FRESHWATER HABITATS TRUST

England & Wales · Charity number 1107708

Details

Other names	POND CONSERVATION THE WATER HABITATS TRUST, POND CONSERVATION
Status	Registered
Legal form	Charitable company
Company number	05317683
Registered	2005-01-19
Register	View on the Charity Commission register

Contact

Address	Freshwater Habitats Trust Bury Knowle House North Place Headington Oxford OX3 9HY
Phone	01865595505
Email	info@freshwaterhabitats.org.uk
Website	www.freshwaterhabitats.org.uk

Activities

Objects: 3.1 TO ADVANCE PUBLIC EDUCATION IN THE CONSERVATION AND ECOLOGY OF PONDS, WETLANDS, CATCHMENT SYSTEMS AND OTHER WATER HABITATS;3.2 TO PROMOTE FOR PUBLIC BENEFIT THE CONSERVATION AND CREATION OF PONDS, WETLANDS, CATCHMENT SYSTEMS AND OTHER WATER HABITATS, AND THEIR WILDLIFE AND HISTORICAL FEATURES, AND THEIR PRUDENT USE AND ENJOYMENT BY THE PUBLIC, IN PARTICULAR, BUT NOT EXCLUSIVELY, BY:(A) THE PROMOTION AND CONDUCT OF RESEARCH AND THE DISSEMINATION OF THE USEFUL RESULTS THEREOF;(B) THE PROMOTION AND CONDUCT OF ACTIVE CONSERVATION AND CREATION OF PONDS, WETLANDS, CATCHMENT SYSTEMS AND OTHER WATER HABITATS BY LAND OWNERS AND COMMUNITY GROUPS;3.3 SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES MAY THING FIT OR SUCH OTHER CHARITABLE OBJECTS AS THE TRUSTEES MAY THINK FIT.

Downloaded from opencharities.uk/ew/1107708

Activities: Our mission is to excel in the understanding and conservation of ponds and all freshwater wildlife, securing their future for people to enjoy.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Environment/conservation/heritage
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,751,087	£2,746,403	£1,107,251	43
2024-03-31	£2,757,309	£2,688,944	£1,102,567	40
2023-03-31	£2,846,657	£2,444,444	£1,034,202	36
2022-03-31	£1,322,813	£1,281,511	£631,989	22
2021-03-31	£1,159,176	£953,453	£590,687	11

Trustees

Name	Role	Appointed
Sonia Shah	Chair	2022-07-01
Colin Brown		2024-01-22
Dr Michael James Jeffries		2021-07-27
Kathryn Ingham		2025-01-03
Luen Thompson		2025-01-03
Neil Williams		2024-04-12
Sally Hayns		2025-01-03

Downloaded from opencharities.uk/ew/1107708

FRESHWATER HABITATS TRUST

England & Wales - Charity number 1107708

Accounts

ANNUAL REPORT AND ACCOUNTS
2024-2025

Creating a network of wilder, wetter, cleaner, more connected freshwater habitats.

About Freshwaters Habitats Trust

We've been dedicated to reversing the decline in freshwater biodiversity for more than 35 years.

Through our scientific research and monitoring, we know what makes freshwater habitats special, how best to protect them - and how to make a practical difference on the ground.

Although freshwater is still under severe threat, we are beginning to see more recognition from others of the importance of protecting these habitats and the species they support.

We target our work where we know we can achieve the most impact for freshwater. During 2024-25 we continued to implement our 2021-2035 organisational strategy to fulfil our mission:

> "Reversing the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter, cleaner and connected: the Freshwater Network".

We are building the network around the existing hotspots for freshwater biodiversity, protecting and restoring the best habitats, with newly created and restored habitats linking these hotspots at national and regional level.

Developed by Freshwater Habitats Trust and partners, the Freshwater Network unites important new ideas from research with traditional conservation concepts to build a better future for freshwater biodiversity.

The steps we are taking to achieve our vision are to:

- ***Protect the best***. At the heart of the Freshwater Network is the simple, powerful concept: 'protect first, then repair'. Taking this approach means we can preserve high-quality habitats as a foundation for broader ecological recovery.
- ***Start with the smallest.*** The Freshwater Network means a radical rethink: focus on small waters and wetlands because of their power to regenerate freshwater landscapes. These small habitats are often overlooked, yet they make up 80% of the freshwater environment and are critical for biodiversity.
- ***Treat freshwaters as a network.*** Freshwater plants and animals need a network of different types of habitats for their populations to thrive – not just individual isolated ponds or stretches of river. Through the Freshwater Network, we can manage waterbodies as interconnected and interdependent habitats.
- ***Bring back clean water***. Clean water is vital for biodiversity but is now a very scarce resource. The Freshwater Network will restore unpolluted water in the landscape, taking a critical step for freshwater protection.

2024-25: A year of delivering for freshwater wildlife

In line with our Strategy 2020-2035, we moved forward with a rolling three-year delivery plan for the Freshwater Network, focussed on practical demonstration of biodiversity recovery and particularly evidencing the vital role of small freshwaters.

At the close of the 2024/2025 financial year, the organisation had a turnover of £2.75 million against a budget of £3 million. We ended the year with 83% of work secured for the 2025/2026 financial year. In 2024/2025 Freshwater Habitats Trust implemented approximately 65 projects across the UK, winning over £500,000 of work.

Growing the organisation

During 2024-25, the organisation continued to bring in new skill sets to reinforce its position in the sector - and work towards safe future growth.

A number of activities have taken place to help us achieve this:

- The recruitment of three new Trustees. bringing new skill sets to the Board to strengthen governance, communications and policy.
- We have created and consolidated a national team of technical experts to better utilise their time and skills across our portfolio of national projects. We have recruited a new Plant Ecologist to continue to build our technical specialism in this area.
- Our regional hubs continue to grow, with teams in the New Forest, Central Area and Wales increasing in staff numbers.
- The organisation has built more capacity for policy work with the recruitment of a Policy Officer. This has enabled the organisation to raise its profile and participate in key debates in the sector and influence government policy, such as the Independent Water Commission review.
- We have appointed a Data Officer to support our research and data management work. This will strengthen our evidence base and empower us to disseminate our research findings much more effectively.
- As part of our work on the major EU Horizon 2020 PONDERFUL project, we successfully delivered the International Pond Conference, which was hosted by PONDERFUL and the European Pond Conservation Network.

The organisation continues to strengthen internal systems and processes. This has included professionalising our approach to fundraising and project management, and strengthening our IT security and internal communication. New staff training courses were delivered covering Leadership & Management, Finance, and Communications.

Our staff numbers at the end of March 2024 were 48, based across the UK with hubs in Oxfordshire, the New Forest, the North, and Wales.

2024-25 highlights

Practical delivery: building the Freshwater Network

We made significant progress on establishing the Freshwater Network in 2024-25, using the two building blocks:

1. Important Freshwater Areas: the remaining high-quality places, which we are aiming to protect and maintain.
2. Wetland Opportunity Areas: places to improve, where we are restoring and creating habitats to build out from Important Freshwater Areas.

We are using these two building blocks in three national geographic zones:

1. Important Freshwater Landscapes
2. Historic Floodplains

3. Water Friendly Landscapes

Here are just some of the highlights of our work to create a national network of wilder, wetter, cleaner and more connected freshwater habitats.

Important Freshwater Landscapes: protecting the best

We've identified 24 nationally significant Important Freshwater Landscapes in England and Wales. As the richest freshwater landscapes in England and Wales, they are the core biodiversity hotspots of the Freshwater Network.

New Forest catchment partnership (New Forest and Dorset Heaths Important Freshwater Landscape)

As co-hosts of the New Forest Catchment Partnership, we worked with the New Forest National Park Authority and other partners to protect and restore the Forest's internationally significant freshwaters.

Through our Blue Horizons programme, we undertook habitat creation, habitat restoration and nutrient management work to improve the running and standing water network in the New Forest. Additional funding from the Water Environment Improvement Fund, Species Survival Fund, core Freshwater Habitats Trust funds, landowner contributions, Cadland LEI (National Grid), Newt Conservation Partnership and a private source, enabled us to carry out interventions and provide advice at 20 sites in the New Forest. These included:

- Streamside fen habitat management at Cadland Estate (part of North Solent National Nature Reserve SSSI) to improve aquatic diversity for priority species. This included a collaborative effort to create an eel pass, using a novel design, to allow European Eel – a priority species – to access the headwaters upstream.

- Nutrient and sediment management at Storms Farm, a traditional New Forest Commoner Farm. Several interventions, including ditch management and concrete yard improvements, are reducing run-off to the adjacent SSSI, helping make this farm an exemplar for other commoners and farmers in the Forest.
- Creation of new clean water ponds at Roydon Woods Nature Reserve, to provide high-quality habitat for Great Crested Newt to breed. This work, funded by the NatureSpace District Licensing Scheme, was strategically targeted to support the expansion of Great Crested Newt populations in the area.

Our Wilder for Water programme promotes the special qualities of the New Forest and a best practice clean water standard for recreation. In 2024-25, we produced several key documents highlighting opportunities to reduce the impact of wastewater discharge.

We were involved in 28 events, including volunteer days and walks and talks for students, conservation organisations and wildlife groups. We also ran 12 training sessions for early careers individuals. In July, we raised awareness of the New Forest and Dorset Heaths Important Freshwater Landscape and promoted responsible recreation in the New Forest at the New Forest Show, in partnership with the Beaulieu Estate. At the New Forest Biodiversity Forum, in March, we presented the Freshwater Network vision for the New Forest and

highlighted our forthcoming research on the impact of sewage pollution on the Forest's freshwaters.

Our public engagement work included continuing to grow the readership for our New Forest newsletter, WaterNews, and engaging 13,099 social media users in our work in the catchment.

Ock and Thame Farmers: Freshwater and Floodplain Restoration Project (Oxford Area Important Freshwater Landscape)

In 2024-25 we worked with our partners River Thame Conservation Trust to deliver the first year of the two-year development phase of this major new project, funded through Round Two of Defra's Landscape Recovery programme.

The project focuses on the creation of the Freshwater Network in and around the Oxford Area Important Freshwater Landscape, as well as surrounding Water Friendly Landscapes and Historic Floodplain. Focusing on smaller waterbodies and wetlands, it builds on extensive practical testing with some of the most effective results yet seen for freshwater biodiversity at catchment scale.

The project involves working with farmers and land managers to deliver landscape scale nature recovery and build the Freshwater Network across two lowland catchments: the Ock and Thame. It supports net zero, protected sites and biodiversity - while balancing the needs of farm businesses and food production.

Our focus in this first year was on land manager engagement, survey design, financial planning and investment readiness. In April 2024, we held a launch event, bringing together more than 50 partners, including farmers and landowners from across the Ock and Thame catchments. Since then, 70% of the planned landowner interviews and site walkovers have been completed, identifying future land management aspirations and habitat restoration opportunities.

Significant progress was made on Species Recovery Strategies, with draft plans issued for Great Crested Newts, breeding waders (wetland bird assemblages) and Water Voles. The project team also completed a detailed review of watercourses to determine the most suitable sites for restoration.

Tender processes have been carried out for environmental baselining and carbon baselining and this work will take place in 2025, setting a baseline to leverage investment opportunities for landscape recovery across the region.

The project is gaining recognition among investors and policymakers – including being highlighted in the Oxfordshire Green Investment Prospectus as one of the county's leading green investment opportunities.

Nidderdale Wetland Creation (Yorkshire Dales and Forest of Bowland Important Freshwater Landscape)

Nidderdale National Landscape is part of the Yorkshire Dales and Forest of Bowland Important Freshwater Landscape and also spans an adjacent Water Friendly Landscape.

We've been working with Nidderdale National Landscape since 2021 when we co-delivered an 18-month project focused on working with volunteers to identify Priority Ponds.

Nidderdale National Landscape has subsequently undertaken a wetland creation project, building out from these biodiversity hotspots into Wetland Opportunity Areas.

In 2024-25, the team worked to create and restore ponds, wetland scrapes and swales on 17 strategically chosen sites, which are associated with clean water and will benefit a wide range of species. Through this project, nearly five hectares of wetland habitats have been established, including 52 new ponds.

Nidderdale National Landscape has now obtained a further 12 months' funding through Defra's Farming in Protected Landscapes scheme and will continue the work to add new wetland habitat to the landscape.

Restoring historic floodplain

Historic floodplains are in every Important Freshwater Landscape and are a vital, but widely damaged, part of the river environment. Restoring floodplains can create routes for species to disperse between existing biodiversity hotspots. In 2024-25, we advanced our floodplain restoration work, through collaboration with local and regional partners.

River Irfon Catchment Project

The Irfon catchment in Mid-Wales is a Special Area of Conservation and is home to one of the few remaining UK Freshwater Pearl Mussel populations. Despite its exceptional freshwater biodiversity, water quality is declining in the river and surrounding habitats.

The River Irfon Catchment Project is funded by the Nature Networks Programme, delivered by the Heritage Fund on behalf of the Welsh Government. Freshwater Habitats Trust is working with local farmers and landowners to reduce pollution and improve the freshwater environment for the Freshwater Pearl Mussel and other species.

In 2024-25, we worked with Natural Resources Wales to identify sites that could be restored for freshwater through land management and habitat creation. Through collaboration with local landowners, we have now created two wetlands around the River Irfon, with one more to be added in 2025-26, extending the network for freshwater wildlife. Conservation grazing using native breeds is becoming an important part of the project, particularly to help reduce the growth of Purple Moor-grass which dominates much of the Irfon landscape.

In February, we launched GroWet in the Irfon catchment, holding a seed collection day in Llanwrtyd Wells, which resulted in more than 100 people volunteering to grow rare wetland plants at home. These plants will be introduced to sites in the catchment in 2025-26.

Our work in the Irfon has also created two new jobs, with a locally based Habitat and Species Officer and Trainee Project Officer joining the charity in 2024-25 to work on the project.

Nature Returns: the Oxfordshire-Buckinghamshire Freshwater Network

In 2024-25 we delivered the second and final year of our Oxfordshire-Buckinghamshire Freshwater Network project, part of the Nature Returns programme. Our work focused on restoring historic floodplains and protecting and building out from the best remaining

freshwater habitats across the two counties, including the Oxford Area Important Freshwater Landscape.

Despite being a hotspot for freshwater biodiversity, much of Oxfordshire and Buckinghamshire's freshwater wildlife has declined or disappeared entirely over the past 20 years, as a result of pollution, drainage and scrub encroachment. We worked with landowners, public bodies and other conservation charities to create, restore and manage high-quality freshwater habitats.

The project focused on the role of smaller, peat-dominated wetlands, floodplains, wet grasslands and small waters in sequestering carbon in the landscape. Key achievements over the two years include:

- Creating 14.5 hectares of new floodplain wetland mosaics and ponds.
- Working with volunteers to restore 11 hectares of alkaline fen.
- Restoring 16 hectares of floodplain grassland.
- Re-introducing more than 1,000 rare wetland plants to their former range through the citizen science GroWet initiative.

Regional Programme Manager Adam Bows was delighted to join a panel discussion in the Nature Returns conference at Kew in February 2024. With Natural England Chair Tony Juniper CBE delivering the keynote, the conference brought together over 120 policymakers, practitioners and scientists from across the country to hear about the programme's emerging discoveries.

Nature Returns was led by Natural England in close partnership with the Environment Agency, Forestry Commission and RBG Kew, Wakehurst. This Shared Outcomes Funded Programme is sponsored by Defra and DESNZ.

Water Friendly Landscapes: bringing back clean water

Land outside of Important Freshwater Landscapes and Historic Floodplains is arguably the most depleted for freshwater wildlife. Yet, these Water Friendly Landscapes can provide opportunities to create or restore unpolluted freshwater habitats.

In 2024-25, we continued our strategy of bringing clean water back to these parts of the landscape, expanding the network for freshwater wildlife.

The Newt Conservation Partnership

The Newt Conservation Partnership (NCP) is a community benefit society, which Freshwater Habitats Trust set up with Amphibian and Reptile Conservation in 2018. It creates high-quality aquatic and terrestrial habitat as part of the NatureSpace Partnership District Licensing and organisational schemes for Great Crested Newts.

Following a period of expansion, NCP now provides compensation habitat in 12 counties. In 2024-25, the NatureSpace partnership secured Network Rail's Eastern and Southern organisational license to compensate for the company's development impacts. These new licenses add to the existing Western, North West and Central licenses, achieving national coverage.

Between April 2024 and March 2025, NCP created or restored 113 ponds and established 163 hectares of terrestrial habitat for Great Crested Newt. In partnership with landowners

(some already working with Freshwater Habitats Trust) NCP also put in place several 25-year management agreements, securing conservation management for the long term.

NCP continued to stay ahead of anticipated development impacts by building a habitat bank, which totalled 248 ponds and 708 ha of terrestrial habitat by March 2025.

In November 2024, NCP achieved Defra Responsible Body status for Biodiversity Net Gain (BNG) delivery for NatureSpace. NCP is already working to maximise conservation outcomes by combining Great Crested Newts District Licensing and BNG at two compensation sites, with a focus on delivering a range of high-quality freshwater habitats.

The project remains Freshwater Habitats Trust's largest single funded habitat delivery programme, and makes a substantial contribution to our recent growth. Our work with NCP is also an important contributor to building the Freshwater Network, by creating and restoring clean water ponds to build out from existing freshwater biodiversity hotspots.

In January 2025, NCP published its annual monitoring report evaluating the results of the scheme for 2024, demonstrating the success of the first six years of the programme. Details are included under 'Science'.

Pitsford Water Friendly Farming

Launched in 2020, this project in Northamptonshire is helping us understand how small landscape wide mitigation measures can protect and enhance the freshwater environment. In partnership with Anglian Water, the Environment Agency and the farming community of the Scaldwell and Walgrave catchments of Anglian Water's Pitsford Reservoir, we are learning more about how we can protect and enhance the freshwater environment at a catchment scale, using landscape-wide mitigation measures.

As a second demonstration of the Water Friendly Farming approach, Pitsford Water Friendly Farming is helping us to better understand how easily we can achieve the same results.

In the summer of 2024, we carried out monitoring work on the sites where we have introduced interventions, including creating new clean water ponds, bunded ditches, flood storage basins and leaky dams. This involved wetland plant surveys at 90 sites and invertebrate surveys at 20 sites as well as ongoing water quality monitoring at six locations.

