

Charity registration number 1085518

**WATFORD AND THREE RIVERS TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

# **WATFORD AND THREE RIVERS TRUST**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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### **Trustees**

Harjit Grewal  
Steve McNicholas  
Pam Parmar  
Alec Ray  
Syd Nadim  
Khaleel Chowdhree  
Visuwanathan Easwarakumar  
Rachel Fowler  
Simon Mitchell

### **Honorary Presidents**

Matt Turmaine MP  
Peter Taylor, elected Mayor of Watford  
Baroness Thornhill MBE

### **Chair**

Syd Nadim

### **Vice Chair**

Alec Ray

### **Chief Executive Officer**

Bob Jones

### **Charity number**

1085518

### **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

### **Bankers**

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

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# **WATFORD AND THREE RIVERS TRUST**

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# WATFORD AND THREE RIVERS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2024

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The Trustees present their report and accounts for the year ended 31 March 2024.

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 Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

##### 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.

##### What we do

W3RT has initiated or supported many community initiatives in Watford, Three Rivers and across Hertfordshire and we:

- host the Hertfordshire Community Leaders Forum providing connections, support and a voice to charities across the county;
- runs CVS services for Watford and Three Rivers, representing around 800 local charities and supporting them on all aspects of governance and management;
- host the Watford Community Fund and the Connecting Three Rivers Fund to raise monies for local charities;
- host up to 11 clubs or activities each week for older people;
- provide additional support for vulnerable people living at home;
- host the Watford and West Herts Chamber of Commerce;
- run a community car service providing journeys for people to attend medical and other appointments;
- manage two community centres;
- host Hertfordshire's social prescribing partnership aimed at supporting 14,000 people a year to relieve pressures on the NHS and adult care services.

# WATFORD AND THREE RIVERS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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#### 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 2023-24 were set out in a one-year business plan and a five-year strategic plan agreed by the Board of trustees in February 2023.

The **Strategic Plan** sets out W3RT's:

##### - Distinctive role and values

We believe that people (despite or because of their differences) have immense power and capacity to work together purposefully for mutual benefit and the common good. We will always:

- seek effective partnerships with organisations sharing similar values and aims;
- work for organisations to be accountable to the communities they serve;
- support a strong and diverse voluntary sector as a necessary feature of a successful community;
- encourage people to be engaged in the planning, design and delivery of community services.

##### - Focus for development

W3RT works at the borders and margins – with individuals or communities that might feel marginalised, poorly connected or “under-served”. We aim to build services and connections so no-one is isolated or overlooked and everyone can play a part in their community, influence decisions and access services. We particularly help people navigate the borders that exist between individuals, their community and the state:

- what relationship do individuals have to their neighbours and their community?
- how do individuals navigate their way through the state's manifold institutions and services?
- how can we ensure that voluntary organisations work to strengthen their communities?

##### - Plans for the future

We know to remain flexible and not place too much reliance on forward planning. We want to ensure W3RT can:

- be attentive, responsive and innovative;
- have scalable systems to underpin successful project delivery;
- make a distinctive contribution to policy discussions;
- be an exemplar of good governance;
- develop a long-term financial strategy;
- be an effective champion for our members and communities;
- be recognised for our achievements.

The **Business Plan** set out specific targets and priorities for the year including:

- complete launch of new Chamber of Commerce;
- record at least 200 volunteers, at least 200 volunteering roles and at least 500 hours of volunteering;
- return activity at our community venues to pre-pandemic levels;
- increase the number of active volunteer drivers to 40;
- at least fifty instances of support provided to local voluntary organisations;
- host at least twelve Getting Together Clubs each week;
- deliver twelve programmes to vulnerable adults through A Slice of Happiness;
- create a new website and focus for the Herts Community Leaders Forum.

# **WATFORD AND THREE RIVERS TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2024**

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#### Governance and management

During 2023-24, W3RT completed the process to become a Charity Incorporated Organisation (CIO). We continue to be regulated by the Charity Commission and retain the same charity registration number, but following conversion to a CIO we are no longer required to report to Companies House.

Also during 2023-24, W3RT completed the process of "merging" with Watford and West Herts Chamber of Commerce. The Watford and West Herts Chamber of Commerce supported local businesses. The Chamber was a private limited company without charitable status, but actively supported a great number of community initiatives. After extensive discussions, the Chamber voted to dissolve and donate its net assets to W3RT. These monies will be used to support our ongoing charitable work including to:

- ensuring that Watford and neighbouring communities are prosperous and benefit from good employment opportunities;
- promoting good corporate citizenship, ensuring that businesses play a full and positive role in the local community.

