellbeing clubs and activities for older people across Watford and Three Rivers, reducing loneliness and social isolation. The model enables members to develop lasting social connections, build emotional resilience, and manage their independence. The programme comprises "up and doing" activities, chair exercises, shared memories, informative talks, music therapy and more.
- W3RT Community Cars, supported by HVCCG and HCC, and using volunteer drivers to provide essential journeys for those unable to use public transport – particularly to assist patients attending medical appointments and therapies.
- Community Venues, supported by WBC, providing community facilities at the Holywell Community Centre and The Barn for activities such as a children's breakfast and after school club, health and wellbeing programmes, a youth club, Scouts group, Karate, indoor bowls and soft play and art sessions for babies and toddlers etc.
- Neighbours Together, funded by the National Lottery Community Fund to build stronger communities, recruit community champions, and produce a listings guide of "What's On" for local older people.

*After Covid-19 arrived, we had to suspend nearly all activities for Getting Together, Neighbours Together, Community Venues and Community Cars. Instead, with the consent of funders, all staff became "home-based" and we created a single new *Wellbeing Hub* to address needs arising from the Covid-19 public health crisis. We worked with WBC, TRDC, HCC and HertsHelp to ensure there were direct pathways to access local voluntary services. We created new ICT solutions to manage significantly increased referrals and workload, and many new volunteers. We:*

- solicited and processed volunteering enquiries;
- received and processed support requests from individuals;
- helped collect, pack and distribute emergency food supplies;
- delivered prescriptions to isolating households;
- worked closely with other CVSs as part of the Community Help Herts programme;
- supported NHS testing and vaccination centres.

WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

A Slice of Happiness

W3RT hosts this self-funding project to use the "Three Principles" approach to support individuals who face challenges to their personal wellbeing.

HertsHelp Hospital and Community Navigation Service

This is a county-wide social prescribing partnership in which W3RT plays a key hosting role, while working closely with funders and voluntary sector partners: Age UK Herts, Age UK Dacorum, British Red Cross, Carers in Herts, Dacorum, Pohwer and Watford Community Housing. Since 2018, the partnership has worked with individuals to find practical solutions to circumstances that might threaten their ability to live independently, and non-clinical solutions to any wellbeing issues. The intention is to build resilience and reduce unnecessary dependence on clinical services. The service provides an essential link between the NHS, adult care services, and local voluntary services.

After Covid-19 arrived, the service faced a significant increase in demand and our Community Navigators and Link Workers were at the fore of the local response - supporting GPs, Hospitals and isolated, vulnerable people.

W3RT remains closely engaged in this important work. We are very grateful to funders and partners for their flexibility and support in helping us deliver this: Watford Borough Council, Three Rivers District Council, Herts County Council, Herts Valleys CCG, the National Lottery Community Fund. We are also grateful to our staff, volunteers and partners for their strength and support.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

During the year, we:

- engaged with more than 1,500 volunteering enquiries;
- supported 1,500 individual households;
- completed nearly 20,000 support actions;
- delivered 600 emergency food parcels;
- delivered more than 400 prescriptions;
- provided a "food hub" for donations and sorting;
- collected and distributed more than 7 tonnes of food and PPE;
- worked closely with other CVSs as part of the Community Help Herts programme;
- supported NHS testing and vaccination centres;
- with support from WBC, Camelot and others, raised and distributed nearly £200,000 to local charities.

Other achievements

- W3RT holds accreditation from the National Living Wage Foundation as a "Living Wage" employer.
- W3RT has held the Investors In People standard since 2011.
- We are one of the first recipients of the iQ quality award.
- With other charities across Hertfordshire, W3RT plays a key role sustaining the Herts Community Leaders' Forum.

Volunteers

W3RT values the significant contribution that volunteers make to our organisation. Since the Covid-19 crisis, we have (with considerable support from TeamHerts, WBC and TRDC) registered over 1,500 volunteers. Around 1,000 have actively volunteered for W3RT or been referred to one of our local partners. In the future, we hope to sustain contact with these "good neighbours" and offer more opportunities for volunteering and good neighbourliness.

WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Investment performance

W3RT funds are all invested through the "CAF Gold" account offered by our bankers CAF Bank. Interest rates and returns have remained very low. W3RT expects to maintain a cautious approach to investments.