In early 2025, we published our monitoring data gathered over a four-year period. This showed a 22% increase in the total number of wetland plant species and a 65% increase in the number of uncommon plant species in the catchment where the measures have been implemented. Creating new ponds was shown to have added most new plant species. To support our dissemination of this work, we released a short video which we filmed with Anglian Water.

Science: generating evidence on freshwaters

As an evidence-based charity, we continue to generate new knowledge about freshwater habitats and the species they support. Our programme of research and monitoring activity in 2023-24 helped to ensure that our practical conservation work is based on science and that we contribute to evidence for policymakers.

In 2024-25 our staff were co-authors of four new peer-reviewed scientific papers.

Ryfisch, S., Başoğlu Acet, D., Benejam, L., Biggs, J., Boissezon, A., Boix, D., Brucet, S., Decrey, M., Dolcerocca, A., Hansen, K. and Lago, M., 2024. Policies and practices impacting the implementation of nature-based solutions: a comparative study of ponds and pondscapes in eight countries. Journal of Environmental Planning and Management, pp.1-31.

Cai, W., Pichler, M., Biggs, J., Nicolet, P., Ewald, N., Griffiths, R.A., Bush, A., Leibold, M.A., Hartig, F. and Yu, D.W., 2025. Assembly processes inferred from eDNA surveys of a pond metacommunity are consistent with known species ecologies. Ecography, p.e07461.

Villamizar, M.L., Stoate, C., Biggs, J., Szczur, J., Williams, P. and Brown, C.D., 2024. A model for quantifying the effectiveness of leaky barriers as a flood mitigation intervention in an agricultural landscape. River Research and Applications, 40(3), pp.365-378.

Hill, M.J., Wood, P.J., White, J.C., Thornhill, I., Fairchild, W., Williams, P., Nicolet, P. and Biggs, J., 2024. Environmental correlates of aquatic macroinvertebrate diversity in garden ponds: Implications for pond management. Insect Conservation and Diversity, 17(2), pp.374-385.

In addition, we advertised for a co-funded PhD programme with Bournemouth University and Southern Water, which our Programme Lead in the New Forest – Gemma Stride successfully applied for. This research will focus on the impact of storm overflows on high quality freshwater habitats and assess the effectiveness of measures designed to reduce their impact.

We presented our research and conservation work at the International Pond Conference (more detail below), British Ecological Society Annual Meeting, Herpetofauna Workers Meeting, National Environment Monitoring Conference, and British Dragonfly Society Annual Meeting.

We appointed the organisation's first Data Officer to enable us to organise and manage more than 35 years' worth of data on freshwater habitats and species so we can unlock its full potential.

PondNet eDNA surveys

In May and June, we carried out our tenth annual PondNet eDNA surveys for Great Crested Newt. This involved our team and a small number of partners and volunteers surveying around 400 ponds across England. Natural England's district level licensing scheme now funds this annual monitoring programme, which is the world's only national survey for Great Crested Newt using eDNA.

Great Crested Newt occupancy has shown a lot of annual variation over the past 10 years, with the last two years 2023 and 2024, peaking in terms of the number of occupied monads and the number of occupied squares.

The pattern over the last decade has been one of expansion in favourable years and one of retreat in less favourable years, which appears to correlate with annual variation in spring rainfall and temperature. A potential signal of concern is that the number of low occupancy years has outnumbered the years with expansion to new sites. Monads with connectivity of suitable habitat and a high proportion of Priority Ponds remain occupied in both good and bad years. However, even here some sites have deteriorated over this period because of land use change having an indirect impact on pond quality.

PondNet continues to provide insights into wider countryside change for Great Crested Newts but also pond quality in general, and has provided a background against which to demonstrate the success of the District Licencing approach.

Medicinal Leech Recovery Project

We achieved a significant milestone in our long-term Medicinal Leech Recovery Project by establishing a small population of breeding leeches at London Zoo. In 2023-24, with our partners ZSL, we collected 10 leeches from Dungeness in Kent and translocated them to the zoo, where they are on public display and under the care of ZSL's expert team.

In June 2024, London Zoo confirmed with us that the leeches had successfully bred, with 20 young initially hatching. The news of the leeches breeding caught the attention of the media, with our Technical Director Naomi Ewald giving a number of media interviews, including appearing live on BBC Radio 4's Today programme.

PONDERFUL and the International Pond Conference

In December 2024, the four-year EU Horizon 2020 PONDERFUL project concluded. The project explored the role of ponds as nature-based solutions for climate change mitigation and adaptation. We led on the work package for communication and dissemination, as well as contributing to the project's scientific research.

Freshwater Habitats Trust was responsible for two major deliverables: *Ponds and Pondscapes: A technical guide to the use of ponds and pondscapes as nature-based solutions for climate change mitigation and adaptation* (a 130-page technical handbook aimed at practitioners involved with pond management, restoration and creation) and *Using ponds and pondscapes as nature-based solutions: Guidance for policy makers on the use of ponds and pondscapes as nature-based solutions for climate change mitigation and adaptation* (guidance that provides policymakers with the tools to design effective plans for ponds and pondscapes).

We also led on the organisation of the *International Pond Conference 2024: Ponds and pondscapes for biodiversity, climate and people,* co-hosted by PONDERFUL and the European Pond Conservation Network (EPCN). This online conference, which ran on 12th and 13th November, attracted an international audience of more than 500 people. With nearly 100 presentations and 25 posters, the conference featured keynotes from Meredith Holgerson (Cornell University), Pete Brotherton (Natural England), Lenore Fahrig (Carleton University) and Hannah Druckenmiller (Caltech). Eight Freshwater Habitats Trust staff members presented research and project work to a global audience.

The event was held in the 20th anniversary year of the EPCN and was an important vehicle for growing the network.

Water Friendly Farming

Water Friendly Farming is the UK's longest running and most detailed catchment scale agri-environment research demonstration project, which we run with the Environment Agency, University of York, and Game & Wildlife Conservation Trust's Allerton Project.

In July, Jeremy Biggs presented the latest project results at a committee meeting for the Anglian (Northern) Regional Flood and Coastal Committee. This included sharing data on the effectiveness of NFM measures, such as bunded ditches and leaky barriers, as well as

sharing the results of our biodiversity monitoring, which has shown that creating and managing clean water ponds on the demonstration site increased wetland plant species by 19% and enabled many regionally uncommon species to return.

Newt Conservation Partnership monitoring report

In January 2025, the Newt Conservation Partnership (NCP) released its 2024 monitoring report, providing data on the benefits of the scheme for Great Crested Newt conservation. It showed that 84% of pond sites created or restored by NCP are colonised by Great Crested Newts after three or more years. The research also revealed that individual ponds created or restored through the scheme are more than twice as likely to be occupied by Great Crested Newts than the average English pond.

The monitoring work found that new populations of rare plants and priority species are rapidly colonising NCP's clean water ponds. A wetland plant survey showed that the ponds averaged 17 species, against a national average in wider countryside ponds of seven. The survey also revealed that new populations of five plant species classed as Vulnerable in the IUCN Red List of Threatened Species have been recorded in new clean water ponds. More than half of NCP ponds are now classed as Priority Ponds.

To produce its monitoring report, NCP carried out a range of surveys, including using environmental DNA (eDNA) techniques to analyse genetic material and detect the presence of Great Crested Newts. More traditional methods, such as egg searches, bottle trapping and night torch surveys were also used at selected sites to assess Great Crested Newt population size.

Influencing policy: fighting for freshwater

We continue to act as a voice for freshwater and provide scientific evidence to influence policy and legislation. Being an active member of Wildlife and Countryside Link, along with our collaborative approach to working with other NGOs, businesses and government agencies, we are making an impact. In 2024-25 we also bolstered our capacity for engaging with policymakers by appointing the organisation's first Policy Officer.

As well as publishing policy documents, we've worked behind-the-scenes to form constructive relationships with policymakers, and input to policy development.

We have engaged constructively with the Independent Water Commission, including via Defra's Future Water Framework team. Citing Freshwater Habitats Trust, the Call for Evidence document recognizes that 'the exclusion of many small water bodies from the WFD means that a large proportion of water bodies in England and Wales are not regularly monitored', and that 'achieving broader environmental objectives, like the biodiversity targets in the Environment Act 2021, may be challenging without action on smaller water bodies.'

Our CEO, Jeremy Biggs, was an expert reviewer for the Office for Environmental Protection's (OEP) 2023/24 assessment of Environmental Improvement Plan progress, which was published in January 2025. Freshwater Habitats Trust was cited in the assessment, and our contributions seem to have shaped the thinking of the OEP, including their recommendation of a new interim target to 'create or restore wildlife-rich open-water and river habitats'.

In February, Jeremy was invited to be an expert witness for the House of Lords Environment and Climate Change Committee inquiry into the efficient use and management of reactive

nitrogen. He presented evidence on the impacts of nitrogen pollution on freshwaters to the committee.

A reset for freshwaters: our call to the new government

In June 2024, ahead of the General Election, we published a manifesto for freshwater. *A reset for Freshwaters: our call to the new government* set out three principles for the incoming government to follow in order to achieve meaningful change for the freshwater environment. The principles reflected our strategy to build the Freshwater Network: Start with the smallest (focus on small waters as the most cost-effective part of the water environment to manage), Bring back clean water (restore and create small waterbodies in pockets of land protected from pollution), and Protect the best (safeguard and build out from the remaining high-quality habitats).

Local Nature Recovery Strategy guidance

Aware that Responsible Authorities were drafting Local Nature Recovery Strategies without necessarily having access to evidence and expertise on small freshwater habitats, we published a white paper: *Incorporating small freshwater habitats into your Local Nature Recovery Strategy*.

This document provided guidance on incorporating habitats including ponds, headwater streams, springs, flushes, ditches and small wetlands, into these strategies. This included information on undertaking an Important Freshwater Area analysis.

In August 2024, we distributed to the document to all 48 Responsible Authorities. As a result, several asked us for further advice and the white paper has been cited in several strategies.

The Charter for Small Waters

With our Wildlife and Countryside Link partners in the Blueprint for Water Coalition, we launched The Charter for Small Waters in December 2024. It outlines recommendations and policy proposals to protect and restore small waterbodies over the coming decades, calling for stronger statutory recognition for small waters, such as ponds, headwater streams and small wetlands.

Headstart: using headwater catchments to kickstart nature recovery

In 2023-24, Freshwater Habitats Trust was commissioned by Anglian Water to conduct an evidence review on the regulatory framework for smaller waters, as part of the Catchment Systems Thinking Cooperative (CaSTCo) project. The evidence review drew on existing literature, and a roundtable workshop with experts from academia, further examination of available evidence. regulatory bodies, eNGOs and the water industry.

In October 2024, we published our report, setting out recommendations for future policy to enhance outcomes for people and the environment through improved management of headwaters and their catchments.

In March 2025, we published *Headstart: using headwater catchments to kickstart nature recovery,* setting out the evidence and recommendations for the water industry and policymakers.

Public engagement and communications: Sharing our passion for freshwater

As the voice for all freshwaters, we ran public engagement projects throughout the year to connect people with these habitats and the species they support.

Our proactive media engagement work saw us secure coverage in national media titles including BBC Radio 4's *Today Programme*, *Countryfile*, *New Scientist*, the *Guardian*, the *Observer*, *Winterwatch*, BBC Radio Wales, *Farmers Weekly*, BBC Future, *Country Living* magazine, Bloomberg UK, and *BBC Wildlife Magazine*. We also achieved regional coverage in local and regional media outlets including ITV Meridian, *Oxford Mail*, BBC London, *North Devon Journal*, *Yorkshire Post*, *Brecon & Radnor Express*, *Western Morning News,* and more than 30 regional BBC radio stations.

In addition, we significantly grew our social media following, particularly on LinkedIn and Instagram, with our total social media audience exceeding 32,800 by the end of the financial year. Subscribers to our quarterly e-newsletter increased from 4,198 to 5,878.

PondNet Spawn Survey

The PondNet Spawn Survey ran from 1st December 2023 to 31st May 2024, inviting people to record sightings of Common Frog and Common Toad spawn in gardens, community ponds, or the wider countryside. With 2,064 sightings, the 2024 survey beat our previous record of 1,410 in 2023, making it our largest dataset since the survey began in 2012.

The survey was supported by a communications campaign across social media, newsletters and traditional press. It achieved national and regional coverage, including features in *The Daily Telegraph*, *Kitchen Garden* magazine, *Western Morning News*, BBC Radio Cornwall and BBC Radio Devon.

The data has now been submitted to Record Pool, the national repository for amphibian and reptile data.

Ponds, Pools and Puddles launch

April 2024 marked the much-anticipated launch of *Ponds, Pools and Puddles*, written by our CEO Jeremy Biggs and Technical Director Penny Williams, and published by Harper Collins as part of the iconic New Naturalist series.

Several decades in the making, the book brings together – for the first time – the latest scientific research that demonstrates the value of ponds to life on Earth. It takes the reader on a journey from the formation of the earliest ponds, billions of years ago, to the modern-day challenges of creating, managing and restoring ponds to tackle the crisis facing freshwater biodiversity.

Freshwater Habitats Trust worked with Harper Collins to publicise the book, including hosting an online launch event and talk from the authors on 2nd May, which attracted more than 200 attendees.

Our communications campaign included securing an article in New Scientist, written by the authors, about why we can no longer afford to ignore small waterbodies.

GroWet

Our GroWet citizen science initiative, which began in Oxfordshire in 2022, expanded into Buckinghamshire and the Irfon catchment in mid-Wales. Local volunteers took a hands-on role in conservation work by nurturing wetland or freshwater plants at home, in schools and community centres.

In Buckinghamshire, where GroWet was funded by the Rothschild Foundation, 859 pupils from 13 schools took part in school events, which involved sowing and potting on plants, while learning about the impacts of water pollution on wetland plants. Lindengate Charity supported GroWet and helped us run sessions for community groups. In Oxfordshire and Buckinghamshire, GroWet participants took part in 'planting out' events, introducing their plants to carefully chosen habitats. This was supported by public events, including guided walks, art workshops and a pond building and management workshop. In the Irfon catchment, we ran a seed collection day in Llanwrtyd Wells and involved care homes, day centres and schools in the initiative.

The plants included native species that were once plentiful in British wetlands but are now in decline. In Oxfordshire and Buckinghamshire, GroWet was run through our Oxfordshire-Buckinghamshire Freshwater Network project, part of the Nature Returns programme. In Wales, the initiative was funded through the River Irfon Catchment Project, which is funded by the Nature Networks Programme. It is being delivered by the Heritage Fund, on behalf of the Welsh Government.

Priority Ponds and the Urban Pond Count

Freshwater Habitats Trust was instrumental in securing Priority Habitat status for ponds of high ecological quality in 2007. In 2024-25, we invited volunteers to help us built on this by working with Natural England to identify and record more of these ‘habitats of principal concern’ (under the NERC Act 2006).

Volunteers used the online Priority Ponds Assessment Method (PASS) to assess ponds across the country. More than 1,600 surveys were carried out, and 251 - just over 15% of surveyed ponds - were identified as potential Priority Ponds.

We also ran the first ever national survey of urban ponds - the Urban Pond Count. With the help of 276 volunteers, we discovered 88 previously unmapped ponds and identified 50 sites that had been incorrectly recorded as ponds.

This work was funded by Defra as part of the Natural Capital and Ecosystem Assessment (NCEA) programme.

Plans for 2025-2026

Our plans for financial year 2025-2026 include:

- Deliver our 2025-26 business delivery plan resulting in an income of £3.3m.

- Following a launch in April 2025, we will work in partnership with key stakeholders across the sector (e.g. National Trust) to build the Freshwater Network. We are planning four campaigns to further push and establish the key principles of the Freshwater Network, Protect the best; Start with the smallest; Treat freshwaters as a network; Bring back clean water.

- We will be developing our policy activity. This will include developing the Headstart policy programme by progressing a practical pilot project and pushing for regulatory changes which would enable widespread implementation of the Headstart approach. We will continue to develop our water policy activity, including by engaging with the Independent Water Commission. We will also work with key partners to influence nature policy, including Local Nature Recovery Strategies and the Planning and Infrastructure Bill.

- 2025-2026 will see a high volume of proposal development work across several projects:
  - Heritage Lottery Fund: Landscape connections, New Forest
  - Water Sector: Headstart, across the UK
  - Esmée Fairbairn Foundation: we'll be continuing discussions with the Esmée Fairbairn Foundation how they can support the continued development of the Freshwater Network, across the UK
  - EU: We'll be members of an international consortium seeking funding from the EU for a follow-up project to PONDERFUL, focussing on small waters and to be called REVIVE..

- We will continue to collaborate with NCP to deliver NatureSpace's schemes, creating or restoring high quality freshwater and terrestrial habitat for BNG and for an increasing number of great crested newt organisational licences, regionally and nationally.

- We will further our alkaline fen research to gain a greater understanding of the potential investment opportunities of working with fens, which are largely overlooked but are an important habitat in the Freshwater Network.

- We will continue to strengthen our regional teams and look for opportunities to strengthen technical leadership and direction across all teams.

- We will continue our practical projects in the Freshwater Network, particularly in the catchments of the River Thames, the New Forest and the Yorkshire Lowlands.

- In the New Forest, we will also continue to build a 'halo' of high-quality freshwater habitats around the Forest, extending the area with freshwaters of the quality seen in the open Forest at the heart of the National Park

- We will continue to influence the development of a new national small waters monitoring network and start to develop the idea of establishing a national Centre of Excellence for Freshwater Research.