We also began discussions with the ASCEND charity in South Oxhey to explore closer working and at 2023-24 year end reached agreement that W3RT would take on their remaining funded staff and activities.

#### Partnership first

W3RT holds a broad remit to develop activities that encourage constructive local engagement and strengthen the local community. In all circumstances, W3RT aims to work through partnerships to improve quality, learning, accessibility and impact. Through 2023-24, W3RT helped bring together different sectors, organisations, projects, systems and individuals and we worked with:

- hundreds of local voluntary organisations;
- local government and especially WBC, TRDC and HCC;
- the NHS as it reorganised to the new Integrated Care Service, and created the new Voluntary, Community, Faith and Social Enterprise Alliance;
- Community Help Herts (led by Communities 1st and including Community Action Dacorum, North Herts CVS, Welwyn Hatfield CVS, Community Alliance Broxbourne and East Herts, and CDA Herts);
- Herts Sports Partnership;
- Herts Hospital and Community Navigation Service (including Age UK Herts, Age UK Dacorum, British Red Cross, Carers in Herts, Dacorum, Herts Hearing Advisory Service, Home-Start Watford and Three Rivers, Pohwer and Watford Community Housing);
- the Lord-Lieutenant of Hertfordshire and Warner Brothers to create the first Hertfordshire Charity Hub;
- 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.

#### **Achievements and performance**

##### Governance and shared services

- Complete transition to CIO model constitution: completed
- Introduced new systems for accounts, payroll, HR, and training

##### Community Venues

- Hosted 1,460 community events attended by 42,000 participants

##### Community Cars

- Provided 1,423 essential car journeys totalling 20,576 miles

##### Getting Together / Wellbeing

- Hosted 595 sessions and 13 events with a total of 12,768 attendances
- 210 Getting Together members
- Digital Inclusion service supported 46 people through 138 instances of digital learning, increasing digital literacy, improving social inclusion and access to information.

# **WATFORD AND THREE RIVERS TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2024**

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#### A Slice of Happiness

- 12 eight week programmes delivered attended by 198 participants
- In addition, 84 people attended one or more informal weekly support sessions
- ASOH has now been set up as an independent CIC

#### Community Help Herts

- Complete reconfiguration of HCLF: completed
- Integrate W3RT data on volunteering: completed
- Volunteer Befrienders made 2,671 "keeping connected" calls
- Volunteer Personal Shoppers completed 237 shops and 15 prescription deliveries

#### CVS

- Provided over 600 instances of support to local groups
- Hosted seven events
- Helped set up fifteen new local organisations
- Awarded 51 grants totalling £120,355
- 100 users pcm access the Herts Fundraising database
- Supported organisations through the Hertfordshire Lord-Lieutenant's Charity Hub
- Helped 74 other local groups secure external funding

#### Hospital and Community Navigation Service

- Delivered in partnership with nine other local charities
- Received 19,782 referrals for 16,102 unique individuals
- Addressed 26,267 specific issues.
- Made 20,474 onward referrals.
- Introduced new case management system
- Updated partnership agreements
- Secured long-term delivery contract

#### Watford and West Herts Chamber of Commerce

- Total membership of 370 - a 41% increase on the previous year
- Helped members develop their networks and businesses and enabled them to bring benefit to the wider community
- Held 53 networking events with a total of 2,623 attendances
- Lead community projects including the Atria Watford Hub on Queens Road, free Mental Health First Aid training for the community, and a Food Hub at Watford General Hospital.

#### 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 fell by £77,434 (2%) to £3,530,711 while expenditure rose by £130,675 (4%) to £3,388,144. This produced a surplus on the year of £142,567 (representing a surplus of 4.04% of total income). Net assets rose to £1,038,796 (2023: £896,229 ).

##### Funds

At year end the amount of restricted funds not yet spent was £283,624 (2023: £56,750). The total unrestricted General Fund reserve was £764,172 (2023: £839,479).

##### 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 2023-24 this sets a reserve of between £50,000 and £1,129,381. At the end of the year, we held an unrestricted and designated reserve of £755,172.

# **WATFORD AND THREE RIVERS TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2024**

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#### 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 £3,175,302 (2023: £3,392,284) and the largest component of this is project grants of £2,846,274 (2023: £3,179,161 ).

#### 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, we are exploring options for the future but will maintain a cautious approach to investments.

#### Fundraising

W3RT has managed three community funds in Watford, now merged into a single fund. During 2023-24, we raised £38,236 and had total charges and grants of £30,648, leaving a year end balance of £26,652 for future grants. W3RT has also managed grant funds on behalf of TRDC and WBC.