Financial review and prospects

Financial review

Income rose by 35% to £2,358,373 while expenditure rose by 35.8% to £2,313,429. This allowed us an overall surplus on the year of £44,944 (representing a surplus of just 1.9% of total income). Net assets rose to £354,876 from £311,202 in 2020.

Funds

At the year end the amount of restricted funds not yet spent was £114,191 (2020: £53,217). The total unrestricted General Fund reserve was £238,434 (2020: £257,985) – of which £3,960 has been designated for a Development Fund to fund several necessary future developments and £4,646 has been designated for a Premises Maintenance Fund.

Reserves policy

The Trustees have agreed that W3RT should hold General Fund Reserves between one third of annual running costs and that amount required to meet W3RT's reasonable cash flow needs for the coming twelve months while holding at least £50,000 for contingency. For 2020-21 this sets a reserve of between £50,000 and £606,142. At the end of the year, we held an unrestricted and designated reserve of £238,434.

Principal sources of income and how expenditure meets our objects

W3RT has two main income streams; income from statutory contracts (HCC, HVCCG, NHS, WBC, TRDC) and income generated through the delivery of services.

Each service is designed and delivered for public benefit and each activity is funded differently and contributes to core costs such as management, marketing and telecoms.

Donations and legacies consists of the core grant for the CVS from Watford Borough Council plus fundraised and donated income.

Income from charitable activities totalled £2,042,751 (2020: £1,643,084) and the largest component of this is project grants of £1,597,2885 (2020: £1,348,614).

Investment policy

W3RT's reserves policy is designed to maximise the resources that can be applied to charitable objectives. Consequently, W3RT has few surplus funds, and particularly in the current market, does not expect to generate a significant income from these funds. To date, W3RT has invested solely through accounts offered by our bankers CAF Bank.

Fundraising

W3RT has made some advances in the year as government increased funding for the voluntary sector as a key part of the response to Covid-19. W3RT has also (with close support from WBC) raised and distributed £164,160 through the Watford Community Fund and £39,131 through the Three Rivers Community Fund.

Risk assessment

The Board of Trustees regularly carries out a risk assessment of W3RT activities and agrees on actions to manage and mitigate risks. The most recent risk assessment was carried out in May 2021.

WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Future plans

In the coming period, W3RT will:

- add resilience by creating a new senior management team;
- work with external consultants to review and strengthen W3RT's governance;
- provide an ongoing response to Covid-19 needs;
- create a new local framework for volunteering;
- tackle digital exclusion;
- restore Getting Together, Community Venues, Community Cars and Neighbours Together;
- strengthen relations within HCNS, creating a single integrated budget;
- work with WBC and TRDC to establish local CVSs;
- prepare for future re-commissioning of Getting Together and HCNS;
- underpin our work with ICT systems that are secure, flexible, scalable and externally hosted;
- sustain our current level of activity and broaden the range of activities.

Structure, governance and management

The charity is a company limited by guarantee, governed by a Memorandum and Articles of Association most recently amended in 2012-13.

The Trustees, who are also the Directors for the purpose of company law, and who served during the year were:

Ann Beatty

John Casstles

Lisa Dunstan

(Appointed 22 September 2020)

Guy Foxell

Harjit Grewal

Steve McNicholas

Pam Parmar

Alec Ray

Parwez Samnakay

Juliette Sibson

Mo Usman

Peter Wright

(Resigned 22 September 2020)

The company is limited by guarantee and none of the Trustees has a beneficial interest in the charity.

All of the Trustees are members of the company and guarantee to contribute £5 in the event of winding up. New Trustees are co-opted to the Trustee board and the Trustees have adopted a recruitment policy to ensure that recruitment of new Trustees is based on the assessed needs of the charity. No external body is entitled to appoint any Trustees of W3RT.

W3RT Trustees define their main roles as:

- creating a clear vision for W3RT;
- formulating plans and policies to bring about W3RT's objectives;
- recruiting and supervising the Chief Executive Officer;
- ensuring compliance with the law;
- overseeing W3RT's finances.

New Trustees are provided with key documentation, invited to spend a day meeting staff and service users, and encouraged to attend a course on Trustee roles and responsibilities.