- Internally we build on our work in 2024-26, with the following areas being prioritised:
  - Project management procedures
  - Developing a competency framework to support career development
  - Strengthening internal communications
  - Increased financial reporting at departmental / team level

REFERENCE DETAILS

Board of Trustees:
Professor Colin Brown
Sally Hayns (appointed January 2025)
Kathryn Ingham (appointed January 2025)
Dr Mike Jefferies

Keith Lawrey
Sonia Shah (Treasurer)
Dr Edward Sykes (Chair)
Luen Thompson (appointed January 2025)
Neil Williams (appointed April 2024)

Company Secretary:
Ruth Redding

Senior Management Team:
Professor Jeremy Biggs (CEO)
Pete Case (Technical Director)
Dr Naomi Ewald (Technical Director)
Dr Pascale Nicolet (Technical Director and CEO of NCP)
Jessica Rhys-Griffith (Operations Director)

Registered Office:
Bury Knowle House
North Place, Headington
Oxford, OX3 9HY

Auditors:
Wenn Townsend
30 St Giles
Oxford
OX1 3LE

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

Structure, governance and management

Freshwater Habitats Trust is an incorporated charity established and covered under a Memorandum and Articles of Association completed in December 2004, under the name of Pond Conservation: The Water Habitats Trust. The Trust was entered onto the Register of Charities, Number 1107708 on 19th January 2005. It was registered as a Limited Company, Number 531683, on 20th December 2004. Pond Conservation remained inactive until 1st April 2005, at which point it took over the charity 'The Ponds Conservation Trust'. It subsequently also took over the subsidiary company 'The Ponds Conservation Trust: Policy & Research Ltd'. The Trust's name was changed to Freshwater Habitats Trust in August 2013 and the Memorandum and Articles of Association were updated to reflect this in October 2013.

The Trust is administered by a Board of Trustees, currently consisting of nine members. The Senior Management Team (SMT) reports to the Trustee Board and manages staff and activities of the Trust under delegated authority from the Trustee Board. The financial management and fundraising strategy of the Trust is supervised by the Trustees and SMT, reporting and making recommendations to the full Board for implementation. The Trust currently provides an informal induction for new Trustees.

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

Key Management Personnel Renumeration
All employees, including the Chief Executive and the key management personnel are covered by the same renumeration policy which is based on external benchmarking. The pay policy is approved by the Board and subject to annual review.

Fundraising Standards Information
The charity does not engage in significant fundraising activities from the general public, with most of the income coming because of project development work carried out by staff. Public donations are raised on a voluntary basis on the website, with the occasional collection box at events, and are not material to the accounts. As a result, the charity does not use any professional fund-raiser or commercial participator and is not bound by any voluntary regulatory scheme regarding its fund-raising. Such activities are monitored as required by Trustees and Senior Management, and there were no complaints raised in the period, nor are direct approaches to individuals made as part of this process.

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

Mission Statement
Our mission is to: Reverse the long decline of life in freshwater by creating a national network of healthy unpolluted interconnected freshwater landscapes which are wilder, wetter, cleaner and connected, the Freshwater Network.

Data Protection

The Board of Trustees recognises the importance of protecting the personal information that FHT collects and how it is managed within the organisation. Guidelines, policies and procedures are reviewed regularly.

Financial Review

The Statement of Financial Activities for the year ended 31 March 2025 is set out on page 21 of this report.

Summary

Income

Total income is £2,751k compared to £2,757K for 2023/2024

Expenditure

Total expenditure for 2024/2025 is £2,746k compared to £2,689K for 2023/2024. Staff costs including training and development is £1,578k (57%) of total expenditure and project cost is £974k (35%) of the total expenditure.

Reserves Position & Policy

The Trustees have agreed to maintain sufficient unrestricted reserves to meet the requirements of Freshwater Habitats Trust's operations and meet any temporary shortfall in funds or cover unexpected expenditure. Trustees have agreed that this should be equivalent to at least 3 month's planned expenditure.

Closing reserves of £1,107k compared to £1,103K for 2023/2024.

- Restricted reserves decreased by 18% to £152k (2023/2024: 185k)
- Unrestricted reserves increased by 4% to £955k (2023/2024: 917k)

The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need to unbudgeted expenditure.

The Trustees have previously agreed as a reserves policy, that unrestricted reserves should not fall below a level of approximately three months of costs, £400K.

As of 31st March 2025, free reserves held were £348k. The trustees are content that this is broadly in line with the core funds target stated above, and would be able to utilise some designated funds if required should the general reserve position decrease in 2025/26.

In the opinion of the Trustees, this level of reserves continues to be required to provide working capital having considered the following factors:

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding.

The Trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing and the strong pipeline of work for this financial year will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats Trust in the foreseeable future.

Investments – Designated Funds – Pond Creation

From our core funding, when possible, we allocate funds to designated funds allocating funds to an area of project development over a 5-year timeframe, in line with our strategy. The two larger transfers refer to an accumulation over 5 years of funds that continued to sit within a project line but as we set up the designated fund, the funds were transferred. This fund will be used as investment to further develop research and practical delivery over the next two-to-three-year period. The research will include a review paper on pond creation

and the evaluation of work so far delivered and the practical delivery will cover match funding to develop a new pond creation project to support the delivery of the Freshwater Network across the UK.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

Select suitable accounting policies and then apply them consistently

Observe the methods and principles in the Charities SORP 2029 (FRS102).

Make judgements and estimates that are reasonable and prudent

State whether applicable UK Accounting Standards have been followed

Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The principal risks and uncertainties for the period in question are set out in the Risk Register, including financial, reputational, health & safety and our strategies for managing risks.

The Board of Trustees have assessed the major risks to which the charity is exposed, those relating to the operations, reputation, business and finance of Freshwater Habitats Trust. The Senior Management Team assesses and updates the Risk Register which is then reviewed by the Finance, Audit and Risk Committee, and any areas of concern reported to the main Board.

Major risks identified:
Fundraising - currently FHT is managing its market and leading markets to access funding but has identified that there may be a need to pivot to more traditional markets and a change in strategy.

Appropriate levels of technical oversight given the growth of the organisation - currently being managed with careful allocation of key resources in the organisation. Consideration is given to how further technical direction can be funded through proposals and training, and development is prioritised to encourage internal staff development.

In so far as Trustees are aware:

There is no relevant audit information of which the charitable company's auditors are unaware; and

The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Approval

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

Small Company Rules

These accounts and this report have been prepared in accordance with the special provision of part 15 of the Companies Act relating to small companies.

Signed on behalf of the Trustees on 22nd July 2025



Ed Sykes

Chair

Freshwater Habitats Trust

Independent Auditor's Report to the Members of Freshwater Habitats Trust

Opinion

We have audited the financial statements of Freshwater Habitats Trust ('the charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 2025 and of its incoming resources and application of resources, including its income and expenditure, 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 financial statements section of our report. We are independent of the charitable company 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 charitable company'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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
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.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company'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 charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Benjamin Hayes FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend
Chartered Accountants and Statutory Auditor
30 St Giles
Oxford
OX1 3LE

22nd July 2025

Freshwater Habitats Trust

Statement of Financial Activities
(including income and expenditure account)
for the year ended 31st March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Grants and donations	**2**	24,915	1,329,069	1,353,984	1,283,861
Investments		6,645	-	6,645	2,988
Charitable activities	**3**	1,288,381	81,738	1,370,119	1,449,942
Other – rental income		20,339	-	20,339	20,518
Total income		1,340,280	1,410,807	2,751,087	2,757,309
Expenditure on:					
Raising funds	**4**	18,510	-	18,510	32,899
Charitable activities	**5**	1,261,342	1,466,551	2,727,893	2,656,045
Total expenditure		1,279,852	1,466,551	2,746,403	2,688,944
Net income/(expenditure)		60,428	(55,744)	4,684	68,365
Transfers between funds	**17**	(22,993)	22,993	-	-
Net movement in funds		37,435	(32,751)	4,684	68,365
Fund balances at 1st April 2024		917,327	185,240	1,102,567	1,034,202
Fund balances at 31st March 2025		954,762	152,489	1,107,251	1,102,567

All income and expenditure derive from continuing activities.

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

The notes on pages 27 to 44 form part of these financial statements.

Freshwater Habitats Trust

Balance Sheet
as at 31st March 2025

	Note		2025		2024
		£	£	£	£
Fixed Asset					
Intangible assets	**10**	-		-	
Tangible assets	**11**	42,641		21,950	
			42,641		21,950
Current Assets					
Stock	**12**	7,609		7,753	
Debtors	**13**	615,229		728,654	
Cash at bank and in hand		707,163		604,737	
Total current assets			1,330,001		1,341,144
Creditors: amounts falling due within one year	**14**		(265,391)		(260,527)
Net current assets			1,064,610		1,080,617
Net assets			1,107,251		1,102,567
The funds of the charity	**17**				
Restricted funds			152,489		185,240
Unrestricted funds:					
General			348,491		439,875
Designated			606,271		477,452
			954,762		917,327
Total charity funds			1,107,251		1,102,567

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. These statements were approved and authorised for issue by the Trustees on 22nd July 2025 and signed on their behalf by:



……

Dr Edward Sykes
Trustee

Company number: 05317683

The notes on pages 27 to 44 form part of these financial statements

Freshwater Habitats Trust

Cash Flow Statement
for the year ended 31st March 2025

	2025 £	2024 £
Cash flow from operating activities:		
Net cash provided by operating activities (below)	127,503	(92,867)
Cash flows from investing activities:		
Payments to acquire tangible fixed assets	(31,722)	(12,338)
Interest income	6,645	2,988
Net cash used in investing activities	(25,077)	(9,350)
Change in cash and cash equivalents in reporting period	102,426	(102,217)
Cash and cash equivalents at the beginning of the reporting period	604,737	706,954
Cash and cash equivalents at the end of the reporting period	707,163	604,737
Reconciliation of net income to net cash flow from operating activities		
Net income (as per the statement of financial activities)	4,684	68,365
Investment income	(6,645)	(2,988)
Adjustment for:		
Depreciation and amortisation charges	11,031	4,312
Decrease in stocks	144	1,870
Decrease in debtors	113,425	43,405
Increase/(decrease) in creditors	4,864	(207,831)
Net cash provided by operating activities	127,503	(92,867)
Analysis of cash and cash equivalents and net debt		
Bank current accounts	101,492	47,552
Bank deposit accounts	605,671	557,185
	707,163	604,737

Notes to the Financial Statements for the year ended 31st March 2025

General Information
Freshwater Habitats Trust is a public benefit entity, a charity registered in England and Wales (registered charity number 05317683) and a company limited by guarantee (company number 1091708), registered in England.

The registered office and its principal place of business is Bury Knowle House, North Place, Headington, Oxford, OX3 9HY.

1. Accounting policies

(a) Accounting convention

Basis and preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland (FRS 102).

The charitable company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with 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 issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Trust to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements, and have considered the Trust's forecasts and projections. After making enquiries the trustees have concluded that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements and there are no material uncertainties at the date of signing.

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

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

(d) Income recognition
All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1. Accounting policies (continued)

(d) Incoming recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

The charity receives government grants in respect of project funding. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes and includes bank interest. It is included when the amount can be measured reliably and recognised using the effective interest method as the charity's right to receive payment is established.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities
- Other expenditure

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

(g) Intangible and tangible fixed assets and depreciation

Fixed assets are stated at cost (or deemed cost) less accumulated depreciation or amortisation and accumulated impairment losses. Depreciation and amortisation are provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Computers and software – 20% straight line
- Plant and equipment – 20% straight line
- Leasehold costs – depreciated over the period of the lease (5 years)
- Assets costing less than £500 are not capitalised and are included in expenditure

1. Accounting policies (continued)

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

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

(j) Financial instruments
Cash and cash equivalents

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

Debtors and creditors

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

(k) Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(l) Provisions
Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(m) Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(n) Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(o) Tax
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. There are no significant estimates or judgements that have a material effect on amounts recognised in the financial statements.

2. Grants and donations – 2025

	Unrestricted	Restricted	Total 2025
	£	£	£
Core	5,000	-	5,000
Project Activities			
CPAF New Forest Hosting	-	27,000	27,000
CPAF Ock Hosting	-	7,500	7,500
CPAF Thame Hosting	-	7,500	7,500
NF Blue Horizon (Halo)	-	38,500	38,500
NF Wilder for Water (Recreation)	-	23,000	23,000
Ock Catchment Farmer Cluster Facilitation Fund	-	4,974	4,974
Ock Catchment Partnership Support Fund	-	15,000	15,000
Ponderful H2020	-	55,844	55,844
Thame Catchment Partnership Support Fund	-	4,000	4,000
The Oxfordshire-Buckinghamshire Freshwater Network	-	334,499	334,499
WFF 21-27	-	25,000	25,000
NF Cadland LEI	-	14,951	14,951
NF Climate Action Fund	-	47,610	47,610
Wales Nature Network Fund	-	228,755	228,755
Headstart (previously CaSTCo)	-	17,199	17,199
GroWet Bucks	-	38,000	38,000
Norfolk IFA	-	20,000	20,000
Landscape Recovery	-	222,784	222,784
Species Survival	-	48,652	48,652
Projects4Nature	-	76,956	76,956
Ock Targeted Approach WEIF 24-25	-	30,000	30,000
Ock WFF	-	27,000	27,000
INRS	-	8,544	8,544
TOE Fens	-	5,588	5,588
	5,000	1,328,856	1,333,856
Other			
Major donors	9,317	-	9,317
Individual donations	3,228	48	3,276
Support scheme	7,370	165	7,535
	19,915	213	20,128
Total grants and donations	24,915	1,329,069	1,353,984

2. Grants and donations – 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Project Activities			
River Irfon	-	316,634	316,634
A targeted approach (Thame and Ock) – TW CAPS	-	30,000	30,000
Brecks	-	8,271	8,271
CPAF New Forest Hosting	-	27,000	27,000
CPAF Ock Hosting	-	7,500	7,500
CPAF Thame Hosting	-	7,500	7,500
NF Blue Horizon (Halo)	-	25,000	25,000
NF Wilder for Water (Recreation)	-	29,972	29,972
Ock Arable (III) WEIF	-	39,500	39,500
Ock Catchment Farmer Cluster Facilitation Fund	-	117	117
Ock Catchment Partnership Support Fund	-	15,000	15,000
Ponderful H2020	-	24,442	24,442
Saving Oxford Wetland Wildlife	-	18,250	18,250
Thame Catchment Partnership Support Fund	-	15,000	15,000
The Oxfordshire-Buckinghamshire Freshwater Network	-	559,038	559,038
NEIRF	(1,676)	-	(1,676)
WFF 21-27	-	25,000	25,000
NF Climate Action Fund	-	23,852	23,852
Wales Nature Network Fund	-	42,337	42,337
Anglian Water - CaSTco - 2023	-	13,948	13,948
GroWet Bucks	-	38,000	38,000
TOE Fens	-	7,913	7,913
	(1,676)	1,274,274	1,272,598
Other			
Individual donations	4,210	55	4,265
Support scheme	6,998	-	6,998
	11,208	55	11,263
Total grants and donations	9,532	1,274,329	1,283,861

3. Charitable activities

Year to 31st March 2025

	Unrestricted	Restricted	Total 2025
	£	£	£
Project activities	1,284,861	81,738	1,366,599
Corporate membership and sponsorship	3,520	-	3,520
	1,288,381	81,738	1,370,119

Year to 31st March 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Project activities	1,401,281	44,881	1,446,162
Corporate membership and sponsorship	3,780	-	3,780
	1,405,061	44,881	1,449,942

4. Raising funds

Year to 31st March 2025

	Unrestricted	Restricted	Total 2025
	£	£	£
Staff costs	18,510	-	18,510
Support costs	-	-	-
	18,510	-	18,510

Year to 31st March 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Staff costs	25,896	-	25,896
Support costs	7,003	-	7,003
	32,899	-	32,899

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

	2025	2024
	£	£
Grants payable	-	20,000
Staff costs	1,230,981	1,093,003
Project activities	988,632	1,115,668
Support costs (see note 6)	508,280	427,374
	2,727,893	2,656,045

5b. Grants payable

	2025	2024
	£	£
Project partners:		
Oxford and District Anglers Association	-	20,000
	-	20,000

Oxford and District Anglers Association – Project partner who undertook a regular programme of bank maintenance and clearance work to enhance angling conditions at Lower Hinksey Stream (as part of the Thames Hinksey project).

6. Support costs

Year to 31st March 2025

	Unrestricted	Restricted	Total 2025
	£	£	£
Staff costs	208,903	119,788	328,691
Office running costs	163,412	376	163,788
Governance costs	9,760	-	9,760
Other	6,041	-	6,041
	388,116	120,164	508,280

6. Support costs (continued)

Year to 31st March 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Staff costs	188,879	93,508	282,387
Office running costs	107,975	4,210	112,185
Governance costs	16,200	-	16,200
Other	16,602	-	16,602
	329,656	97,718	427,374

7. Net incoming resources

	2025	2024
	£	£
Net incoming resources are stated after charging:		
Auditor's remuneration – statutory audit work	7,850	7,350
Auditor's remuneration – non audit work	1,875	1,900
Depreciation on tangible assets	11,031	4,312

8. Trustees' remuneration and expenses

Five trustees received a total of £595 reimbursement (2024: one trustee received £80) in relation to travel expenses in the financial year and no trustees received any remuneration. Unrestricted donations from trustees were £Nil (2024: £Nil).

9. Employees' remuneration

Total aggregate payroll costs of employees were:

	2025 £	2024 £
Wages and salaries	1,344,062	1,171,636
Social security	134,448	114,009
Pension costs	74,430	62,168
	1,552,940	1,347,813

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2025	2024
£60,001 - £70,000	2	1

Key management personnel include the trustees and senior management. The total employee benefits, including pension costs, of the charity's key management personnel were £327,195 (2024: £295,683).

Average number of employees:

	2025	2024
Project activities	34	34
Support	9	6
	43	40

10. Intangible fixed assets

	Software	Total
Cost		
At 1st April 2024	8,677	8,677
Additions	-	-
Disposals	(8,677)	(8,677)
At 31st March 2025	-	-
Amortisation		
At 1st April 2024	8,677	8,677
Annual charge	-	-
Eliminated on disposals	(8,677)	(8,677)
At 31st March 2025	-	-
Net book value		
At 31st March 2024	-	-
At 31st March 2025	-	-

11. Tangible fixed assets

	Leasehold costs	Computers	Plant and equipment	Total
Cost				
At 1st April 2024	1,600	38,615	5,010	45,225
Additions	-	31,722	-	31,722
Disposals	-	(15,883)	-	(15,883)
At 31st March 2025	1,600	54,454	5,010	61,064
Depreciation				
At 1st April 2024	1,142	22,133	-	23,275
Charge for the year	228	9,801	1,002	11,031
Eliminated on disposals	-	(15,883)	-	(15,883)
At 31st March 2025	1,370	16,051	1,002	18,423
Net book value				
At 31st March 2024	458	16,482	5,010	21,950
At 31st March 2025	203	38,403	4,008	42,641

12. Stocks

	2025	2024
	£	£
Books	1,196	1,401
Kits for use and resale	6,413	6,352
	7,609	7,753

13. Debtors

	2025	2024
	£	£
Project debtors	160,583	117,301
Prepayments and accrued income	453,967	609,562
Other debtors	679	1,791
	615,229	728,654

14. Creditors falling due within one year

	2025	2024
	£	£
Project creditors	96,674	29,889
Deferred income	69,000	99,000
Accruals	18,906	36,489
Taxation and social security costs	79,561	93,899
Other creditors	1,250	1,250
	265,391	260,527

15. Deferred income

	2025	2024
	£	£
At 1st April	99,000	190,780
Additions during the year	35,000	35,000
Amounts released to income	(65,000)	(126,780)
At 31st March	69,000	99,000

Income has been deferred to meet the recognition criteria under SORP for long term contract funding received.