#### 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 2024.

#### Future plans

W3RT Trustees meet each January to discuss plans for the coming year, and they review and refine these at each meeting. In the 2024-25 year, W3RT aims to:

- continue to support staff wellbeing and promote staff retention
- review W3RT branding and communications
- retain Cyber Essentials accreditation
- complete negotiations with ASCEND to adopt their programmes in South Oxhey
- review Chamber of Commerce programmes
- review the use of the Holywell Community Centre first floor to maximise community benefit
- review the lease and activities at The Barn
- Better integrate HCNS work with W3RT systems
- Review Getting Together to ensure maximum community benefit
- Support A Slice of Happiness to become an independent CIC
- Review our offer for Corporate volunteering
- Review fundraising options
- Withdraw from unsustainable GP Link Worker contracts



# WATFORD AND THREE RIVERS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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#### Structure, governance and management

The charity was originally an unincorporated trust, then became a company limited by guarantee with charitable status, and in November 2023, W3RT converted to become a Charity Incorporated Organisation.

The Trustees who served during the year were:

John Casstles

(Deceased 1 May 2024)

Harjit Grewal

Steve McNicholas

Pam Parmar

Alec Ray

Syd Nadim

Khaleel Chowdhree

(Appointed 15 January 2024)

Visuwanathan Easwarakumar

(Appointed 15 January 2024)

Rachel Fowler

(Appointed 15 January 2024)

Simon Mitchell

(Appointed 15 January 2024)

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.

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.

#### Governance

The Trustees meet as required, but not less than four times a year. Throughout 2023-24, W3RT's board had a Chairman, a Vice Chairman and a Treasurer. Working groups are established as 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 2023-24, 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 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.

# **WATFORD AND THREE RIVERS TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

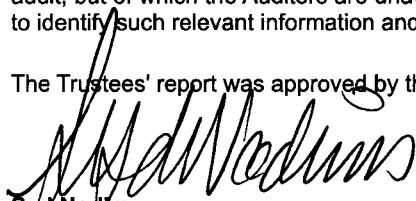
***FOR THE YEAR ENDED 31 MARCH 2024***

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### **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.



**Syd Nadim**  
Trustee

Dated: 21 January 2025

# **WATFORD AND THREE RIVERS TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 MARCH 2024***

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The Trustees 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).

The law applicable to charities in England and Wales 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 of the charity 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 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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

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#### Opinion

We have audited the financial statements of Watford and Three Rivers Trust (the 'charity') for the year ended 31 March 2024 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 charity's affairs as at 31 March 2024 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 Charities Act 2011.

#### 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.

#### 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.

# WATFORD AND THREE RIVERS TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WATFORD AND THREE RIVERS TRUST

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#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 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.

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.

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, Charities Act 2011 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.

# WATFORD AND THREE RIVERS TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF WATFORD AND THREE RIVERS TRUST

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#### 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.

#### Other matters

##### 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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

Chartered Accountants  
Statutory Auditor

28<sup>th</sup> January 2025

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 2024

### Current financial year

|   | Notes | Unrestricted funds<br>2024<br>£ | Restricted funds<br>2024<br>£ | Total<br>2024<br>£ | Total<br>2023<br>£ |
|---|-------|---------------------------------|-------------------------------|--------------------|--------------------|
| <b>Income from:</b>   |       |                                 |                               |                    |                    |
| Donations and legacies  | 3     | 211,526                         | 58,201                        | 269,727            | 196,311            |
| Charitable activities   | 5     | 2,723,012                       | 452,290                       | 3,175,302          | 3,392,284          |
| Activities for generating funds   | 4     | 62,247                          | -                             | 62,247             | 19,457             |
| Investment income   | 6     | 23,435                          | -                             | 23,435             | 93                 |
| <b>Total income</b>   |       | <b>3,020,220</b>                | <b>510,491</b>                | <b>3,530,711</b>   | <b>3,608,145</b>   |
| <b>Expenditure on:</b>  |       |                                 |                               |                    |                    |
| Charitable activities   | 7     | 3,104,527                       | 283,617                       | 3,388,144          | 3,257,469          |
| <b>Net (expenditure)/income for the year/<br/>Net movement in funds</b> |       | <b>(84,307)</b>                 | <b>226,874</b>                | <b>142,567</b>     | <b>350,676</b>     |
| Fund balances at 1 April 2023   |       | 839,479                         | 56,750                        | 896,229            | 545,553            |
| <b>Fund balances at 31 March 2024</b>                                   |       | <b>755,172</b>                  | <b>283,624</b>                | <b>1,038,796</b>   | <b>896,229</b>     |