WATFORD AND THREE RIVERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Governance

The Trustees meet as required, but not less than four times a year. Throughout 2020-21, W3RT's board had a Chairman, a Vice Chairman and a Treasurer. At the end of this year, the Trustees established a Finance, Risk and Audit Committee to undertake detailed work in these areas and make recommendations to the Board. Other working groups are established when required, usually with a limited duration and always with delegated powers clearly defined.

Each Trustee meeting receives reports on W3RT's finances and activities.

Decisions about day-to-day operational matters, including staffing, work planning and finance are delegated to the Chief Executive Officer, who has regular meetings with the Board's Chairman.

Affiliations

During 2020-21, W3RT held affiliations with:

- Community Transport Association;
- Herts Care Providers Association;
- CDA Herts;
- Institute of Corporate Responsibility and Sustainability (through the CEO);
- Institute of Fundraising (through the CEO);
- Living Wage Foundation
- Locality;
- National Association for Voluntary and Community Action;
- National Voices
- National Council of Voluntary Organisations;
- Watford and West Herts Chamber of Commerce.

W3RT is a member of Herts Community Solutions – an informal network of local voluntary sector support agencies serving Hertfordshire.

W3RT is a Corporate Director of Herts CVS Trading Ltd (jointly owned by all Herts CVSs). The company manages a three-year contract under the Building Better Communities programme. W3RT is not itself a delivery partner for this project, but our CEO, Bob Jones, is Company Secretary and W3RT provides the secretariat and accounting functions for the trading company.

W3RT hosts many projects, activities, services and forums. This is part of our work to support and develop the local voluntary sector. Some of these activities may operate under particular brands or names different to W3RT, but none has any independent legal existence and all publicity materials, correspondence and publications quote W3RT's details and make clear that these activities are undertaken as part of W3RT.

Auditor

In accordance with the company's articles, a resolution proposing that Gowers Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the Auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Auditors are aware of such information.

The Trustees' report was approved by the Board of Trustees.

Guy Foxell

Trustee

Dated: 20 January 2022

WATFORD AND THREE RIVERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also the directors of Watford and Three Rivers Trust for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WATFORD AND THREE RIVERS TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WATFORD AND THREE RIVERS TRUST

Opinion

We have audited the financial statements of Watford and Three Rivers Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

WATFORD AND THREE RIVERS TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WATFORD AND THREE RIVERS TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- the nature of the charitable sector, the charity's control environment and performance,
- results of our enquiries of management about their own identification and assessment of irregularities;
- any matters we identified having reviewed the charity's procedures relating to identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and the internal systems established to mitigate risks related to fraud or non-compliance with laws and regulations.
- the matters discussed among the engagement team and involving relevant internal specialists, including tax, regarding where fraud might occur in the financial statements and any potential indicators of fraud.

WATFORD AND THREE RIVERS TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WATFORD AND THREE RIVERS TRUST

As a result of the above, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in management override of controls. In common with all audits under ISAs (UK), we are required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory framework in which the company operates, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements in this case, specifically in this context, Companies Act 2006, and tax legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Having performed the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, concerning actual and potential litigation and claims;
- review of minutes of trustees' meetings;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- in addressing the risk of fraud through management override of controls, reviewing the appropriateness of journal entries and other adjustments; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Gowers Limited

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**Chartered Accountants
Statutory Auditor**

The Old School House
Bridge Road
Hunton Bridge
Kings Langley
Hertfordshire
WD4 8SZ

Gowers Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	157,992	155,584	313,576	97,563
Charitable activities	5	1,877,295	167,206	2,044,501	1,643,084
Activities for generating funds	4	296	-	296	6,369
Total income		2,035,583	322,790	2,358,373	1,747,016
<u>Expenditure on:</u>					
Fundraising costs	6	20	-	20	20
Charitable activities	7	2,057,203	256,206	2,313,409	1,703,054
Total expenditure		2,057,223	256,206	2,313,429	1,703,074
Net (expenditure)/income for the year/ Net movement in funds		(21,640)	66,584	44,944	43,942
Fund balances at 1 April 2020		256,715	53,217	309,932	267,260
Fund balances at 31 March 2021		235,075	119,801	354,876	311,202