16. Operating lease commitments

As of 31st March 2025, the charity had the following commitments under non-cancellable operating leases:

	2025	2024
	£	£
Expire within one year	12,664	12,664
Expiry within two to five years	2,057	2,971
	14,721	15,635

The amount of non-cancellable operating lease payments recognised as an expense during the year was £27,176 (2024: £26,315).

17. Analysis of funds – current year

	At 1st April 2024 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2025 £
Restricted Funds					
A targeted approach (Thame and Ock) – TW CAPS	12,267	-	6,831	-	5,436
Brecks	-	582	537	(45)	-
CPAF New Forest Hosting	(3,126)	27,000	23,594	-	280
CPAF Ock Hosting	-	7,500	7,500	-	-
CPAF Thame Hosting	-	7,500	6,292	-	1,208
NF Blue Horizon (Halo)	-	38,500	40,642	-	(2,142)
NF Wilder for Water (Recreation)	-	23,000	23,212	-	(212)
Med Leech	14,313	-	448	-	13,865
Nidderdale	4,454	1,200	733	-	4,921
Ock Arable (III) WEIF	6,032	-	3,088	(2,944)	-
Ock Catchment Farmer Cluster Facilitation Fund	(1,800)	14,584	12,784	-	-
Ock Catchment Partnership Support Fund	5,720	15,260	8,080	-	12,900
Ponderful H2020	47,915	55,844	103,759	-	-
Saving Oxford Wetland Wildlife	53,491	-	1,610	-	51,881
Thame Catchment Partnership Support Fund	238	4,366	2,072	-	2,532
The Oxfordshire-Buckinghamshire Freshwater Network	22,881	334,499	339,326	(16,665)	1,389
Thames Water Hinksey	395	30,000	29,863	-	532
WFF 21-27	-	25,000	25,000	-	-
NF Cadland LEI	7	14,951	17,033	-	(2,075)
NF Climate Action Fund	-	47,610	47,825	-	(215)
Wales Nature Network Fund	(4,693)	228,755	248,665	13,608	(10,995)
Headstart (previously CaSTCo)	2,698	17,199	20,598	-	(701)
GroWet Bucks	36,541	38,000	66,369	-	8,172
Chess Pond Project	(86)	39,720	39,887	253	-
Norfolk IFA	(12,001)	20,000	20,120	12,121	-
Landscape Recovery	(6)	222,784	221,891	-	887
Species Survival	-	48,652	42,526	-	6,126
Projects4Nature	-	77,169	27,481	-	49,688
Ock Targeted Approach WEIF 24-25	-	30,000	30,071	-	(71)
Ock WFF	-	27,000	26,970	-	30
INRS	-	8,544	15,227	-	(6,683)
TOE Fens	-	5,588	5,588	-	-
Fen Restoration	-	-	929	16,665	15,736
Total restricted funds	185,240	1,410,807	1,466,551	22,993	152,489

17. Analysis of funds – current year (continued)

	At 1st April 2024 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2025 £
Total restricted funds	185,240	1,410,807	1,466,551	22,993	152,489
Unrestricted Funds					
Core Funds	439,875	60,759	16,041	(136,102)	348,491
Designated Funds					
Project Funds	331,250	1,279,521	1,252,632	(45,379)	312,760
Pond Creation Investment	98,257	-	-	77,296	175,553
FHT Investments	9,404	-	-	21,431	30,835
NF Catchments	16,591	-	-	-	16,591
Central Project Development	-	-	148	28,039	27,891
Fixed Assets	21,950	-	11,031	31,722	42,641
Total designated funds	477,452	1,279,521	1,263,811	113,109	606,271
Total unrestricted funds	917,327	1,340,280	1,279,852	(22,993)	954,762
Total funds	1,102,567	2,751,087	2,746,403	-	1,107,251

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the restricted and designated funds.

Transfers between funds into and out of restricted funds is either with the permission of the grant giver, or from Core to cover overspend, or to ring-fence surplus made on contracts to act as match-funds for future projects.

Significant transfers:
Core Funds to Pond Creation Investment (designated fund) - £77,296

Please see the 'Our activities' section of the Trustees' Annual Report for explanations of the significant transfers.

17. Analysis of funds (continued) – prior year

	At 1st April 2023 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2024 £
Restricted Funds					
Bartley Water & Fletchwood WEIF	242	-	-	(242)	-
GRCF NF	1,683	-	1,033	(650)	-
Green Recovery Fund HLF Oxford	5,378	-	-	(5,378)	-
Mid Thame Development Funding (RTCT) – Manor Farm	8,754	-	-	(8,754)	-
NF Catchments	17,853	-	1,504	(16,349)	-
Policy Officer	(1,795)	-	749	2,544	-
River Irfon	41,930	316,634	358,318	(246)	-
A targeted approach (Thame and Ock) – TW CAPS	-	30,000	17,733	-	12,267
Brecks	-	8,271	8,264	(7)	-
CPAF New Forest Hosting	13,292	27,000	53,417	9,999	(3,126)
CPAF Ock Hosting	(545)	7,500	7,277	322	-
CPAF Thame Hosting	836	7,500	6,946	(1,390)	-
NF Blue Horizon (Halo)	169	25,000	25,169	-	-
NF Wilder for Water (Recreation)	1,612	29,972	31,584	-	-
Med Leech	15,696	847	2,230	-	14,313
MPP Pond Fund	28,013	-	-	(28,013)	-
Nidderdale	5,672	545	1,763	-	4,454
Ock Arable (III) WEIF	7,625	39,500	41,093	-	6,032
Ock Catchment Farmer Cluster Facilitation Fund	-	3,310	4,789	(321)	(1,800)
Ock Catchment Partnership Support Fund	12,658	15,000	19,538	(2,400)	5,720
Ponderful H2020	132,118	24,442	108,645	-	47,915
Saving Oxford Wetland Wildlife	32,509	18,250	(2,732)	-	53,491
Thame Catchment Partnership Support Fund	7,224	15,000	21,986	-	238
The Oxfordshire-Buckinghamshire Freshwater Network	209	559,038	531,007	(5,359)	22,881
Thames Water Hinksey	-	36,000	34,197	(1,408)	395
WFF 21-27	-	25,000	25,000	-	-
NF Cadland LEI	-	4,351	4,344	-	7
NF Climate Action Fund	-	23,852	23,852	-	-
Wales Nature Network Fund	-	42,337	47,030	-	(4,693)
Anglian Water - CaSTco – 2023	-	13,948	11,250	-	2,698
GroWet Bucks	-	38,000	1,459	-	36,541
Chess Pond Project	-	-	86	-	(86)
Norfolk IFA	-	-	12,001	-	(12,001)
Landscape Recovery	-	-	6	-	(6)
TOE Fens	-	7,913	7,913	-	-
Total restricted funds	331,133	1,319,210	1,407,451	(57,652)	185,240

17. Analysis of funds – prior year (continued)

	At 1st April 2023 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2024 £
Total restricted funds	331,133	1,319,210	1,407,451	(57,652)	185,240
Unrestricted Funds					
Core Funds	449,834	46,551	50,151	(6,359)	439,875
Designated Funds					
Project Funds	239,311	1,391,548	1,227,030	(72,579)	331,250
Pond Creation Investment	-	-	-	98,257	98,257
FHT Investments	-	-	-	9,404	9,404
NF Catchments	-	-	-	16,591	16,591
Fixed Assets	13,924	-	4,312	12,338	21,950
Total designated funds	253,235	1,391,548	1,231,342	64,011	477,452
Total unrestricted funds	703,069	1,438,099	1,281,493	57,652	917,327
Total funds	1,034,202	2,757,309	2,688,944	-	1,102,567

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the restricted and designated funds.

Transfers between funds into and out of restricted funds is either with the permission of the grant giver, or from Core to cover overspend, or to ring-fence surplus made on contracts to act as match-funds for future projects.

Significant transfers:
MPP Pond Fund (restricted fund) to Pond Creation Investment (designated fund) - £28,013

NF Catchments (restricted fund) to NF Catchments (designated fund) - £16,591

Please see the 'Our activities' section of the Trustees' Annual Report for explanations of the significant transfers.

18. Analysis of net assets by funds

	General £	Designated £	Restricted £	Total £
Year to 31st March 2025				
Fixed assets	-	42,641	-	42,641
Current assets	454,943	609,552	265,506	1,330,001
Current liabilities	(106,452)	(45,922)	(113,017)	(265,391)
Net assets	348,491	606,271	152,489	1,107,251

	General £	Designated £	Restricted £	Total £
Year to 31st March 2024				
Fixed assets	-	21,950	-	21,950
Current assets	566,715	511,647	262,782	1,341,144
Current liabilities	(126,840)	(56,145)	(77,542)	(260,527)
Net assets	439,875	477,452	185,240	1,102,567

19. Related parties transactions

The CEO of the charity is one of the Directors of the Newt Conservation Partnership (NCP), a community benefit society, in an individual capacity. The CEO of NCP is one of the charity's technical directors and is seconded from the charity. The charity seconds staff to NCP and charges for staff time as well as a contribution towards overheads for this. As a result this entity is a related party and the charity is a sub-contractor of NCP. During the year, charges of £703,171 (2024: £648,303) were made by the charity to NCP. Debtors include an amount of £74,178 (2024: £50,300) payable by NCP to the charity. The NCP also made charges of £8,100 (2024: £38,984) to the charity during the year for staff time. Creditors include an amount of £720 (2024: £Nil) payable to NCP at the year end.

There were no other related party transactions during the period (2024: none).

20. Comparative Statement of Financial Activities

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Income from:				
Grants and donations	**2**	9,532	1,274,329	1,283,861
Investments		2,988	-	2,988
Charitable activities	**3**	1,405,061	44,881	1,449,942
Other – rental income		20,518	-	20,518
Total income		1,438,099	1,319,210	2,757,309
Expenditure on:				
Raising funds	**4**	7,003	-	7,003
Charitable activities	**5**	1,274,490	1,407,451	2,681,941
Total expenditure		1,281,493	1,407,451	2,688,944
Net income/(expenditure)		156,606	(88,241)	68,365
Transfers between funds	**17**	57,652	(57,652)	-
Net movement in funds		214,258	(145,893)	68,365
Fund balances at 1st April 2023		703,069	331,133	1,034,202
Fund balances at 31st March 2024		917,327	185,240	1,102,567

FRESHWATER HABITATS TRUST

England & Wales - Charity number 1107708

Accounts

ANNUAL REPORT AND ACCOUNTS
2023-2024

Creating a network of wilder, wetter, cleaner and connected freshwater habitats.

About Freshwaters Habitats Trust

Freshwater Habitats Trust was founded in 1988 (as Pond Action) to help ensure the future of our freshwater wildlife. We have now been working for over 35 years with many different people and organisations to reverse the decline in freshwater biodiversity.

Through our scientific research and monitoring, we know what makes freshwater habitats special, how best to protect them and - above all - how to make a practical difference on the ground.

We are making great strides in our efforts to protect and restore the freshwater environment. And although freshwater is still under severe threat, we are beginning to see more recognition of the importance of protecting life in freshwater.

We target our work where we know we can achieve the most impact for freshwater. During 2023-24 we continued to implement our 2021-2035 organisational strategy to fulfil our mission:

> "Reversing the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter, cleaner and connected: the Freshwater Network".

The Freshwater Network is a national network of wilder, wetter, cleaner, more connected habitats designed to stop and reverse the decline in freshwater biodiversity. We are building the network around the existing hotspots for freshwater biodiversity, protecting and restoring the best, with newly created and restored habitats linking these hotspots at national and regional level.

To build the Freshwater Network, we've developed a practical delivery approach to freshwater conservation and recovery. Developed by Freshwater Habitats Trust and partners, the Freshwater Network unites important new ideas from research with traditional conservation concepts to build a better future for freshwater biodiversity.

The steps we are focusing on to achieve our vision are to:

- ***Protect the best***. Strengthen within and build out from existing freshwater biodiversity hotspots at both national and local levels. The Freshwater Network takes a 'protect first, repair second' approach to ensure that we don't lose what we have.

- ***Use smaller waters and wetlands as ecological engineers***. About 80% of the freshwater environment is made up of smaller waters. They are a critical biodiversity resource that has been traditionally overlooked. The Freshwater Network focuses on small waters and wetlands because of their power to regenerate freshwater landscapes.

- ***Treat freshwaters as a network of interconnected and interdependent habitats***. Most freshwater species (approximately two-thirds) use multiple waterbody types in networks of habitats not just rivers or ponds or lakes or wetlands, and managing these waterbodies collectively as freshwater landscapes, is essential for effective biodiversity conservation.

- ***Bring back clean water***. Clean water is vital for biodiversity. It is now a very scarce habitat and restoring it to the landscape is a critical step for freshwater protection.

2023-24: A year of delivering for freshwater wildlife

In line with our Strategy 2020-2035, we moved forward with a rolling three-year delivery plan for the Freshwater Network, focussed on practical demonstration of biodiversity recovery and particularly evidencing the vital role of small freshwaters.

At the close of the 2023/2024 financial year, the organisation had a turnover of £2.7 million against a budget of £3 million. We ended the year with 96% of work secured for the 2024/2025 financial year. In 2023/2024 Freshwater Habitats Trust implemented approximately 60 projects across the UK. In addition to winning over £2 million of work, the organisation successfully secured Defra funding for two large new projects:

- Landscape Recovery Fund (£750,000): Funding for a two-year development programme to establish a long-term (25 years) landscape recovery project to protect freshwater habitats and species working with farmers and other landowners in the Ock and Thame catchment.
- Species Survival Fund (£800,000): Part of a £1.3 million collaborative project with five NGO partners, and led by the New Forest National Park Authority to create new habitats and increase biodiversity, including for freshwater habitats and species in the New Forest.

Our Newt Conservation Partnership work and PondNet eDNA surveys for Great Crested Newt remain our largest pieces of contract work.

Communications and external relations

A well-executed strategic communications plan is critical to us achieving our vision of building the Freshwater Network. In October, our communications programme achieved a significant milestone with the launch of our new website. This was the result of a major project to move away from our previous website, which had become outdated in terms of content, design and functionality, to a platform that not only met best practice in terms of design and accessibility but also reflected the organisation we are working towards becoming through our 2020-2035 strategy.

Our proactive media engagement work saw us secure coverage for our projects in media outlets across the country including the Oxford Mail, Yorkshire Post, Western Morning News and Brecon & Radnor Express (Wales). We also secured national media coverage in titles including the Guardian, Farming Today (BBC Radio 4) and BBC Wildlife Magazine.

In addition, we expanded our social media profile by growing our audience across platforms, particularly LinkedIn, where we can engage with potential partners and stakeholders, and opening an account on Threads, a new outlet launched by Meta.

Having re-started our supporters' newsletter, we issued quarterly e-newsletters and grew our list of recipients to more than 4,000.

We recognise that to really make a difference for freshwater and effectively deliver the Freshwater Network, we need to work collaboratively. Our partnership work included:

- Working with project deliver partners, such as the Freshwater Biological Association on work to improve habitats for Freshwater Pearl Mussel, and the National Trust to create and restore freshwater habitats at sites such as the Buscot and Coleshill Estate on the Oxfordshire/Wiltshire border.
- Engaging with communities and volunteers to extend our reach and harness public support for freshwater through projects such as GroWet.

- Giving freshwater a stronger voice by joining forces with other NGOs through our membership of Wildlife and Countryside Link, for example the Blueprint for Water Coalition.
- Establishing a shared understanding of the solutions to tackling the threats facing freshwaters through research collaborations, such as the EU Horizon 2020 PONDERFUL project.

Growing the organisation

During 2023-24, the organisation was strengthened through:

- Appointment of an Operations Director and new finance team.
- Revised and improved financial policy and processes
- Reviewing HR policy and processes
- Reviewing project cycle processes
- Expanded communications function

Alongside this work, we started a process of reviewing internal delivery teams taking into consideration the growth, and the new needs of the organisation, particularly around team size, geographical spread of work and staff development. As a result, the organisation has introduced a regional structure which resulted in several promotions. Work will continue on the restructuring of the organisation in the next financial year.

Our staff numbers at the end of March 2024 were 39 based across the UK with hubs in Oxford, the New Forest and Wales.

Research update

Our ongoing research projects included:

- Water Friendly Farming, which focuses on the impact of agri-environmental schemes on freshwater biodiversity.
- Species monitoring and policy work for PONDERFUL.
- Great Crested Newt monitoring work through PondNet eDNA surveys and in partnership with the Newt Conservation Partnership, which are focused on the assessment of outcomes for this protected species as well as the wider benefits of new pond creation. Identifying priority ponds and assessing national pond numbers through a citizen science project, the Urban Pond Count.
- Identifying priority ponds and assessing national pond numbers through a citizen science project, the Urban Pond Count.

Our staff were co-authors of six new peer-reviewed scientific papers, including work led by the University of York on the design of leaky dams in Water Friendly Farming, outputs from PONDERFUL, and publication of work on garden ponds with Bournemouth University, as well as citizen science work with Professor Mary Kelly Quinn in Ireland.

We gave three presentations at the Symposium for European Freshwater Science, which was held in Newcastle in July 2023.