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# WATFORD AND THREE RIVERS TRUST

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

FOR THE YEAR ENDED 31 MARCH 2024

### Prior financial year

|   |       | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ |
|---|-------|------------------------------------|----------------------------------|--------------------|
|   | Notes |                                    |                                  |                    |
| <b>Income from:</b>   |       |                                    |                                  |                    |
| Donations and legacies  | 3     | 151,920                            | 44,391                           | 196,311            |
| Charitable activities   | 5     | 3,251,076                          | 141,208                          | 3,392,284          |
| Activities for generating funds   | 4     | 19,457                             | -                                | 19,457             |
| Investment income   | 6     | 93                                 | -                                | 93                 |
| <b>Total income</b>   |       | <b>3,422,546</b>                   | <b>185,599</b>                   | <b>3,608,145</b>   |
| <b>Expenditure on:</b>  |       |                                    |                                  |                    |
| Charitable activities   | 7     | 2,967,328                          | 290,141                          | 3,257,469          |
| Gross transfers between funds   |       | (1,821)                            | 1,821                            | -                  |
| <b>Net (expenditure)/income for the year/<br/>Net movement in funds</b> |       | <b>453,397</b>                     | <b>(102,721)</b>                 | <b>350,676</b>     |
| Fund balances at 1 April 2022   |       | 386,082                            | 159,471                          | 545,553            |
| <b>Fund balances at 31 March 2023</b>                                   |       | <b>839,479</b>                     | <b>56,750</b>                    | <b>896,229</b>     |

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.




# WATFORD AND THREE RIVERS TRUST


## BALANCE SHEET

AS AT 31 MARCH 2024

|   | Notes | 2024<br>£        | £                | 2023<br>£        | £              |
|---|-------|------------------|------------------|------------------|----------------|
| <b>Current assets</b>                                 |       |                  |                  |                  |                |
| Debtors   | 11    | 178,767          |                  | 116,223          |                |
| Cash at bank and in hand                              |       | 1,152,861        |                  | 1,134,353        |                |
|   |       | <u>1,331,628</u> |                  | <u>1,250,576</u> |                |
| <b>Creditors: amounts falling due within one year</b> | 12    | (291,634)        |                  | (351,782)        |                |
| Net current assets                                    |       |                  | 1,039,994        |                  | 898,794        |
| <b>Provisions for liabilities</b>                     | 13    |                  | (1,198)          |                  | (2,565)        |
| <b>Net assets</b>                                     |       |                  | <u>1,038,796</u> |                  | <u>896,229</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                |
| Restricted funds                                      | 16    |                  | 283,624          |                  | 56,750         |
| <u>Unrestricted funds</u>                             |       |                  |                  |                  |                |
| General unrestricted funds                            |       | 756,370          |                  | 842,044          |                |
| Pension reserve                                       |       | (1,198)          |                  | (2,565)          |                |
|   |       | <u>755,172</u>   |                  | <u>839,479</u>   |                |
|   |       |                  | <u>1,038,796</u> |                  | <u>896,229</u> |

The financial statements were approved by the Trustees on 21 January 2025

  
Syed Nadim  
Trustee

  
Khaleel Chowdhree  
Trustee

# WATFORD AND THREE RIVERS TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

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|   | Notes | 2024<br>£ | £         | 2023<br>£ | £         |
|---|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>                 |       |           |           |           |           |
| Cash absorbed by operations                                 | 21    |           | (4,927)   |           | (172,786) |
| <b>Investing activities</b>                                 |       |           |           |           |           |
| Interest received   |       | 23,435    |           | 93        |           |
|   |       | <hr/>     |           | <hr/>     |           |
| <b>Net cash generated from investing activities</b>         |       |           | 23,435    |           | 93        |
| <b>Net cash used in financing activities</b>                |       |           | -         |           | -         |
|   |       |           | <hr/>     |           | <hr/>     |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |           | 18,508    |           | (172,693) |
| Cash and cash equivalents at beginning of year              |       |           | 1,134,353 |           | 1,307,046 |
|   |       |           | <hr/>     |           | <hr/>     |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 1,152,861 |           | 1,134,353 |
|   |       |           | <hr/>     |           | <hr/>     |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

#### Charity information

Watford and Three Rivers Trust is a Charitable Incorporated Organisation.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

#### 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.

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### 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 2024**

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### **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.