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	96,122	1,441	97,563
Charitable activities	5	1,517,407	125,677	1,643,084
Activities for generating funds	4	6,309	60	6,369
Total income		1,619,838	127,178	1,747,016
<u>Expenditure on:</u>				
Fundraising costs	6	20	-	20
Charitable activities	7	1,596,965	106,089	1,703,054
Total expenditure		1,596,985	106,089	1,703,074
Net (expenditure)/income for the year/ Net movement in funds		22,853	21,089	43,942
Fund balances at 1 April 2019		235,132	32,128	267,260
Fund balances at 31 March 2020		257,985	53,217	311,202

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WATFORD AND THREE RIVERS TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	10	192,579		217,600	
Cash at bank and in hand		687,812		253,865	
		<u>880,391</u>		<u>471,465</u>	
Creditors: amounts falling due within one year	11	(504,641)		(135,530)	
Net current assets			375,750		335,935
Provisions for liabilities	14		(20,874)		(24,733)
Net assets			<u>354,876</u>		<u>311,202</u>
Income funds					
Restricted funds	15		119,801		53,217
<u>Unrestricted funds</u>					
Designated funds	17	8,606		20,286	
General unrestricted funds		247,343		262,432	
Pension reserve		<u>(20,874)</u>		<u>(24,733)</u>	
			235,075		257,985
			<u>354,876</u>		<u>311,202</u>

The Balance Sheet continues on the next page

WATFORD AND THREE RIVERS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 20 January 2022

John Casstles
Trustee

Guy Foxell
Trustee

Company Registration No. 4090701

WATFORD AND THREE RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Watford and Three Rivers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Holywell Community Centre, Chaffinch Lane, Tolpits Lane, Watford, Hertfordshire.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, despite the ongoing and potential effects of COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements and no adjustments to the results or the carrying values declared in these financial statements are required, and none have been made.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are funds received which can only be used for the specific purpose as laid out by the donor. Expenditure which meets this criteria is identified to the fund, together with a fair allocation of overhead costs. The aim and use of each restricted fund is set out in the note to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The value of services provided by the volunteers is not included in the Statement of Financial Activities.

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for which they are received.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

WATFORD AND THREE RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

The Trustees have a policy of charging individual items with a negligible projected net residual value after one year from purchase directly to the Statement of Financial Activities in the year of purchase.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

WATFORD AND THREE RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		433,947		(61,863)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
			<hr/>		<hr/>
Net increase/(decrease) in cash and cash equivalents			433,947		(61,863)
Cash and cash equivalents at beginning of year			253,865		315,728
			<hr/>		<hr/>
Cash and cash equivalents at end of year			687,812		253,865
			<hr/> <hr/>		<hr/> <hr/>

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and other voluntary income	5,047	155,584	160,631	18,390
Grants receivable for core activities	152,945	-	152,945	79,173
	<u>157,992</u>	<u>155,584</u>	<u>313,576</u>	<u>97,563</u>
For the year ended 31 March 2020	<u>96,122</u>	<u>1,441</u>		<u>97,563</u>
Donations and gifts				
Camelot UK Lotteries	-	106,292	106,292	-
Watford Council	-	13,500	13,500	-
Berkeley Homes (North East London)	-	2,000	2,000	-
Other	5,047	33,792	38,839	18,390
	<u>5,047</u>	<u>155,584</u>	<u>160,631</u>	<u>18,390</u>
Grants receivable for core activities				
Watford Council - CVS Grant	79,173	-	79,173	79,173
Watford Council - COVID-19 Grant - Holywell Community Centre	44,843	-	44,843	-
Watford Council - COVID-19 Grant - Barn	14,429	-	14,429	-
Three Rivers District Council - COVID-19 Grant	5,000	-	5,000	-
CDA Herts - COVID Champions Grant	9,500	-	9,500	-
	<u>152,945</u>	<u>-</u>	<u>152,945</u>	<u>79,173</u>