2023-24 highlights

Practical delivery: protecting and restoring the whole freshwater environment

Our vision to build the Freshwater Network moved closer to becoming a reality in 2023-24 and we made significant progress on in developing the key areas of the network: Important Freshwater Landscapes, Historic floodplains, Wetland Opportunity Areas and Important Freshwater Areas. Here are just some of the highlights of our work to create a national network of wilder, wetter, cleaner and more connected freshwater habitats.

Important Freshwater Landscapes

We've identified 24 nationally significant Important Freshwater Landscapes (IFLs) in England and Wales. As the richest freshwater landscapes in England and Wales, they are the core biodiversity hotspots of the Freshwater Network.

New Forest catchment partnership (New Forest and Dorset Heaths IFL)
In our role as co-hosts of the New Forest Catchment Partnership, we worked with the New Forest National Park Authority and other partners to protect the Forest's internationally-significant freshwaters and the species they support.

Through our Blue Horizons project, we undertook habitat creation, habitat restoration and nutrient management work to improve the running and standing water network in the New Forest. Additional funding from the Water Improvement Fund, core Freshwater Habitats Trust funds, landowner contributions, Cadland LEI (National Grid), Newt Conservation Partnership and a private source, enabled us to carry out interventions and provide advice at 14 sites in the New Forest. These included:

- Stream restoration work to establish connectivity between the channel and floodplain at Roydon Wood HIWWT Nature Reserve (SSSI).
- Streamside fen habitat management to improve aquatic diversity for priority species at Cadland Estate (part of North Solent National Nature Reserve SSSI).
- Nutrient and sediment management intervention to reduce run off at farmland near Lymington and Sowley Shellfish Water Protected Area, Solent Maritime SAC and Solent and Southampton Water SPA. The work to reduce pollutant loading to the protected areas along the coast included manure relocation, installation and improvements to guttering and improvements to roof drainage systems.
- Removal and control of invasive species at two sites near the Lymington River.
- Landowner advice at nine sites with the prospect of pond complex/wetland creation opportunities.

Through our engagement activity in the New Forest catchment, we grew the readership of our quarterly New Forest e-newsletter, WaterNews. We also engaged with 1,160 people who visited our shared stand (with the New Forest National Park Authority and Beaulieu Estate at the New Forest Show), which focused on raising awareness of the New Forest Important Freshwater Landscape and promoting the work of the catchment partnership to improve the water environment across the National Park.

In November, alongside the National Park Authority and other NGOs we announced new funding through the Youth for Climate and Nature scheme's £1.2 million Climate Action Fund grant from the National Lottery Community Fund to support further wetland creation and restoration. This bid also including other Priority habitat types such as grasslands and hedgerows and will provide match funding for the Blue Horizons project over the next two years.

Nature Returns: the Oxfordshire-Buckinghamshire Freshwater Network (Oxford area IFL)

In April, we launched our Oxfordshire-Buckinghamshire Freshwater Network project. This is part of the Nature Returns programme, led by Natural England in close partnership with the Environment Agency, Forestry Commission and RBG Kew, Wakehurst. This Shared Outcomes Funded Programme is sponsored by Defra and DESNZ.

Despite being a hotspot for freshwater biodiversity, much of Oxfordshire and Buckinghamshire's freshwater wildlife has declined or disappeared entirely over the past 20 years, as a result of pollution, drainage and scrub encroachment. Through this project, we're working with landowners, public bodies and other conservation charities to create, restore and manage high quality freshwater habitats across the two counties.

Running until March 2025, the project focuses on the role of smaller, peat-dominated wetlands, floodplains, wet grasslands and small waters in sequestering carbon in the landscape. Our habitat creation and restoration work in the project is also helping us to build the Freshwater Network. In 2023-24 this included:

- Floodplain wetland mosaic creation at four sites across the two counties.
- Creating species-rich grassland by introducing green hay at three sites.
- Working with volunteers to restore alkaline fens, through scything and raking to remove fen scrub and trees, to create space for specialist alkaline species.

The project includes innovative research on these habitats' potential to capture and store carbon. Over a 10-year period, Natural England will measure carbon storage in floodplain wetland mosaics by carrying out soil core and gas flux analysis. This is running alongside vegetation surveys to compare increased biodiversity on restored landscapes with carbon sequestration capabilities.

We promoted this work and our wider Freshwater Network strategy through a series of new videos which we commissioned through the Nature Returns programme.

Wetland Opportunity Areas

Wetland Opportunity Areas cover around 25% of England and Wales. They are areas where we can make landscapes water friendly and restore freshwater biodiversity to drained and polluted towns and countryside. In 2023-24 we made significant gains towards achieving this vision, creating and restoring habitats to build out from and connect existing freshwater hotspots.

The Newt Conservation Partnership
The Newt Conservation Partnership (NCP), a community benefit society which we set up with Amphibian and Reptile Conservation, has been delivering high quality aquatic and terrestrial habitat as part of the NatureSpace Partnership District Licensing scheme for Great Crested Newts for seven years.

Following expansion in 2022 and 2023, NCP delivers compensation habitat in 11 counties (Bedfordshire, Berkshire, Buckinghamshire, East and West Sussex, Gloucestershire, Hampshire, Milton Keynes, Northamptonshire, Oxfordshire, Staffordshire and Surrey). NCP also mitigates for development impacts by Network Rail with Great Crested Newt organisational licences covering the Eastern and Southern regions of the railway. Western and North West and Central regional licences are anticipated by the end of 2024 to bring national coverage.

Between April 2023 and March 2024, NCP created or restored 91 ponds and established 271 ha of terrestrial habitat for newts. Works included further phased work at Arncott Ministry of Defence sites (the winner of the prestigious 2023 ‘Environmental Enhancement’ Sanctuary Award). In partnership with landowners (some already working with Freshwater Habitats Trust) NCP also put in place several 25-year management agreements in 2023 at sites in Oxfordshire, Northamptonshire, Buckinghamshire and Staffordshire, securing conservation management at these sites for the long term.

Scaling up further in 2023, NCP continued to build a habitat bank now totalling 217 ponds and 686 ha of terrestrial habitat. NCP also applied in January 2024 to become a Defra Responsible Body for Biodiversity Net Gain (BNG) delivery for NatureSpace. NCP will be able to maximise conservation outcomes by combining Great Crested Newts District Licensing and BNG at compensation sites, with a focus on delivering a range of high quality freshwater habitats. The project remains Freshwater Habitats Trust’s largest single funded programme, making a substantial contribution to our recent growth.

In February 2024, we published our annual monitoring report evaluating the results of the Great Crested Newt scheme for 2023 and highlighting the success of the first five years of the programme. Details are included under ‘Science: generating evidence on freshwaters’.

Pitsford Water Friendly Farming
Launched in 2020, this project in Northamptonshire is helping us understand how small landscape wide mitigation measures can protect and enhance the freshwater environment. In partnership with Anglian Water, the Environment Agency and the farming community of the Scaldwell and Walgrave catchments of Anglian Water’s Pitsford Reservoir, we are learning more about how we can protect and enhance the freshwater environment at a catchment scale, using landscape-wide mitigation measures.

As a second demonstration of the Water Friendly Farming approach, Pitsford Water Friendly Farming is helping us to better understand how easily we can achieve the same results. We believe Pitsford Water Friendly Farming is the only other demonstration project in the world that will describe biodiversity of all waterbody types (including streams, ditches, ponds and rivers) in a farmed landscape – and at the catchment scale.

During 2023-24 we carried out monitoring on the sites where we have introduced interventions. This included wetland plant surveys at 120 sites and invertebrate surveys at 20 sites as well as ongoing water quality monitoring at six locations.

Historic Floodplain

Restoring Historic Floodplains could be the biggest conservation change in England and Wales of the next 50 years. Our vision for floodplains will be revolutionary for freshwater biodiversity – and will provide multiple benefits for people. In 2023-24, we advanced our work in this area, through collaboration with local and regional partners.

Ock Catchment Partnership
We host the Ock Catchment Partnership, which comprises a group of local organisations and individuals working together using the Catchment Based Approach to plan and deliver activities and projects in this Oxfordshire catchment. In 2023-24 we launched a StoryMap to share a new catchment plan.

Our habitat restoration work in the Ock catchment included:

- Four new scrapes on and around Poplars Farm, Charney Bassett, to uplift plant and invertebrate diversity and support the catchment's population of wading birds (Curlew, Lapwing, Redshank and Snipe) as well as providing flood risk reduction benefits.
- Ditch blocking and rewetting dry peat at Parsonage Moor, Cothill, to reduce nitrate pollution and improve priority wetland habitat Alkaline Fen at Parsonage nature reserve. Managed by Berks, Bucks and Oxon Wildlife Trust (BBOWT), this site is within the Cothill Fen Special Area of Conservation and SSSI.
- Creation of a new backwater on the River Ock near Charney Bassett to provide nursery habitat for fish and improve foraging habitat and potential breeding locations for Water Vole.

We also grew the membership of the Ock Catchment Farmer Cluster, which we set up with local farmers in 2022-23, and ran several events, including sessions on nature-based income streams, breeding waders and woodland creation.

River Thame Catchment Partnership
We co-host the River Thame Catchment Partnership with River Thame Conservation Trust. In 2023-24, we continued to deliver our mission of working together for a healthy river catchment, valued and enjoyed by local people.

The River Thame, along with its associated waterbodies, is one of the most degraded catchments in the Thames River Basin. Pollution from rural sewage treatment works and agricultural sources, and the lack of high quality habitat for wildlife in the floodplain are major issues affecting biodiversity.

With River Thame Conservation Trust, we revamped our River Thame Catchment plan, which is now available as an interactive StoryMap, offering a user-friendly exploration of the catchment.

We co-hosted the Thame Catchment Partnership's 2nd Annual Water Conference, which was opened by our CEO Jeremy Biggs and brought people together to discuss some of the challenges and opportunities facing the catchment.

Our partnership work in the Thame and Ock catchments received a significant boost at the end of the year, with the confirmation of £750,000 funding through the Landscape Recovery programme to deliver the development phase of the Ock and Thame Farmers Freshwater and Floodplain Restoration Project.

Important Freshwater Areas

A vital part of the Freshwater Network, Important Freshwater Areas are significant concentrations of freshwater biodiversity at regional, county, catchment and landscape scale. To further our ethos of protecting the best remaining habitats, much of our work in 2023-24 focused on Important Freshwater Areas.

Saving Nidderdale's Priority Ponds
With an estimated 1,400 ponds, Nidderdale National Landscape is part of the Yorkshire Dales and Forest of Bowland Important Freshwater Landscape.

Approximately 70 local people took part in water quality testing and amphibian surveys to identify high quality habitats and biodiversity hotspots for our Saving Nidderdale's Priority Ponds project. We announced the results of the first phase of this Yorkshire Water-funded project, which we run in partnership with Nidderdale National Landscape. Through the project, volunteers helped us more than double the number of priority ponds in this National Landscape in North Yorkshire. Our Northern team then worked with Nidderdale National Landscape to identify strategic locations for new ponds, which will be created in 2024-25 to extend the network of high-quality habitats in this Important Freshwater Landscape.

We were invited to contribute an article on this project, which ran as a case study in the Institution of Environmental Sciences journal *Environmental Scientist*.

River Irfon catchment

The River Irfon catchment in mid-Wales is one of Britain's highest quality freshwater habitats. Despite this, the catchment's river, its tributaries and other freshwaters are declining in quality. Freshwater Habitats Trust has worked in the Irfon catchment since 2020, forging relationships with local landowners and partners in Wales to improve water quality in the catchment, which is home to one of the last remaining populations of Freshwater Pearl Mussels in Wales.

We completed our Irfon Catchment Resilient Freshwater Habitats project, which included the first eDNA survey in the catchment, providing valuable data on its freshwater fish, amphibians, and mammals, including priority species such as Common Toad and Water Vole. We completed an Important Freshwater Area analysis for the catchment and worked with farmers to introduce measures to improve water quality, including farmyard concreting to reduce polluted runoff, upgrading of septic tanks and interception ponds. The project also trialled the use of cattle collars, which have the potential to make it easier to manage hill vegetation and smaller critical sites dependent on cattle grazing. In addition, we helped to coordinate a study tour for farmers in the Irfon and Natural Resources Wales to see farm management in high nature value landscapes in the west of Ireland, which supports one of western Europe's largest Freshwater Pearl Mussel populations.

We launched our new River Irfon Catchment Project, which is funded by the Nature Networks Programme, delivered by the Heritage Fund on behalf of the Welsh Government. This will build on our previous work in the catchment, with wetland creation and significant engagement activity with farmers and the wider local community.

Restoring Oxfordshire's Alkaline Fens

We continue to work in partnership to restore Oxfordshire's alkaline fens and advocate for these rare habitats, which support rich communities of specialist wetland plants and animals. In 2023-24, we undertook restoration and management of fens at Hinksey Heights, Pea Pits

on the National Trust Coleshill Estate, Middle Barton Fen SSSI, Barrow Farm Fen SSSI, Spartum Fen SSSI and Weston Fen SSSI. The work was financially supported by the Trust for Oxfordshire's Environment.

We ran regular work parties with a committed group of volunteers at Hinksey Heights and Pea Pits to engage local people in our practical conservation work, which was also supported by our Nature Returns funding. We also provided volunteer tools for fen restoration at Hinksey Heights, Chilswell Valley and Raleigh Park.

Through the Nature Returns programmed, 10-year management funding was secured for Hinksey Heights and Pea Pits. These are the first sites for which we have been able to secure longer term funding.

To develop our knowledge of alkaline fens in Oxfordshire, we installed 35 hydrological monitoring stations across Hinksey Heights and Pea Pits fens. We contuined our annual site-based vegetation monitoring, which is now in its sixth year. Networking with other land managers, we built our knowledge of the local fen resource through surveys of other sites. In addition, we developed a database for our growing data about fens, and to provide a platform for research and sharing with others.

Science: generating evidence on freshwaters

As an evidence-based charity, we continue to generate new knowledge about freshwater habitats and the species they support. Our programme of research and monitoring activity in 2023-24 helped to ensure that our practical conservation work is based on science and that we contribute to evidence for policymakers.

PondNet eDNA surveys
In May and June, we carried out our annual PondNet eDNA surveys for Great Crested Newt, which involved our team and a small number of partners and volunteers, surveying around 400 ponds across England. Natural England’s district level licensing scheme now funds this annual monitoring programme, which continues to be the world’s only national survey for Great Crested Newt using eDNA.

In October, Technical Director Dr Naomi Ewald presented the results to Natural England’s district level licensing team. The 2023 surveys showed a marked increase in pond and site occupancy compared with 2022.

The results showed 2023 to be a good year for Great Crested Newts, but with lower numbers than 2018 and 2021. This is thought to be driven by a mild and wet autumn and spring, the key times for Great Crested Newt dispersal and breeding. The surveys also started to indicate a split in occupancy patterns between the north and south of England, with some evidence of real losses.

Medicinal Leech Recovery Project
We continued our partnership work with zoos to try to halt the extinction of one of the UK’s fastest-declining species, the Medicinal Leech. This included a successful translocation of ten leeches from Dungeness in Kent to London Zoo, where they are now on public display and under the care of ZSL’s expert team.

The Brecks' Fen Edge & Rivers Landscape Partnership Scheme Citizen Science: Testing the Water
Testing the Water is a citizen science project to raise awareness of habitat loss, pollution and rare species in the Brecks – a unique landscape in East Anglia. It is part of the Brecks' Fen Edge & Rivers Landscape Partnership Scheme, which is working with partners and communities to explore and raise awareness of water resource issues. The partnership is restoring key river and habitat corridors and celebrating the historic links between human settlement and water, contributing to the area's sense of identity.

Newt Conservation Partnership monitoring report
In January, the Newt Conservation Partnership released its five-year monitoring report, providing data on the impact of the scheme on Great Crested Newts and other species. It showed that 58% of sites created or restored by the partnership are now colonised by Great Crested Newt. This number is expected to increase as newer ponds mature.

Common Toads were also recorded at 35 ponds created or restored through the scheme, benefiting this UK priority species. Our monitoring also showed that the ponds supported more than double the national average of wetland plants, averaging 17 species compared with seven wetland plant species in a typical, usually polluted, English countryside pond. In addition, more than half of the ponds developed by the Newt Conservation Partnership have already reached Priority habitat status, with nationally uncommon plant species recorded at some sites. One notable example was the discovery of the Red List species Lesser Water-plantain (*Baldellia ranunculoides*), in a new clean water pond created by the Newt Conservation Partnership at Whitecross Green Wood, a Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust site near Bicester. The discovery was presented to an international consortium of freshwater scientists at the Symposium for European Freshwater Sciences in Newcastle.

Influencing policy: fighting for freshwater

We continue to act as a voice for freshwater, particularly by providing scientific evidence to influence policy and legislation. Being an active member of Wildlife and Countryside Link, along with our collaborative approach to working with other NGOs, as well as businesses and government agencies, means we can bring together the expertise that's needed to make an impact.

Priority ponds
Freshwater Habitats Trust played an instrumental role in securing priority habitat status for ponds in 2007. In 2023-24, we built on this by working with Natural England to identify and record more of these 'habitats of principal concern' (their official designation of priority ponds under the NERC Act 2006). This data will help policymakers, land managers and individuals to protect and enhance ponds and the critical freshwater wildlife they support.

We launched a priority ponds section on our new website to give conservationists the information and resources they need to identify and record a priority pond. We worked with the Cartographer company to develop a new app to allow people to add a new priority pond to the national dataset. Our technical team also started to develop an online version of our existing PASS survey method, which will be launched in 2024-25, enabling individuals to assess the likelihood of a pond being a priority pond.

This work is funded by Defra as part of the Natural Capital and Ecosystem Assessment (NCEA) programme.

PONDERFUL
We are a UK partner in the EU Horizon 2020 PONDERFUL project (2020-2024) and are leading on the work package for communication and dissemination. The project explores the role of ponds as nature-based solutions for climate change mitigation and adaptation and is an opportunity to raise the status of small waterbodies to policymakers.

An important output in 2023-24 was an open letter signed by more than 50 of the world's leading freshwater scientists to Dr Musonda Mumba, Secretary General of the Convention on Wetlands, which we coordinated on behalf of the PONDERFUL consortium. The letter congratulated Dr Mumba for officially adopting Resolution XIV.15: the Conservation and Management of Small Wetlands.