### **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.

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 3 Donations and legacies

|  | Unrestricted<br>funds | Restricted<br>funds | Total<br>2024  | Total<br>2023  |
|--|-----------------------|---------------------|----------------|----------------|
|  | £                     | £                   | £              | £              |
| Donations and other voluntary income           | 84,353                | 58,201              | 142,554        | 65,278         |
| Grants receivable for core activities          | 127,173               | -                   | 127,173        | 131,033        |
|  | <u>211,526</u>        | <u>58,201</u>       | <u>269,727</u> | <u>196,311</u> |
| <b>For the year ended 31 March 2023</b>        | <u>151,920</u>        | <u>44,391</u>       |                | <u>196,311</u> |
| <b>Donations and gifts</b>                     |                       |                     |                |                |
| Camelot UK Lotteries                           | -                     | 10,000              | 10,000         | -              |
| Watford Council                                | -                     | -                   | -              | 4,300          |
| Brick by Brick                                 | -                     | -                   | -              | 13,297         |
| Watford Chamber of Commerce                    | 57,000                | -                   | 57,000         | -              |
| Chamber of Commerce Apprenticeships            | -                     | 40,000              | 40,000         | -              |
| Bedfordshire & Luton Community Foundation      | 6,000                 | -                   | 6,000          | -              |
| Jaspar Foundation                              | -                     | -                   | -              | 5,000          |
| Community Cup Golf Day                         | -                     | -                   | -              | 8,515          |
| Warner Bros                                    | 10,000                | -                   | 10,000         | 2,000          |
| Other  | 11,353                | 8,201               | 19,554         | 32,166         |
|  | <u>84,353</u>         | <u>58,201</u>       | <u>142,554</u> | <u>65,278</u>  |
| <b>Grants receivable for core activities</b>   |                       |                     |                |                |
| Watford Council - CVS Grant                    | 87,173                | -                   | 87,173         | 79,173         |
| Three Rivers District Council - CVS Grant      | 40,000                | -                   | 40,000         | 40,000         |
| Watford Council - Community Funds Co-ordinator | -                     | -                   | -              | 9,360          |
| Watford Community Housing Trust                | -                     | -                   | -              | 2,500          |
|  | <u>127,173</u>        | <u>-</u>            | <u>127,173</u> | <u>131,033</u> |

### 4 Income from other trading activities

|   | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---|------------------------------------|------------------------------------|
| Membership subscriptions and sponsorships | <u>62,247</u>                      | <u>19,457</u>                      |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 5 Charitable activities

|  | Room hire and<br>facilities<br>£ | Fees and<br>contracts<br>£ | Lunch clubs<br>and transport<br>£ | Total<br>2024<br>£ | Total<br>2023<br>£ |
|--|----------------------------------|----------------------------|-----------------------------------|--------------------|--------------------|
| Income from charitable activities              | 219,513                          | 95,145                     | 14,370                            | 329,028            | 213,123            |
| Project grants                                 | -                                | 2,846,274                  | -                                 | 2,846,274          | 3,179,161          |
|  | <u>219,513</u>                   | <u>2,941,419</u>           | <u>14,370</u>                     | <u>3,175,302</u>   | <u>3,392,284</u>   |
| Analysis by fund                               |                                  |                            |                                   |                    |                    |
| Unrestricted funds                             | 219,513                          | 2,489,129                  | 14,370                            | 2,723,012          | 3,251,076          |
| Restricted funds                               | -                                | 452,290                    | -                                 | 452,290            | 141,208            |
|  | <u>219,513</u>                   | <u>2,941,419</u>           | <u>14,370</u>                     | <u>3,175,302</u>   | <u>3,392,284</u>   |
| <b>Project grants</b>                          |                                  |                            |                                   |                    |                    |
| Watford Council                                | -                                | 157,680                    | -                                 | 157,680            | 214,319            |
| Hertfordshire County Council                   | -                                | 2,172,282                  | -                                 | 2,172,282          | 2,103,299          |
| Macmillan Cancer Support                       | -                                | 116,912                    | -                                 | 116,912            | -                  |
| Communities 1st - Community Help Hertfordshire | -                                | 76,210                     | -                                 | 76,210             | 52,928             |
| Herts Valleys Clinical Commissioning Group     | -                                | -                          | -                                 | -                  | 76,468             |
| Three Rivers District Council                  | -                                | 11,000                     | -                                 | 11,000             | 49,500             |
| Dacorum Borough Council                        | -                                | 34,335                     | -                                 | 34,335             | 15,787             |
| Community Action Dacorum                       | -                                | 5,982                      | -                                 | 5,982              | 5,841              |
| PCN Link Workers                               | -                                | -                          | -                                 | -                  | 378,037            |
| NHS  | -                                | 262,845                    | -                                 | 262,845            | 280,583            |
| Other  | -                                | 9,028                      | -                                 | 9,028              | 2,399              |
|  | <u>-</u>                         | <u>2,846,274</u>           | <u>-</u>                          | <u>2,846,274</u>   | <u>3,179,161</u>   |