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Activities for generating funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Membership subscriptions	296	795	60	855
Other earned income	-	5,514	-	5,514
	<hr/>	<hr/>	<hr/>	<hr/>
Activities for generating funds	296	6,309	60	6,369
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	Room hire and facilities £	Fees and contracts £	Lunch clubs and transport £	Total 2021 £	Total 2020 £
Income from charitable activities	12,916	430,320	2,230	445,466	294,470
Project grants	-	1,599,035	-	1,599,035	1,348,614
	<u>12,916</u>	<u>2,029,355</u>	<u>2,230</u>	<u>2,044,501</u>	<u>1,643,084</u>
Analysis by fund					
Unrestricted funds	12,916	1,862,149	2,230	1,877,295	
Restricted funds	-	167,206	-	167,206	
	<u>12,916</u>	<u>2,029,355</u>	<u>2,230</u>	<u>2,044,501</u>	
For the year ended 31 March 2020					
Unrestricted funds	161,140	1,329,579	26,688		1,517,407
Restricted funds	-	120,956	4,721		125,677
	<u>161,140</u>	<u>1,450,535</u>	<u>31,409</u>		<u>1,643,084</u>
Project grants					
Watford Council	-	86,680	-	86,680	93,321
Hertfordshire County Council	-	1,283,373	-	1,283,373	1,141,928
Big Lottery Fund	-	96,456	-	96,456	113,365
Communities 1st - Community Help Hertfordshire	-	42,917	-	42,917	-
Herts Valleys Clinical Commissioning Group	-	17,800	-	17,800	-
Three Rivers District Council	-	56,000	-	56,000	-
NHS England	-	11,833	-	11,833	-
Other	-	3,976	-	3,976	-
	<u>-</u>	<u>1,599,035</u>	<u>-</u>	<u>1,599,035</u>	<u>1,348,614</u>

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Fundraising costs

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising costs</u>		
Other fundraising costs	20	20
	<u>20</u>	<u>20</u>

7 Charitable activities

	2021	2020
	£	£
Staff costs	880,832	824,854
Other staff costs	19,707	14,618
Project costs	1,084,241	490,676
Premises costs	40,734	101,802
Insurance costs	8,965	8,180
Repairs and maintenance costs	39,499	60,907
Office costs	35,371	47,948
Computer costs	82,272	34,040
Promotion and publicity costs	18,626	33,563
Travel and subsistence costs	44,475	59,562
General expenses	12,699	9,257
Legal and professional costs	41,229	14,088
Bank charges and other finance costs	2,359	1,219
Governance costs	2,400	2,340
	<u>2,313,409</u>	<u>1,703,054</u>
Analysis by fund		
Unrestricted funds	2,057,203	
Restricted funds	256,206	
	<u>2,313,409</u>	

For the year ended 31 March 2020

Unrestricted funds	1,596,965
Restricted funds	106,089
	<u>1,703,054</u>

Governance costs comprise fees paid to the Auditors for audit services.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or expenses during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable and administrative	45	52

Employment costs

	2021 £	2020 £
Wages and salaries	788,146	745,713
Termination payments	5,350	-
Social security costs	63,787	56,528
Other pension costs	23,549	22,613
	880,832	824,854

There were no employees whose annual remuneration was £60,000 or more.

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	170,098	190,742
Other debtors	115	-
Prepayments and accrued income	22,366	26,858
	192,579	217,600

11 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Deferred income	13	281,848	-
Trade creditors		155,268	124,435
Other creditors		5,295	6,195
Accruals		62,230	4,900
		504,641	135,530

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12	Provisions for liabilities	Notes	2021	2020
			£	£
	Retirement benefit obligations	14	20,874	24,733
			<u>20,874</u>	<u>24,733</u>
			<u><u>20,874</u></u>	<u><u>24,733</u></u>
13	Deferred income		2021	2020
			£	£
	Other deferred income		281,848	-
			<u>281,848</u>	<u>-</u>

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Retirement benefit schemes

Defined contribution schemes

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum
(payable monthly and increasing by 3% each on 1st April)	
From 1 April 2016 to 30 September 2028:	£54,560 per annum
(payable monthly and increasing by 3% each on 1st April)	

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 March 2021 (£s)	31 March 2020 (£s)	31 March 2019 (£s)
Present value of provision	20,874	24,733	30,004
<hr/>			
Reconciliation of opening and closing provisions		Period Ended 31 March 2021	Period Ended 31 March 2020
		(£s)	(£s)
Provision at start of period		24,733	30,004
Unwinding of the discount factor (interest expense)		556	379
Deficit contribution paid		(5,129)	(4,979)
Remeasurements - impact of any change in assumptions		714	(671)
Remeasurements - amendments to the contribution schedule		-	-
		<hr/>	<hr/>
Provision at end of period		20,874	24,733

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Retirement benefit schemes

(Continued)