In November, we ran stakeholder workshops at two of the PONDERFUL demonstration sites (Pinkhill Meadow in Oxfordshire and the Water Friendly Farming site in Leicestershire). These events gave national and local policymakers the opportunity to influence some of the project's key outputs and also provided data for some of the project's research.

In December, Technical Director and Newt Conservation Partnership CEO Pascale Nicolet gave a technical webinar, organised as part of a PONDERFUL series, on the topic of 'creating clean water ponds for wildlife' to a global audience of nearly 350 freshwater scientists, practitioners and policymakers. The video of the webinar has since attracted a further 350 views on YouTube.

This project has enabled us to build on relationships established through the European Pond Conservation Network and continue to collaborate with European partners post-Brexit.

Water Friendly Farming
Water Friendly Farming is the UK's longest running and most detailed catchment scale agri-environment research demonstration project, which we run with the Environment Agency, University of York, and Game & Wildlife Conservation Trust's Allerton Project.

In December, we co-authored a University of York-led paper in the journal River Research and Applications on the results of Water Friendly Farming research testing the potential for leaky dams to reduce flood risk after multiple storm events. The research paper highlighted key design features which increase the effectiveness of these measures.

Recognising the relevance of Water Friendly Farming for both landowners and policymakers, we launched a bespoke website for the project in March 2023. Hosted by Freshwater Habitats Trust but with input from all partners, this has provided us with a platform for resources and materials from the Water Friendly Farming project.

Public engagement: Sharing our passion for freshwater

As the voice for all freshwaters, we ran public engagement projects throughout the year to connect people of all ages and backgrounds with these habitats and the species they support.

Wilder for Water
Wilder for Water is a public engagement project that promotes the special qualities of the New Forest waterscape and a best practice 'clean water standard' for camping and recreation. Freshwater Habitats Trust core funds and the National Heritage Lottery Funds

Climate Action Fund supported this work. WEIF capital also enabled development, advice and intervention at three campsites during the 23/24 financial year.

We delivered communications and engagement work programmes targeting key messages through our Water Code and carried out awareness raising and representing the importance of freshwater habitats at meetings with partners and public events. We maintained an active social media presence with our growing audiences through our New Forest accounts on Facebook and Instagram, with regular posts, including videos. Our work attracted media coverage, including ITV Meridian filming at a litter picking event, which involved 20 volunteers.

Our public engagement work through Wilder for Water also included:

- 14 events, including the University of Southampton Science Fair and a Ukrainian community day.
- 12 ‘walk and talk’ events, including an excursion with University of Southampton students, Young Farmers and local community groups.
- 8 volunteer events, involving practical conservation and local area clean-ups totalling 34 days’ work and 37 bags of litter removed from the Forest.

Together, these activities engaged 3,317 participants.

GroWet
The second year of our GroWet citizen science initiative saw around 500 people across Oxfordshire taking a hands-on role in our conservation work by volunteering to nurture wetland or freshwater plants at home, in schools and community centres. We then ran ‘planting out days’, when GroWet participants introduced their plants to habitats across the county.

The plants, which were grown from seed and cuttings at Oxford Botanic Garden and Arboretum, included 27 native species that were once plentiful in the British countryside but are now in decline. GroWet 2023 was run through our Oxfordshire-Buckinghamshire Freshwater Network project, part of the Nature Returns programme, and was also supported by the ODS Group. GroWet was the subject of a video, produced through the Nature Returns programme.

In early 2024, we launched GroWet in Buckinghamshire, producing teachers’ packs and running school sessions for the county’s primary schools.

Urban Pond Count
Citizen scientists were given the opportunity to support our efforts to map the country’s ponds through a new project, run in partnership with Natural England and funded by the Department for Environment, Food and Rural Affairs (Defra) as part of the Natural Capital and Ecosystem Assessment (NCEA) programme.

Despite being a critical habitat for freshwater biodiversity, we know very little about the number of ponds or where they are located and, unlike rivers or lakes, these habitats are poorly represented on maps. To address this, we launched the Urban Pond Count, which will help to provide an estimate of the number of urban ponds in England. Volunteers were allocated one or 250 randomly selected 1km grid squares, at sites with more than 75% developed land. They were asked to identify any ponds within the square and upload basic data via an app, which we created for the project with our partner Cartographer.

The data is now being analysed and we are preparing to launch the second phase of the project, which includes volunteers conducting surveys to identify potential priority ponds.

PondNet Spawn Survey
People up and down the country took part in the annual PondNet Spawn Survey, by recording Common Frog and Common Toad spawn they have spotted in their garden, community ponds, or in the wider countryside. We then provide Record Pool, the national repository for amphibian and reptile data, with the records. The 2023 PondNet Spawn Survey closed in May 2023 and, with 1,410 records, achieved our largest dataset since the survey began in 2012.

We launched the 2024 PondNet Spawn - the first to run on our new mobile-friendly website - in December 2023 and the first records, from Cornwall and the Isles of Scilly, were added later that month.

The PondNet Spawn Survey is our biggest social media event of the year and the 2023 and 2024 surveys also generated local and regional and national media coverage.

Bringing ponds back to life with UCL
We collaborated with UCL's Pond Restoration Research Group to publish a new guide to help landowners boost biodiversity by digging new ponds and resurrecting 'ghost ponds'. *The Guide to the Restoration, Creation and Management of Ponds: Bringing Ponds Back to Life* demonstrates how to create and restore small waterbodies for wildlife. Among other topics, it highlights the importance of different pond types, such as seasonal ponds, and shows how to increase the number of clean water ponds in a region to boost freshwater biodiversity.

Aimed at landowners, farmers and other stewards of the land, it is freely available as a downloadable document on the UCL and Freshwater Habitats Trust websites.

Garden ponds booklet
To enhance our suite of resources for anyone looking to create a wildlife pond in their own garden, we published an updated version of our previous garden pond booklet with our partners Amphibian and Reptile Conservation. Available as a free downloadable document on the Freshwater Habitats Trust and Amphibian and Reptile Conservation websites, *Creating Garden Ponds for Wildlife* is also a printed booklet, which we are offering for a donation at public events.

Plans for 2024-2025

Our plans for financial year 2024-25 include:

- Carry out three-year strategy review with the aim of refreshing the concept of the Freshwater Network and reviewing the organisational strategy to understand impacts of new opportunities that have arisen in the market.
- Business planning for a three-year horizon.
- Deliver an income of £3m.
- Formally launch the Freshwater Network working in partnerships with key stakeholders across the sector e.g. National Trust.
- Pre-position and develop a number of larger projects of over £1m to support the delivery of the Freshwater Network whilst bringing longer-term financial resilience to the organisation.
- Strengthen our capacity through the recruitment of a
    - Policy Officer. The priorities for the role will be to promote the work of the Trust, particularly in the development of the Freshwater Network, in policy settings and with major delivery partners (eg Defra and other national governments, National Trust, Environment Agency, large public and private landowners). Working closely with senior colleagues across the organisation, developing the work of the Trust in the north of England; supporting scientific and technical teams.
    - Data Officer: Data and evidence are vital in prioritising our work across the organisation and building the Freshwater Network. They are also vital when influencing external audiences to achieve our mission to reverse the decline in freshwater biodiversity. They must be brought together from a variety of different sources and systems. The consequences of the decisions to be informed range from those that are immediate, to those of a longer term more strategic nature. This is a new role in the organisation and reflects our urgent requirement to collate, organise and manage a large volume of research data, the potential of which is not currently being realised.
- We will continue to strengthen the regional teams and look for opportunities in the North to support the development of a Northern Team.
- We will continue to develop our work in Wales and also start to explore the East Anglia area as a possible development area.
- The organisation will continue to strengthen its systems and processes and will start to look at which systems can be automated.
- The Newt Conservation Partnership will develop through two channels, through Biodiversity Net Gain and our work with Network Rail.
- Continue practical projects in the Freshwater Network, particularly in the catchments of the River Thames, the New Forest and the Yorkshire Lowlands.
- Continue project buildings a ‘halo’ of high-quality freshwater habitats around the New Forest, extending the area which has freshwaters of the quality seen in the open Forest at the heart of the National Park
- Continue to influence the development of a new national small waters monitoring network and start to develop the idea of establishing a national Centre of Excellence for Freshwater Research.

- Deliver the International Conference as part of our work on the major Europe-wide project PONDERFUL, which is led by the University of Vic in Spain and involving a consortium of European pond conservation specialists.
- We will be looking to publish several flagship peer-reviewed scientific papers and organisational reports throughout the year to raise our visibility and influence with key players in the sector. The first of these papers will be around the Local Nature Recovery Strategies targeted at Local Authorities.

REFERENCE DETAILS

Board of Trustees:
Professor Lorraine Maltby – Chair – retired July 2023.
Keith Lawrey (Appointed July 2023 and resigned as Chair in October 2023 but continues on the Board as a Trustee)
Dr Edward Sykes (Interim Chair – October 2023 and appointed to role of Board Chair – April 2024)
Sonia Shah – Treasurer
Dr Mike Jefferies
Professor Colin Brown (Appointed November 2023)
Neil Williams (Appointed April 2024)

Company Secretary:
Ruth Redding (Appointed October 2023)

Senior Management Team:
Professor Jeremy Biggs (CEO)
Pete Case (Technical Director)
Dr Naomi Ewald (Technical Director)
Dr Pascale Nicolet (Technical Director and CEO to NCP)
Jessica Rhys-Griffith (Operations Director)

Registered Office:
Bury Knowle House
North Place, Headington
Oxford, OX3 9HY

Auditors:
Wenn Townsend
30 St Giles
Oxford
OX1 3LE

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

Structure, governance and management

Freshwater Habitats Trust is an incorporated charity established and overed under a Memorandum and Articles of Association completed in December 2004, under the name of Pond Conservation: The Water Habitats Trust. The Trust was entered onto the Register of Charities, Number 1107708 on 19th January 2005. It was registered as a Limited Company, Number 531683, on 20th December 2004. Pond Conservation remained inactive until 1st April 2005, at which point it took over the charity 'The Ponds Conservation Trust'. It subsequently also took over the subsidiary company 'The Ponds Conservation Trust: Policy & Research Ltd'. The Trust's name was changed to Freshwater Habitats Trust in August 2013 and the Memorandum and Articles of Association were updated to reflect this in October 2013.

The Trust is administered by a Board of Trustees, currently consisting of six members. The Senior Management Team (SMT) reports to the Trustee Board and manages staff and activities of the Trust under delegated authority from the Trustee Board. The financial management and fundraising strategy of the Trust is supervised by the Trustees and SMT, reporting and making recommendations to the full Board for implementation. The Trust currently provides an informal induction for new Trustees.

Public Benefit

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

Key Management Personnel Renumeration

All employees, including the Chief Executive and the key management personnel are covered by the same renumeration policy which is based on external benchmarking. The pay policy is approved by the Board and subject to annual review.

Fundraising Standards Information

The charity does not engage in significant fundraising activities from the general public, with most of the income coming because of project development work carried out by staff. Public donations are raised on a voluntary basis on the website, with the occasional collection box at events, and are not material to the accounts. As a result, the charity does not use any professional fund-raiser or commercial participator and is not bound by any voluntary regulatory scheme regarding its fund-raising. Such activities are monitored as required by Trustees and Senior Management, and there were no complaints raised in the period, nor are direct approaches to individuals made as part of this process.

Objectives

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

Mission Statement
Our mission is to: Reverse the long decline of life in freshwater by creating a national network of healthy unpolluted interconnected freshwater landscapes which are wilder, wetter, cleaner and connected, the Freshwater Network.

Risk Management
The Board of Trustees have assessed the major risks to which the charity is exposed, those relating to the operations, reputation, business and finance of Freshwater Habitats Trust. The Senior Management Team assesses and updated the Risk Register which is then reviewed by the Board quarterly.

Data Protection

The Board of Trustees recognises the importance of protecting the personal information that FHT collects and how it is managed within the organisation. Guidelines, policies and procedures are reviewed regularly.

Financial Review

The Statement of Financial Activities for the year ended 31 March 2024 is set out on page 21 of this report.

Summary

Income

Total income is £2,757k compared to £2,847K for 2022/2023

Expenditure

Total expenditure for 2023/2024 is £2,689k compared to £2,444K for 2022/2023. Staff costs including training and development is £1,401k (52%) of total expenditure and project cost is £1,077 (40%) of the total expenditure.

Reserves Position

Closing reserves of £1,103k compared to £1,034K for 2022/2023.

- Restricted reserves decreased by 44% to £185k (2022/23: 331K)
- Unrestricted reserves increased by 30.5% to £917k (2022/23: 703K)

Reserves Policy

The Trustees have agreed to maintain sufficient unrestricted reserves to meet the requirements of Freshwater Habitats Trust's operations and meet any temporary shortfall in funds or cover unexpected expenditure. Trustees have agreed that this should be equivalent to at least 3 month's planned expenditure.

Closing reserves of £1,103k compared to £1,034K for 2022/2023.

- Restricted reserves decreased by 44% to £185k (2022/23: 331k)
- Unrestricted reserves increased by 30.5% to £917k (2022/23: 703k)

The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need to unbudgeted expenditure.

The Trustees have previously agreed as a reserves policy, that unrestricted reserves should not fall below a level of approximately three months of costs, initially set at £300K, however due to the growth and development of the organisation this figure is now set at £400K to reflect the current operating scale of the charity.

As at 31st March 2024, free reserves held were £439k, which whilst above this historically set numerical threshold, is deemed to be in line with the overall policy in place.

In the opinion of the Trustees, this level of reserves continues to be required to provide working capital having considered the following factors:

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding.

The Trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing and the strong pipeline of work for this financial year will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats Trust in the foreseeable future.

Investments – Pond Creation Designated Fund

This fund will be used as investment to further develop research and practical delivery over the next 2-3 year period. The Research will include a review paper on pond creation and the evaluation of work so far delivered and the practical delivery will cover match funding to develop a new pond creation project.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

Select suitable accounting policies and then apply them consistently

Observe the methods and principles in the Charities SORP 2029 (FRS102).

Make judgements and estimates that are reasonable and prudent

State whether applicable UK Accounting Standards have been followed

Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keepigng adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The principal risks and uncertainties for the period in question are set out in the Risk Register, including financial, reputational, health & safety and our strategies for managing risks.

In so far as Trustees are aware:

There is no relevant audit information of which the charitable company's auditors are unaware; and

The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is awre of that information.

Approval

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

Small Company Rules

These accounts and this report have been prepared in accordance with the special provision of part 15 of the Companies Act relating to small companies.

Signed on behalf of the Trustees on 23rd July 2024

EMSykes

Ed Sykes

Freshwater Habitats Trust

Independent Auditor's Report to the Members of Freshwater Habitats Trust

Opinion

We have audited the financial statements of Freshwater Habitats Trust ('the charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 financial statements section of our report. We are independent of the charitable company 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 charitable company'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of Freshwater Habitats Trust (continued)

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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
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.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company'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 charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Benjamin Hayes FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend
Chartered Accountants and Statutory Auditor
30 St Giles
Oxford
OX1 3LE

23rd July 2024

Freshwater Habitats Trust

Statement of Financial Activities
(including income and expenditure account)
for the year ended 31st March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Grants and donations	**2**	9,532	1,274,329	1,283,861	1,650,549
Investments		2,988	-	2,988	1,275
Charitable activities	**3**	1,405,061	44,881	1,449,942	1,194,833
Other – rental income		20,518	-	20,518	-
Total income		1,438,099	1,319,210	2,757,309	2,846,657
Expenditure on:					
Raising funds	**4**	7,003	-	7,003	1,253
Charitable activities	**5**	1,274,490	1,407,451	2,681,941	2,443,191
Total expenditure		1,281,493	1,407,451	2,688,944	2,444,444
Net income/(expenditure)		156,606	(88,241)	68,365	402,213
Transfers between funds	**17**	57,652	(57,652)	-	-
Net movement in funds		214,258	(145,893)	68,365	402,213
Fund balances at 1st April 2023		703,069	331,133	1,034,202	631,989
Fund balances at 31st March 2024		917,327	185,240	1,102,567	1,034,202

All income and expenditure derive from continuing activities.

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

The notes on pages 27 to 42 form part of these financial statements.

Freshwater Habitats Trust

Balance Sheet
as at 31st March 2024

	Note		2024		2023
		£	£	£	£
Fixed Asset					
Intangible assets	**10**	-		-	
Tangible assets	**11**	21,950		13,924	
			21,950		13,924
Current Assets					
Stock	**12**	7,753		9,623	
Debtors	**13**	728,654		772,059	
Cash at bank and in hand		604,737		706,954	
Total current assets			1,341,144		1,488,636
Creditors: amounts falling due within one year	**14**		(260,527)		(468,358)
Net current assets			1,080,617		1,020,278
Net assets			1,102,567		1,034,202
The funds of the charity	**17**				
Restricted funds			185,240		331,133
Unrestricted funds:					
General			439,875		449,834
Designated			477,452		253,235
			917,327		703,069
Total charity funds			1,102,567		1,034,202

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. These statements were approved and authorised for issue by the Trustees on 23rd July 2024 and signed on their behalf by:

EMSykes
.....
Dr Edward Sykes
Trustee

Company number: 05317683

The notes on pages 27 to 42 form part of these financial statements

Freshwater Habitats Trust

Cash Flow Statement
for the year ended 31st March 2024

	2024 £	2023 £
Cash flow from operating activities:		
Net cash provided by operating activities (below)	(92,867)	(260,912)
Cash flows from investing activities:		
Payments to acquire tangible fixed assets	(12,338)	(13,092)
Interest income	2,988	1,275
Net cash used in investing activities	(9,350)	(11,816)
Change in cash and cash equivalents in reporting period	(102,217)	(272,729)
Cash and cash equivalents at the beginning of the reporting period	706,954	979,683
Cash and cash equivalents at the end of the reporting period	604,737	706,954
Reconciliation of net income to net cash flow from operating activities		
Net income (as per the statement of financial activities)	68,365	402,213
Investment income	(2,988)	(1,275)
Adjustment for:		
Depreciation and amortisation charges	4,312	1,913
Increase/decrease in stocks	1,870	(2,346)
Increase/decrease in debtors	43,405	(301,576)
Increase/decrease in creditors	(207,831)	(359,841)
Net cash provided by operating activities	(92,867)	(260,912)
Analysis of cash and cash equivalents and net debt		
Bank current accounts	47,552	182,756
Bank deposit accounts	557,185	524,198
	604,737	706,954

General Information
Freshwater Habitats Trust is a public benefit entity, a charity registered in England and Wales (registered charity number 05317683) and a company limited by guarantee (company number 1091708), registered in England.