### 6 Income from investments

|                     | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | <u>23,435</u>                      | <u>93</u>                          |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 7 Expenditure on charitable activities

|   | 2024<br>£        | 2023<br>£        |
|---|------------------|------------------|
| <b>Direct costs</b>                                       |                  |                  |
| Staff costs   | 1,062,919        | 1,034,285        |
| Other staff costs   | 4,714            | 43,165           |
| Grants to partner organisations and direct delivery costs | 1,765,650        | 1,543,965        |
| Venue costs   | 254,082          | 382,262          |
| Central delivery costs                                    | 64,616           | 65,783           |
| ICT costs   | 180,134          | 128,412          |
| Travel and subsistence                                    | 10,361           | 11,439           |
| Volunteer costs   | 26,998           | 38,222           |
| General costs   | 1,317            | 2,834            |
| Other finance costs                                       | 3,476            | 2,998            |
| Governance costs  | 4,877            | 4,104            |
| Bad debts   | 9,000            | -                |
|   | <u>3,388,144</u> | <u>3,257,469</u> |
| <b>Analysis by fund</b>                                   |                  |                  |
| Unrestricted funds  | 3,104,527        | 2,967,328        |
| Restricted funds  | 283,617          | 290,141          |
|   | <u>3,388,144</u> | <u>3,257,469</u> |

### 8 Trustees

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



# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 9 Employees

##### Number of employees

The average monthly number of employees during the year was:

|                               | 2024<br>Number | 2023<br>Number |
|-------------------------------|----------------|----------------|
| Charitable and administrative | 38             | 40             |

##### Employment costs

|                       | 2024<br>£        | 2023<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 956,109          | 928,542          |
| Social security costs | 80,334           | 80,150           |
| Other pension costs   | 26,476           | 25,593           |
|                       | <u>1,062,919</u> | <u>1,034,285</u> |

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

#### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 11 Debtors

|                                      | 2024<br>£      | 2023<br>£      |
|--------------------------------------|----------------|----------------|
| Amounts falling due within one year: |                |                |
| Trade debtors                        | 115,632        | 108,444        |
| Other debtors                        | -              | 703            |
| Prepayments and accrued income       | 63,135         | 7,076          |
|                                      | <u>178,767</u> | <u>116,223</u> |

#### 12 Creditors: amounts falling due within one year

|                                    | Notes | 2024<br>£      | 2023<br>£      |
|------------------------------------|-------|----------------|----------------|
| Other taxation and social security |       | 19,826         | -              |
| Deferred income                    | 14    | 34,333         | 11,430         |
| Trade creditors                    |       | 74,576         | 326,687        |
| Other creditors                    |       | 12,195         | 8,765          |
| Accruals                           |       | 150,704        | 4,900          |
|                                    |       | <u>291,634</u> | <u>351,782</u> |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

| 13 Provisions for liabilities                                       | Notes | 2024<br>£     | 2023<br>£     |
|---|-------|---------------|---------------|
| Retirement benefit obligations                                      | 15    | 1,198         | 2,565         |
|   |       | <u>1,198</u>  | <u>2,565</u>  |
| 14 Deferred income  |       | 2024<br>£     | 2023<br>£     |
| Other deferred income   |       | <u>34,333</u> | <u>11,430</u> |
| Deferred income is included in the financial statements as follows: |       |               |               |
|   |       | 2024<br>£     | 2023<br>£     |
| Deferred income is included within:                                 |       |               |               |
| Current liabilities   |       | <u>34,333</u> | <u>11,430</u> |
| Movements in the year:  |       |               |               |
| Deferred income at 1 April 2023                                     |       | 11,430        | 860,168       |
| Released from previous periods                                      |       | (11,430)      | (860,168)     |
| Resources deferred in the year                                      |       | <u>34,333</u> | <u>11,430</u> |
| Deferred income at 31 March 2024                                    |       | <u>34,333</u> | <u>11,430</u> |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 15 Retirement benefit schemes

##### Defined contribution schemes

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025:  
(payable monthly)