Income and Expenditure Impact	Period Ended 31	Period Ended 31
	March 2021	March 2020
	(£s)	(£s)
Interest expense	556	379
Remeasurements – impact of any change in assumptions	714	(671)
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service	-	-
Costs recognised in income and expenditure account	-	-

Assumptions	31 March 2021	31 March 2020	31 March 2019
	% per annum	% per annum	% per annum
Rate of discount	0.66	2.53	1.39

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£	£	£	£
Watford Community Fund	22,542	364	(500)	22,406	170,334	(164,160)	28,580
Chorleywood Fund	4,789	875	(1,843)	3,821	-	-	3,821
Circus Society	126	-	-	126	-	-	126
Neighbours Together	-	117,315	(92,668)	24,647	96,456	(51,111)	69,992
Croxley Welcome Club	4,520	4,983	(7,286)	2,217	-	-	2,217
Watford Deaf Community	151	1,141	(1,292)	-	-	-	-
Watford Folk Club	-	500	(500)	-	-	-	-
Ganesh Chaturthi Utsavam Watford	-	2,000	(2,000)	-	-	-	-
Three Rivers Sustainability Fund	-	-	-	-	16,000	(1,804)	14,196
Three Rivers Community Development Fund	-	-	-	-	40,000	(39,131)	869
	<u>32,128</u>	<u>127,178</u>	<u>(106,089)</u>	<u>53,217</u>	<u>322,790</u>	<u>(256,206)</u>	<u>119,801</u>

Watford Community Fund is the community fund for Watford charities and provides funding to local initiatives – and also aims to build an endowment to support and safeguard local voluntary activity long into the future.

Chorleywood Fund represents funds from Dementia Friendly, Groundwork UK and Hertfordshire County Council Locality Budgets to run a memory cafe in Chorleywood.

Circus Society is funding to run circus skills courses at schools.

Neighbours Together is funding from the Big Lottery Fund for the development of our existing Getting Together programme. It will work with community volunteers to help older people overcome social isolation and sustain their independence. It is aimed at those aged 70-85 who are most at risk of social isolation, mental health problems or loss of independence due to isolation, inactivity, lack of knowledge and relative poverty.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Restricted funds

(Continued)

Croxley Welcome Club is funds received to sustain the activities of Croxley Welcome Club within Watford and Three Rivers Trust.

Watford Deaf Community, Watford Folk Club and Ganesh Chaturthi Utsavam Watford are funds held on behalf of small member charities to provide them with banking facilities.

Three Rivers Sustainability Fund is funds received from Three Rivers District Council to assist voluntary organisations in Three Rivers on climate change and sustainability.

Three Rivers Community Development Fund is funds received from Three Rivers District Council to process volunteering offers and assess the changing needs of the voluntary sector supporting residents in Three Rivers.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Current assets/ (liabilities)	255,949	119,801	375,750	282,718	53,217	335,935
Provisions and pensions	(20,874)	-	(20,874)	(24,733)	-	(24,733)
	<u>235,075</u>	<u>119,801</u>	<u>354,876</u>	<u>257,985</u>	<u>53,217</u>	<u>311,202</u>

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 1 April 2020 £	Resources expended £	Balance at 31 March 2021 £
Premises Maintenance Fund	30,000	10,000	(35,354)	4,646	-	4,646
Development Fund	27,310	-	(11,670)	15,640	(11,680)	3,960
	<u>57,310</u>	<u>10,000</u>	<u>(47,024)</u>	<u>20,286</u>	<u>(11,680)</u>	<u>8,606</u>

The Premises Maintenance Fund is to provide for the costs of replacing the boiler and creating a new card entry system.

The Development Fund is to fund general developments in service delivery including an online booking platform and upgrading virtual platforms, our website and intranet.

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

19 Analysis of changes in net funds

The charity had no debt during the year.

WATFORD AND THREE RIVERS TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20	Cash generated from operations	2021	2020
		£	£
	Surplus for the year	44,944	43,942
	Adjustments for:		
	Difference between pension charge and cash contributions	(5,129)	(5,272)
	Movements in working capital:		
	Decrease/(increase) in debtors	25,021	(194,244)
	Increase in creditors	87,263	98,022
	Increase/(decrease) in deferred income	281,848	(4,311)
	Cash generated from/(absorbed by) operations	<u>433,947</u>	<u>(61,863)</u>