The registered office and its principal place of business is Bury Knowle House, North Place, Headington, Oxford, OX3 9HY.

1. Accounting policies

(a) Accounting convention

Basis and preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland (FRS 102).

The charitable company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with 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 issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Trust to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements, and have considered the Trust's forecasts and projections. After making enquiries the trustees have concluded that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements and there are no material uncertainties at the date of signing.

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

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

(d) Income recognition
All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1. Accounting policies (continued)

(d) Incoming recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

The charity receives government grants in respect of project funding. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes and includes bank interest. It is included when the amount can be measured reliably and recognised using the effective interest method as the charity's right to receive payment is established.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities
- Other expenditure

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

(g) Intangible and tangible fixed assets and depreciation

Fixed assets are stated at cost (or deemed cost) less accumulated depreciation or amortisation and accumulated impairment losses. Depreciation and amortisation are provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Computers and software – 20% straight line
- Plant and equipment – 20% straight line
- Leasehold costs – depreciated over the period of the lease (5 years)
- Assets costing less than £1,000 are not capitalised and are included in expenditure

1. Accounting policies (continued)

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

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

(j) Financial instruments
Cash and cash equivalents

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

Debtors and creditors

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

(k) Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(l) Provisions
Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(m) Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(n) Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(o) Tax
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. There are no significant estimates or judgements that have a material effect on amounts recognised in the financial statements.

2. Grants and donations – 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Project Activities			
A targeted approach (Thame and Ock) – TW CAPS	-	30,000	30,000
Anglian Water - CaSTco - 2023	-	13,948	13,948
Brecks	-	8,271	8,271
CPAF New Forest Hosting	-	27,000	27,000
CPAF Ock Hosting	-	7,500	7,500
CPAF Thame Hosting	-	7,500	7,500
GroWet Bucks	-	38,000	38,000
NEIRF	(1,676)	-	(1,676)
NF Blue Horizon (Halo)	-	25,000	25,000
NF Climate Action Fund	-	23,852	23,852
NF Wilder for Water (Recreation)	-	29,972	29,972
Ock Arable (III) WEIF	-	39,500	39,500
Ock Catchment Farmer Cluster Facilitation Fund	-	117	117
Ock Catchment Partnership Support Fund	-	15,000	15,000
Ponderful H2020	-	24,442	24,442
River Irfon	-	316,634	316,634
Saving Oxford Wetland Wildlife	-	18,250	18,250
Thame Catchment Partnership Support Fund	-	15,000	15,000
The Oxfordshire-Buckinghamshire Freshwater Network	-	559,038	559,038
TOE Fens	-	7,913	7,913
Wales Nature Network Fund	-	42,337	42,337
WFF 21-27	-	25,000	25,000
	(1,676)	1,274,274	1,272,598
Other			
Individual Donations	4,210	55	4,265
Support Scheme	6,998	-	6,998
	11,208	55	11,263
Total grants and donations	9,532	1,274,329	1,283,861

2. Grants and donations – 2023

	Unrestricted	Restricted	Total 2023
	£	£	£
Project Activities			
Bartley Water & Fletchwood WEIF	-	323	323
Brecks	-	6,618	6,618
CPAF New Forest Hosting	-	27,000	27,000
CPAF Ock Hosting	-	7,500	7,500
CPAF Thame Hosting	-	7,500	7,500
GRCF NF	-	192,754	192,754
Green Recovery Fund HLF Oxford	-	636,198	636,198
NEIRF	1,676	-	1,676
NF Blue Horizon (Halo)	-	29,122	29,122
NF Wilder for Water (Recreation)	-	30,593	30,593
Nidderdale	-	45,197	45,197
Ock Arable (III) WEIF	-	20,000	20,000
Ock Catchment Partnership Support Fund	-	22,000	22,000
Ponderful H2020	-	192,259	192,259
Pitsford	-	30,000	30,000
River Irfon	-	235,280	235,280
Saving Oxford Wetland Wildlife	-	5,275	5,275
Thame Catchment Partnership Support Fund	-	22,000	22,000
The Oxfordshire-Buckinghamshire Freshwater Network	-	101,107	101,107
WFF 21-27	-	25,000	25,000
	1,676	1,635,726	1,637,402
Other			
Individual Donations	6,632	-	6,632
Support Scheme	6,515	-	6,515
	13,147	-	13,147
Total grants and donations	14,823	1,635,726	1,650,549

3. Charitable activities

Year to 31st March 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Project activities	1,401,281	44,881	1,446,162
Corporate membership and sponsorship	3,780	-	3,780
	1,405,061	44,881	1,449,942

Year to 31st March 2023

	Unrestricted	Restricted	Total 2023
	£	£	£
Project activities	1,146,706	43,900	1,190,606
Corporate membership and sponsorship	4,227	-	4,227
	1,150,933	43,900	1,194,833

4. Raising funds

Year to 31st March 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Support costs	7,003	-	7,003
	7,003	-	7,003

Year to 31st March 2023

	Unrestricted	Restricted	Total 2023
	£	£	£
Support costs	1,173	80	1,253
	1,173	80	1,253

Notes to the Financial Statements (continued)
for the year ended 31st March 2024

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

	2024	2023
	£	£
Grants payable	20,000	42,827
Staff costs	1,093,003	810,131
Project activities	1,115,668	1,269,740
Support costs (see note 6)	453,270	320,493
	2,681,941	2,443,191

5b. Grants payable

	2024	2023
	£	£
Project partners:		
Long Mead Foundation	-	24,350
River Thame Conservation Trust	-	18,477
Oxford and District Anglers Association	20,000	-
	20,000	42,827

Long Mead Foundation – Project partner who undertook management and restoration of floodplain meadows that they own as part of the projects deliverable (Green Recovery Fund HLF Oxford).

River Thame Conservation Trust – Project partner who undertook floodplain wetland habitat creation as part of the project (Thame – Catchment Support Fund, CPAF Thame hosting and Green Recovery Fund HLF Oxford).

Oxford and District Anglers Association – Project partner who undertook a regular programme of bank maintenance and clearance work to enhance angling conditions at Lower Hinksey Stream (as part of the Thames Hinksey project).

6. Support costs

Year to 31st March 2024

	Unrestricted	Restricted	Total 2024
	£	£	£
Staff costs	214,775	93,508	308,283
Office running costs	107,975	4,210	112,185
Governance costs	16,200	-	16,200
Other	16,602	-	16,602
	355,552	97,718	453,270

6. Support costs (continued)

Year to 31st March 2023

	Unrestricted	Restricted	Total 2023
	£	£	£
Staff costs	139,971	88,528	228,499
Office running costs	71,349	2,732	74,081
Governance costs	8,230	-	8,230
Other	9,683	-	9,683
	229,233	91,260	320,493

7. Net incoming resources

	2024	2023
	£	£
Net incoming resources are stated after charging:		
Auditor's remuneration – statutory audit work	8,400	7,800
Auditor's remuneration – non audit work	850	-
Depreciation on tangible assets	4,312	1,913

8. Trustees' remuneration and expenses

One trustee received £80 reimbursement (2023: two trustees received £271) in relation to travel expenses in the financial year and no trustees received any remuneration. Unrestricted donations from trustees were £Nil (2023: £Nil).

9. Employees' remuneration

Total aggregate payroll costs of employees were:

	2024 £	2023 £
Wages and salaries	1,171,636	884,902
Social security	114,009	81,940
Pension costs	62,168	44,954
	1,347,813	1,011,796

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024	2023
£60,001 - £70,000	1	-

Key management personnel include the trustees and senior management. The total employee benefits, including pension costs, of the charity's key management personnel were £295,683 (2023: £271,376).

Average number of employees:

	2024	2023
Project activities	34	32
Support	6	4
	40	36

10. Intangible fixed assets

	Software	Total
Cost		
At 1st April 2023	8,677	8,677
Additions	-	-
At 31st March 2024	8,677	8,677
Amortisation		
At 1st April 2023	8,677	8,677
Annual charge	-	-
At 31st March 2024	8,677	8,677
At 31st March 2023	-	-
At 31st March 2024	-	-

11. Tangible fixed assets

	Leasehold costs	Computers	Plant and equipment	Total
Cost				
At 1st April 2023	1,600	31,287	-	32,887
Additions	-	7,328	5,010	12,338
At 31st March 2024	1,600	38,615	5,010	45,225
Depreciation				
At 1st April 2023	914	18,049	-	18,963
Charge for the year	228	4,084	-	4,312
At 31st March 2024	1,142	22,133	-	23,275
Net book value				
At 31st March 2023	686	13,238	-	13,294
At 31st March 2024	458	16,482	5,010	21,950

12. Stocks

	2024 £	2023 £
Books	1,401	1,162
Kits for use and resale	6,352	8,461
	7,753	9,623

13. Debtors

	2024	2023
	£	£
Project debtors	117,301	419,067
Prepayments and accrued income	609,562	350,700
Other debtors	1,791	2,292
	728,654	772,059

14. Creditors falling due within one year

	2024	2023
	£	£
Project creditors	29,889	133,097
Deferred income < one year	99,000	190,780
Accruals	36,489	63,469
Taxation and social security costs	93,899	79,722
Other creditors	1,250	1,290
	260,527	468,358

15. Deferred income

	2024	2023
	£	£
At 1st April	190,780	569,697
Additions during the year	-	90,780
Amounts released to income	(91,780)	(469,697)
At 31st March	99,000	190,780

Income has been deferred to meet the recognition criteria under SORP for long term contract/grant funding received.

16. Operating lease commitments

As of 31st March 2024, the charity had the following commitments under non-cancellable operating leases.

	2024	2023
	£	£
Expire within one year	12,664	11,750
Expiry within two to five years	2,971	-
	15,635	11,750

The amount of non-cancellable operating lease payments recognised as an expense during the year was £26,315 (2023: £27,930).

17. Analysis of funds – current year

	At 1st April 2023 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2024 £
Restricted Funds					
A targeted approach (Thame and Ock) – TW CAPS	-	30,000	17,733	-	12,267
Anglian Water - CaSTco – 2023	-	13,948	11,250	-	2,698
Bartley Water & Fletchwood WEIF	242	-	-	(242)	-
Brecks	-	8,271	8,264	(7)	-
Chess Pond Project	-	-	86	-	(86)
CPAF New Forest Hosting	13,292	27,000	53,417	9,999	(3,126)
CPAF Ock Hosting	(545)	7,500	7,277	322	-
CPAF Thame Hosting	836	7,500	6,946	(1,390)	-
GRCF NF	1,683	-	1,033	(650)	-
Green Recovery Fund HLF Oxford	5,378	-	-	(5,378)	-
GroWet Bucks	-	38,000	1,459	-	36,541
Landscape Recovery	-	-	6	-	(6)
Med Leech	15,696	847	2,230	-	14,313
Mid Thame Development Funding (RTCT) – Manor Farm	8,754	-	-	(8,754)	-
MPP Pond Fund	28,013	-	-	(28,013)	-
NF Blue Horizon (Halo)	169	25,000	25,169	-	-
NF Cadland LEI	-	4,351	4,344	-	7
NF Catchments	17,853	-	1,504	(16,349)	-
NF Climate Action Fund	-	23,852	23,852	-	-
NF Wilder for Water (Recreation)	1,612	29,972	31,584	-	-
Nidderdale	5,672	545	1,763	-	4,454
Norfolk IFA	-	-	12,001	-	(12,001)
Ock Arable (III) WEIF	7,625	39,500	41,093	-	6,032
Ock Catchment Farmer Cluster Facilitation Fund	-	3,310	4,789	(321)	(1,800)
Ock Catchment Partnership Support Fund	12,658	15,000	19,538	(2,400)	5,720
Policy Officer	(1,795)	-	749	2,544	-
Ponderful H2020	132,118	24,442	108,645	-	47,915
River Irfon	41,930	316,634	358,318	(246)	-
Saving Oxford Wetland Wildlife	32,509	18,250	(2,732)	-	53,491
Thame Catchment Partnership Support Fund	7,224	15,000	21,986	-	238
Thames Water Hinksey	-	36,000	34,197	(1,408)	395
The Oxfordshire-Buckinghamshire Freshwater Network	209	559,038	531,007	(5,359)	22,881
TOE Fens	-	7,913	7,913	-	-
Wales Nature Network Fund	-	42,337	47,030	-	(4,693)
WFF 21-27	-	25,000	25,000	-	-
Total restricted funds	331,133	1,319,210	1,407,451	(57,652)	185,240

17. Analysis of funds – current year (continued)

	At 1st April 2023 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2024 £
Total restricted funds	331,133	1,319,210	1,407,451	(57,652)	185,240
Unrestricted Funds					
Core Funds	449,834	46,551	50,151	(6,359)	439,875
Designated Funds					
Project Funds	239,311	1,391,548	1,227,030	(72,579)	331,250
Pond Creation Investment	-	-	-	98,257	98,257
FHT Investments	-	-	-	9,404	9,404
NF Catchments	-	-	-	16,591	16,591
Fixed Assets	13,924	-	4,312	12,338	21,950
Total designated funds	253,235	1,391,548	1,227,030	64,011	477,452
Total unrestricted funds	703,069	1,438,099	1,281,493	57,652	917,327
Total funds	1,034,202	2,757,309	2,688,944	-	1,102,567

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the restricted and designated funds.

Transfers between funds into and out of restricted funds is either with the permission of the grant giver, or from Core to cover overspend, or to ring-fence surplus made on contracts to act as match-funds for future projects.

Significant transfers from restricted funds:
MPP Pond Fund (restricted fund) to Pond Creation Investment (designated fund) - £28,013

NF Catchments (restricted fund) to NF Catchments (designated fund) - £16,591

Please see the 'Our activities' section of the Trustees' Annual Report for explanations of the significant transfers from restricted funds.

17. Analysis of funds (continued) – prior year

	At 1st April 2022 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2023 £
Restricted Funds					
Bartley Water & Fletchwood WEIF	242	323	323	-	242
Brecks	8,566	6,618	15,184	-	-
CPAF New Forest Hosting	12,271	27,000	25,979	-	13,292
CPAF Ock Hosting	(242)	7,500	7,803	-	(545)
CPAF Thame Hosting	1,138	7,500	7,802	-	836
Green Recovery Fund HLF Oxford	(321)	643,648	637,949	-	5,378
GRCF NF	(23,034)	192,754	168,037	-	1,683
Harcourt Hill, Oxfordshire Fens, TOE2	(2,748)	-	-	2,748	-
Med Leech	16,176	1,266	1,746	-	15,696
Mid Thame Development Funding (RTCT)					
- Manor Farm	9,261	-	507	-	8,754
MPP Pond Fund	28,013	-	-	-	28,013
NF Blue Horizon (Halo)	(4,654)	29,714	24,891	-	169
NF Catchments	6,399	-	306	11,760	17,853
NF Wilder for Water (Recreation)	(16,963)	31,496	12,921	-	1,612
Nidderdale	(13,495)	45,197	26,030	-	5,672
Ock Arable (III) WEIF	9,414	20,000	21,789	-	7,625
Ock Catchment Partnership Support Fund	-	22,000	9,342		12,658
Pitsford	-	30,000	30,000		-
Policy Officer	(3,698)	-	1,795	3,698	(1,795)
Ponderful H2020	6,859	192,259	67,000	-	132,118
River Irfon	-	235,280	193,350	-	41,930
Saving Oxford Wetland Wildlife	33,720	38,964	37,427	(2,748)	32,509
Thame Catchment Partnership Support Fund	-	22,000	14,776	-	7,224
The Oxfordshire-Buckinghamshire Freshwater Network	-	101,107	100,898	-	209
WEG Hatchett	(348)	-	-	348	-
WFF 21-27	-	25,000	25,000	-	-
Total restricted funds	66,556	1,679,626	1,430,855	15,806	331,133
Unrestricted Funds					
Core Funds	378,470	2,053	(86,449)	(17,138)	449,834
Designated Funds					
Project Funds	184,218	1,164,978	1,098,125	(11,760)	239,311
Fixed Assets	2,745	-	1,913	13,092	13,924
Total designated funds	186,963	1,164,978	1,100,038	1,332	253,235
Total unrestricted funds	565,433	1,167,031	1,013,589	(15,806)	703,069
Total funds	631,989	2,846,657	2,444,444	-	1,034,202

18. Analysis of net assets by funds

	Unrestricted £	Restricted £	Total £
Year to 31st March 2024			
Fixed assets	21,950	-	21,950
Current assets	1,078,362	262,782	1,341,144
Current liabilities	(182,985)	(77,542)	(260,527)
Net assets	917,327	185,240	1,102,567

	Unrestricted £	Restricted £	Total £
Year to 31st March 2023			
Fixed assets	13,924	-	13,924
Current assets	997,762	490,874	1,488,636
Current liabilities	(308,617)	(159,741)	(468,358)
Net assets	703,069	331,133	1,034,202

19. Related parties transactions

The CEO of the charity is one of the Directors of the Newt Conservation Partnership (NCP), a community benefit society, in an individual capacity. The CEO of NCP is one of the charity's technical directors and is seconded from the charity. The charity seconds staff to NCP and charges for staff time as well as a contribution towards overheads for this. As a result this entity is a related party and the charity is a sub-contractor of NCP. During the year, charges of £648,303 (2023: £484,675) were made by the charity to NCP. Debtors include an amount of £50,300 (2023: £73,522) payable by NCP to the charity. The NCP also made charges of £38,984 (2023: £Nil) to the charity during the year for staff time. There was no creditor balance (2023: £Nil) payable to NCP at the year end.

There were no other related party transactions during the period (2023: none).