£3,312,000 per annum

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 2024<br>(£s)         | 31 March 2023<br>(£s)         | 31 March 2022<br>(£s) |
|--|-------------------------------|-------------------------------|-----------------------|
| Present value of provision                               | 1,198                         | 2,565                         | 4,024                 |
| <br>   |                               |                               |                       |
| Reconciliation of opening and closing provisions         | Period Ended 31<br>March 2024 | Period Ended 31<br>March 2023 |                       |
|  | (£s)                          | (£s)                          |                       |
| Provision at start of period                             | 2,565                         | 4,024                         |                       |
| Unwinding of the discount factor (interest expense)      | 98                            | 76                            |                       |
| Deficit contribution paid                                | (1,466)                       | (1,466)                       |                       |
| Remeasurements - impact of any change in assumptions     | 1                             | (69)                          |                       |
| Remeasurements - amendments to the contribution schedule | -                             | -                             |                       |
| Provision at end of period                               | 1,198                         | 2,565                         |                       |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 15 Retirement benefit schemes

(Continued)

| Income and Expenditure Impact                            |  | Period Ended 31 | Period Ended 31 |
|--|--|-----------------|-----------------|
|  |  | March 2024      | March 2023      |
|  |  | (£s)            | (£s)            |
| Interest expense   |  | 98              | 76              |
| Remeasurements – impact of any change in assumptions     |  | 1               | (69)            |
| Remeasurements – amendments to the contribution schedule |  | -               | -               |
| Contributions paid in respect of future service          |  | -               | -               |
| Costs recognised in income and expenditure account       |  | -               | -               |
| Assumptions  |  | 31 March 2024   | 31 March 2023   |
|  |  | % per annum     | % per annum     |
| Rate of discount   |  | 5.31            | 5.52            |
|  |  |                 | 2.35            |

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 16 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

|   | Balance at<br>1 April 2022<br>£ | Movement in funds          |                            |       | Transfers<br>£ | Balance at<br>1 April 2023<br>£ | Movement in funds          |                            |   | Balance at<br>31 March 2024<br>£ |
|---|---------------------------------|----------------------------|----------------------------|-------|----------------|---------------------------------|----------------------------|----------------------------|---|----------------------------------|
|   |                                 | Incoming<br>resources<br>£ | Resources<br>expended<br>£ |       |                |                                 | Incoming<br>resources<br>£ | Resources<br>expended<br>£ |   |                                  |
| Watford Community Fund                    | 46,611                          | -                          | (27,547)                   | -     | -              | 19,064                          | 38,236                     | (30,648)                   | - | 26,652                           |
| W3RT Watford Community Fund               | -                               | 24,000                     | (24,000)                   | -     | -              | -                               | -                          | -                          | - | -                                |
| Watford (WBC) Community Fund              | -                               | 1,100                      | (1,100)                    | -     | -              | -                               | -                          | -                          | - | -                                |
| Neighbours Together                       | 76,845                          | 700                        | (77,649)                   | 104   | -              | -                               | -                          | -                          | - | -                                |
| Chorleywood Fund                          | 3,821                           | -                          | -                          | -     | -              | 3,821                           | -                          | -                          | - | 3,821                            |
| Croxley Welcome Club                      | 2,217                           | -                          | (200)                      | -     | -              | 2,017                           | -                          | -                          | - | 2,017                            |
| Veteran Research                          | -                               | -                          | -                          | -     | -              | -                               | 60,000                     | -                          | - | 60,000                           |
| BBBC (Brick by Brick)                     | -                               | 13,297                     | -                          | 1,426 | -              | 14,723                          | -                          | (2,625)                    | - | 12,098                           |
| Three Rivers Community Renewal Fund       | -                               | 30,000                     | (30,000)                   | -     | -              | -                               | -                          | -                          | - | -                                |
| Watford Community Renewal Fund            | -                               | 30,000                     | (30,000)                   | -     | -              | -                               | -                          | -                          | - | -                                |
| Watford BC Household Support Grants       | -                               | 70,000                     | (70,000)                   | -     | -              | -                               | -                          | -                          | - | -                                |
| Three Rivers Sustainability Fund          | 20,570                          | 10,000                     | (16,438)                   | -     | -              | 14,132                          | 11,000                     | (13,025)                   | - | 12,107                           |
| Three Rivers Health Protection Board      | 7,500                           | (500)                      | (7,000)                    | -     | -              | -                               | -                          | -                          | - | -                                |
| Apprenticeships Fund                      | -                               | -                          | -                          | -     | -              | -                               | 40,000                     | (31,285)                   | - | 8,715                            |
| Macmillan Social Prescribing Fund         | -                               | -                          | -                          | -     | -              | -                               | 116,912                    | (91,001)                   | - | 25,911                           |
| Ukrainian Refugee Social Prescribing Fund | -                               | -                          | -                          | -     | -              | -                               | 141,138                    | (87,500)                   | - | 53,638                           |
| UK Veterans Social Prescribing Fund       | -                               | -                          | -                          | -     | -              | -                               | 103,205                    | (27,533)                   | - | 75,672                           |
| External fundraising                      | -                               | 3,240                      | (504)                      | -     | -              | 2,736                           | -                          | -                          | - | 2,736                            |
| Other                                     | 1,907                           | 3,762                      | (5,703)                    | 291   | -              | 257                             | -                          | -                          | - | 257                              |
|   | 159,471                         | 185,599                    | (290,141)                  | 1,821 | -              | 56,750                          | 510,491                    | (283,617)                  | - | 283,624                          |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 16 Restricted funds

(Continued)

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.

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.

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

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

Veteran Research is funding from Hertfordshire County Council to research and share data on local and national services for Hertfordshire Veterans.

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

Apprenticeships Fund is funding to support individuals through apprenticeships.

Macmillan Social Prescribing Fund is funding from Macmillan Cancer Support to fund a dedicated social prescribing service for people living with cancer.

Ukrainian Refugee Social Prescribing Fund is funding from Hertfordshire County Council to support a dedicated social prescribing service for refugees from Ukraine.

UK Veterans Social Prescribing Fund is funding from Hertfordshire County Council to support a dedicated social prescribing service for UK service veterans.

External fundraising was fundraising in aid of Home-Start Watford and humanitarian aid for Ukraine.

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 17 Analysis of net assets between funds

|                              | Unrestricted<br>funds<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Total<br>2024<br>£ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| <b>At 31 March 2024:</b>     |                                    |                                  |                    |
| Current assets/(liabilities) | 756,370                            | 283,624                          | 1,039,994          |
| Provisions and pensions      | (1,198)                            | -                                | (1,198)            |
|                              | <u>755,172</u>                     | <u>283,624</u>                   | <u>1,038,796</u>   |
|                              |                                    |                                  |                    |
|                              | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ |
| <b>At 31 March 2023:</b>     |                                    |                                  |                    |
| Current assets/(liabilities) | 842,044                            | 56,750                           | 898,794            |
| Provisions and pensions      | (2,565)                            | -                                | (2,565)            |
|                              | <u>839,479</u>                     | <u>56,750</u>                    | <u>896,229</u>     |

### 18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

|               | At 1 April<br>2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | At 31 March<br>2024<br>£ |
|---------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|
| General funds | 842,044                 | 3,020,220                  | (3,104,527)                | (1,367)        | 756,370                  |
| Pension fund  | (2,565)                 | -                          | -                          | 1,367          | (1,198)                  |
|               | <u>839,479</u>          | <u>3,020,220</u>           | <u>(3,104,527)</u>         | <u>-</u>       | <u>755,172</u>           |

# WATFORD AND THREE RIVERS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 18 Unrestricted funds

(Continued)

| Previous year:            | At 1 April<br>2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | At 31 March<br>2023<br>£ |
|---------------------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|
| Premises Maintenance Fund | 4,646                   | -                          | (4,646)                    | -              | -                        |
| Development Fund          | 3,960                   | -                          | (3,960)                    | -              | -                        |
| General funds             | 381,500                 | 3,422,546                  | (2,958,722)                | (3,280)        | 842,044                  |
|                           | 390,106                 | 3,422,546                  | (2,967,328)                | (3,280)        | 842,044                  |
| Pension fund              | (4,024)                 | -                          | -                          | 1,459          | (2,565)                  |
|                           | 386,082                 | 3,422,546                  | (2,967,328)                | (1,821)        | 839,479                  |

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.

#### 19 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

#### 20 Analysis of changes in net funds

The charity had no material debt during the year.

#### 21 Cash generated from operations

|   | 2024<br>£      | 2023<br>£        |
|---|----------------|------------------|
| Surplus for the year  | 142,567        | 350,676          |
| Adjustments for:  |                |                  |
| Investment income recognised in statement of financial activities | (23,435)       | (93)             |
| Difference between pension charge and cash contributions          | (1,367)        | (1,459)          |
| Movements in working capital:                                     |                |                  |
| (Increase)/decrease in debtors                                    | (62,544)       | 199,787          |
| (Decrease)/increase in creditors                                  | (83,051)       | 127,041          |
| Increase/(decrease) in deferred income                            | 22,903         | (848,738)        |
| <b>Cash absorbed by operations</b>                                | <b>(4,927)</b> | <b>(172,786)</b> |