20. Comparative Statement of Financial Activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income from:			
Grants and donations	14,823	1,635,726	1,650,549
Investments	1,275	-	1,275
Charitable activities	1,150,933	43,900	1,194,833
Total income	1,167,031	1,679,626	2,846,657
Expenditure on:			
Raising funds	1,173	80	1,253
Charitable activities	1,012,416	1,430,775	2,443,191
Total expenditure	1,013,589	1,430,855	2,444,444
Net income/(expenditure)	153,442	248,771	402,213
Transfers between funds	(15,806)	15,806	-
Net movement in funds	137,636	264,577	402,213
Fund balances at 1st April 2022	565,433	66,556	631,989
Fund balances at 31st March 2023	703,069	331,133	1,034,202

FRESHWATER HABITATS TRUST

England & Wales - Charity number 1107708

Accounts

Freshwater Habitats Trust

Annual Report and Accounts 2022-23

Creating a network of wilder, wetter, cleaner, and connected freshwater habitats

Contents

Annual Report and Accounts 2022-23 1
Contents 2
About Freshwater Habitats Trust 5
Overview 6
Our activities in 2022/23 7
1. People, Ponds and Water project – legacy work 7
2. Work on ponds with Natural England 8
3. Work with the National Trust 9
4. Environmental DNA 10
5. Catchment management work 10
   New Forest catchment 10
   River Ock catchment 11
   River Thame catchment 11
   Irfon Catchment Resilient Freshwater Habitats 12
   Other catchment projects 12
6. Building the Oxfordshire-Buckinghamshire Freshwater Network 12
7. Saving Oxfords Wetland Wildlife 14
8. Restoring Oxfordshire's SSSI Fens 14
9. Water Friendly Farming 15
10. Pitsford Water Friendly Farming 15
11. Newt Conservation Partnership Great Crested Newt District Licensing scheme 15
12. Saving Nidderdale's Priority Ponds 16
13. Testing the Waters: Brecks Fen Edge and Rivers Citizen Science project 16
14. Natural Environment Investment Readiness Fund (NEIRF) 17
15. PONDERFUL 17
16. Doddington Rewilding 17
17. European Pond Conservation Network 17
Plans for 2023-24 18
Reference Details 19
   Board of Trustees: 19
   Company Secretary: 19
   Senior Management Team: 19
   Registered Office: 19

Auditors: 19
Bankers: 19
Structure, governance, and management 20
Public Benefit 20
Key Management Personnel Remuneration 20
Fundraising Standards Information 20
Objects 21
Mission statement 21
Risk management 21
Data Protection 21
Financial review 22
Income 22
Expenditure 22
Reserves position 22
Reserves policy 22
Statement of Trustees' Responsibilities 23
Principal risks and uncertainties and summary of plans and strategies for managing the risks 24
Approval 24
Small Company Rules 24



Fig 1. In 2022-23 we completed the first stages of Building the Oxfordshire Freshwater Network, funded by the Government's Green Recovery Challenge Fund. The picture shows the creation of new floodplain wetland mosaic habitat at Manor Farm in Buckinghamshire continuing our work to build the Freshwater Network in this area. On this site we are addressing one of our core aims which is to focus on the restoration of Historic Floodplains, a key component of the Freshwater Network. This is the floodplain of the R. Thame (the river itself is just out of view at top of the picture) and shows ponds in the winter of 2022-23. As water levels drop in the summer, the waterbodies that are linked in this winter picture (top left, top right) will separate out to form ponds and pools of varying sizes and depths, an approach which our work has shown maximises the variety of freshwater species on a site. Green Recovery Challenge Fund support also contributed to the creation of the Freshwater Network in the New Forest.

.

About Freshwater Habitats Trust

Freshwater Habitats Trust was founded in 1988 (as Pond Action) to help ensure the future of our freshwater wildlife. We have now been working for over 35 years with many different people and organisations to protect the variety of life in freshwater - its biodiversity. We've discovered what makes freshwater habitats special, how best to protect them and above all tried to make a practical difference on the ground. Now we are starting to see some of our longest running plans come to fruition. And although the tide is far from turning for freshwater, which is still under severe threat, we are beginning to see both some good news stories, and much greater recognition of the importance of protecting life in freshwater.

Freshwater Habitats Trust is highly strategic, and we target our work where evidence suggests it will be most effective to help us achieve our aims. During 2022-23 we have continued to implement our organisation's strategy for 2021-2035 implementing our mission which is:

> "Reversing the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter, cleaner and connected: the Freshwater Network".

Our vision is that in the Freshwater Network, rich freshwater and wetland habitats, clean water ponds, repaired rivers and rewilded floodplains will create a space where freshwater wildlife can thrive, and everyone will be able to benefits from a rich and natural freshwater environment. Our work in all areas from policy, practical projects, partnership, and outreach, to monitoring and research is always focused on helping us achieve this vision.

The steps we are focusing on to achieve our vision are to:

- ***Protect the best***. Strengthen within and build out from existing freshwater biodiversity hotspots at both national and local levels. The Freshwater Network takes a 'protect first, repair second' approach to ensure that we don't lose what we have.
- ***Use smaller waters and wetlands as ecological engineers***. About 80% of the freshwater environment is made up of smaller waters. They are a critical biodiversity resource that has been traditionally overlooked. The Freshwater Network focuses on small waters and wetlands because of their power to regenerate freshwater landscapes.
- ***Treat freshwaters as a network of interconnected and interdependent habitats***. The majority of freshwater species (c.2/3rds) use multiple waterbody types in networks of habitats not just rivers or ponds or lakes or wetlands, and managing these waterbodies as a whole, as freshwater landscapes, is essential for effective biodiversity conservation.
- ***Bring back clean water***. Clean water is vital for biodiversity. It is now a very scarce habitat and restoring it to the landscape is a critical step for freshwater protection.

Overview

2022/23 saw Freshwater Habitats Trust involved in a range of practical projects, both existing and new, important applied research and a continuing role in policy development. Our work featured in the public media and, both in Britain and internationally, the critical role of small waters – like ponds and small streams – gained more and more attention. Through the European Union funded PONDERFUL project we have been able to reinvigorate long-established contacts with freshwater scientists and practitioners in continental Europe which had stalled post-Brexit. The year saw continued rapid growth and we were employing 38 staff at the end of the year with income more than doubling compared to the 2021-22 financial year to £2.9 million.

Highlights of the year included the continued support for the Newt Conservation Partnership, to which we seconded 11 members of FHT staff. The partnership has now created or restored around 300 new high quality ponds for Great Crested Newts since its formation in 2017 as part of the NatureSpace District Licensing scheme. The partnership now covers 10 counties covering about 20% of England, and also holds national licences for Great Crested Newt habitat mitigation for Network Rail. With the scheme's managers NatureSpace Partnership and our colleagues in Amphibian and Reptile Conservation who co-direct the Newt Conservation Partnership work. The project is now making a major contribution to delivering a key aim of Freshwater Habitats Trust: using new pond creation to bring back clean water to the landscape.

Practically we continued work focused on Important Freshwater Landscape (IFLs) and Important Freshwater Areas, particularly the New Forest and Dorset Heaths IFL, the Oxford IFL, the Thames Basin IFL, The Brecks IFL and the Yorkshire Lowlands and Yorkshire Dales IFLs. Our wide-ranging work in the New Forest National Park, one of the UKs most important landscapes for freshwater biodiversity continued, and is providing a model for how to protect high quality freshwater habitats, especially the smaller waters which are a vital but often neglected part of water management. 2022-23 saw further implementation of work to create the Freshwater Network in the New Forest, particularly through the Blue Horizons project which we are undertaken in a close working partnership with the Environment Agency and New Forest National Park Authority. In Wales, we undertook a range of practical projects focussed on the R. Irfon and were pleased to be awarded an extension of this project.

Our research programmes continued through the Water Friendly Farming project, with increasing emphasis on the dissemination of the project research results, the PondNet eDNA survey for Great Created Newts which reached its 9th year, making it, as far as we are aware, the longest running DNA based monitoring programme anywhere in the world. We continued collection of data for the PONDERFUL project using the Water Friendly Farming site and our long-running Pinkhill Meadow site as demonstration areas for the project. We published a report on the condition of farm ponds supported following survey work undertaken in 2021. Further research papers using our and others' pond data were also published with collaborators in various Universities, particularly focussing on small waters in collaboration with Professor Mary Kelly-Quinn in Ireland.

Building on the Water Friendly Farming project, we continued working on landscape level projects in a number of catchments with a particular focus on the New Forest, Oxfordshire and in the South Midlands from Buckinghamshire to Northamptonshire and Bedfordshire. With Anglian Water we continued the Pitsford Water Friendly Farming project, a 5-year programme to

replicate and extend the results of Water Friendly Farming in the catchment of Anglian Water's Pitsford Reservoir in Northamptonshire, one of their major water supply sources. We also had a busy year working on the East-West Rail landscape freshwater biodiversity project (re-named North Bucks Resilience Project) and further development of the Freshwater Network programme prior to formal launch in 2023. We worked with a range of colleagues interested in small waters to establish the foundations for a new research programme on small waters in association with Defra and other government agencies.

There were a number of important policy development during the year for small waterbodies, not least the announcement by the Ramsar Convention of Resolution on the Conservation and management of Small Wetland which raises the profile internationally of small waters, including in the UK. With the appointment of Communications Manager Sarah Hoyle at the start of the year, we have begun to develop our communications activity much more systematically, including the preparing to relaunch our website in 2023.

Our activities in 2022/23

1. People, Ponds and Water project – legacy work

From 2015-2018, the National Lottery Heritage Fund (NLHF) supported the **People, Ponds and Water project** which allowed us to develop three strands of work which continue to play a central role in the organisation's activity (i) Gathering evidence on status and trends in freshwater habitats and species; (ii) Protecting the best freshwater habitats and (iii) Championing freshwater biodiversity, particularly by encouraging people to assess the extent of water pollution, and conversely the occurrence of clean water, with a special focus on smaller waters which often go unmonitored. **People, Ponds and Water** addressed these aims in three overlapping projects:

- PondNet
- Flagship Ponds
- Clean Water for Wildlife.
-

Since 2018 our work on these three elements has continued to build on the legacy of the original NLHF-funded project.

PondNet. The aim of PondNet is to create a volunteer and professional survey network to collect statistically robust data to identify trends in pond quality and pond species, including uncommon plants and animals. With support from the Lottery survey methodologies were standardised and included environmental metrics; giving information to help explain the reasons for changes in biological quality, and ultimately help to guide the direction of freshwater policy and practice. As part of this project, working with Defra, Natural England and Amphibian and Reptile Conservation Trust; Freshwater Habitats Trust established the world's first national eDNA monitoring programme for a protected species, the Great Crested Newt. 2022/23 saw the completion of an eighth year of survey, visiting the same ponds annually to build a picture of status and change of this species in terms of 1 km square and pond occupancy.

Flagship Ponds. This element of the People, Ponds and Water project saw the creation of a network of some of the most important, and highest quality, pond sites in England and Wales, known to support populations of species under threat. Although we did not raise new funds specifically for this project in 2022-23, we have aimed to continue engagement with Flagship Pond sites around the country including the New Forest, Dorset, on National Trust properties around England and Wales, in The Brecks, in Oxfordshire and in Yorkshire. We undertook new practical habitat creation and management at the Pinkhill Meadow Flagship site and continued survey work at Strensall Military Training Area and Skipwith National Nature Reserve Flagship sites.

Clean Water for Wildlife. The aim of this element of the original People, Ponds and Water project was to create a citizen science survey to raise awareness of the true extent of nutrient pollution, and identify clean water habitats in England and Wales, with the ultimate aim of helping to protect biodiversity. Nutrient pollution is invisible, so often doesn't seem 'real' to people. Using quick kits made it possible for people to easily 'see' pollution for the first time and we have continued to apply this approach in a range of our projects. In 2022/23 we have continued to apply the Clean Water for Wildlife concept running the ***Testing the Water*** project as part of the ***Brecks and Fen Edge Landscape Project*** funded by the National Heritage Lottery Fund. We also applied this approach working with local citizens in Oxford as part of the ***Building Oxfordshire's Freshwater Network*** and ***Saving Oxford's Wetland Wildlife*** projects. In many of our project we also use the Clean Water for Wildlife test kits to assess levels of nutrient pollution as part of preparatory work to develop new practical projects, such as the ***River Ock Arable Farmers*** project.

Medicinal Leech Recovery Project. Work during the People, Ponds and Water project identified the need for a specific project focussed on Medicinal Leech. Medicinal Leeches are a global conservation priority and listed under a raft of international legislation as needing protection. Preparation for this project began in 2019-20 and we successfully fundraised to provide the resources needed for this work. During 2022-23 we have continued (1) data collation to document and understand the decline of England's Medicinal Leeches; (2) developed an eDNA monitoring tool to allow wide volunteer engagement through surveys at sites across England; (3) collaborated with zoos to secure four populations through 'Ark collections' to provide a living gene bank in case of wild extinctions; (4) raise the profile of medicinal leeches through displays and events. This will culminate in a collaborative workshop in 2023/24 to define and initiate a suite of long-term conservation actions, engaging partners, land managers and key volunteers.

2. Work on ponds with Natural England

During 2022-23 we have benefitted from the growing interest in ponds of the government agency Natural England. This is part of long-running joint working (Natural England originally proposed the development of the PondNet concept in 2010) and this is now bearing fruit in a variety of ways.

In addition to our Great Crested Newt conservation programme, which essentially was stimulated by the original Natural England PondNet programme which ran from 2010-2013, we ran three programmes with Natural England funding in 2022-23, and began the development of two new projects, further developing the survey and conservation of ponds.

Project work in 2022-23 with Natural England comprised:

- ***Citizen scientists assessing pond presence and priority***: During the year we completed a project on the development of a new web-based app to enable citizen scientists and professional ecologists to register ponds which qualify as Priority ponds. This included the development of a new metric which will predict the occurrence of Priority ponds from simple environment data. This is being rolled out in 2023-24.
- ***Defining and mapping pond irreplaceable habitat***. During the year we completed a short policy project for Natural England to identify examples of irreplaceable pond habitats (e.g. those formed by natural processes like glaciation and those with large floating mats of vegetation that take 10s or 100s of years to develop). The results from this project are now being incorporated into government policy (eg Biodiversity Net Gain programmes).
- ***Natural England agri-environment ponds project***. During summer 2021 with the Centre for Ecology and Hydrology we undertook a national survey to assess the effect of agri-environment scheme payments for pond management on the condition of the managed ponds. Results from this survey were published in 2022-23 and showed that ponds were generally of higher quality when they were in agri-scheme compared to the ordinary countryside and that groundwater-fed ponds were generally of better quality than those fed by surface water. However, overall, the survey suggested that the main factor affecting pond quality was the occurrence of pond in a good quality landscape, rather than the effect of management. The results helpfully supported some of our existing expectations, not least the importance of the catchment in determining pond quality.
- During the year we began the preparation for two new projects with Natural England for 2023-24:
- ***Natural England eDNA project***: in this project we will be collecting eDNA and plant survey data from high quality ponds to complement work being undertaken by Natural England in a large national landscape survey, the England Ecosystem Survey. We expect this project to produce a large new national dataset describing the condition of England's ponds, updating the last national pond survey of 2007 undertaken in the Countryside Survey.
- ***NCEA Natural England pond count***: Natural England is undertaking a national count of ponds in the rural landscape in the England Ecosystem Survey, using survey methods which we developed during the Countryside Survey (date). During 2022-23 we developed and trialled a new web-based app which would allow citizen scientists to gather comparable data. In 2024-24, we will begin a two year programme to accurately assess the number of ponds in urban areas with a citizen-science count of ponds in the urban landscape. Combined these datasets will give us a revised figure for the number of ponds in England.

3. Work with the National Trust

During 2022-23, we continued to develop our joint working with the National Trust. The National Trust's 10 year strategy includes a number of ambitious targets for the ways in which it manages its land and delivers a healthy, beautiful, natural environment. To measure and track progress with this strategy a range of metrics and monitoring approaches are being developed – including the need to develop a monitoring strategy for the status of freshwaters across the National Trust estate. Working with the Trust we have undertaken a range of activities to support this process and deliver FHT aims, focusing especially on small water bodies: ponds and small streams. This has included ***Volunteer Clean Water surveys*** with rapid nutrient test kits, ***baseline surveys of National Trust streams and ponds across their estate*** *and* eDNA surveys of ***ornamental lakes***. These areas of work were severely cut back by the Covid-19

pandemic which reduced National Trust funding and access to volunteer engagement and we are now planning programmes to restart this work. Although the national survey and monitoring programme stalled post-Covid, we undertook a major habitat creation project with the National Trust at the Coleshill & Buscot Estate in 2022-23 (see '***Building Oxfordshire's Freshwater Network***' below) and also continued planning various activities at the policy level concerned with small waters.

4. Environmental DNA

We continued survey using environmental DNA data for Great Crested Newts, and other groups, in a number of contexts during the year including:

- ***eDNA Network Rail (Southern Region) surveys***: surveys undertaken for Newt Conservation Partnership and NatureSpace establishing the foundations of the Network Rail national Great Crested Newt mitigation programme
- ***NatureSpace South Midlands, Hampshire, Berkshire and Buckinghamshire e DNA surveys***: eDNA surveys for NatureSpace were part of work to obtain the licenses for the Great Crested Newt District licensing programme in these counties. All of this work also contributes to our work to identify 'Priority ponds' as all Great Crested Newt ponds are automatically identified as Priority habitats, which are a priority for conservation.
- ***River Irfon (Wales)***: for the River Irfon project we undertook a survey of freshwater vertebrates and freshwater mussels using eDNA to establish whether eDNA could be used to obtain baseline information on the distribution of these groups at the landscape scale.
- ***The Brecks Fen Edge and Rivers Project***: as part of the Brecks Fen Edge and Rivers project we organised eDNA surveys for freshwater vertebrates, undertaken with volunteer citizen-scientists.

Our plans for a national monitoring network, focussing on smaller waters, capitalising on the use of eDNA in combination with traditional monitoring methods were put on hold as we worked towards the launch of Freshwater Network.

5. Catchment management work

We have continued a range of work as the hosts of three catchments in the Catchment-based Approach (CaBA) programme, as well as catchment work in Wales and elsewhere:

- New Forest catchment (in partnership with the New Forest Park Authority)
- River Ock catchment
- River Thame catchment (in partnership with the River Thame Conservation Trust)
- River Irfon catchment
- Other catchment projects

New Forest catchment

Our work in the New Forest centres around jointly hosting the New Forest Catchment Partnership with the New Forest National Park Authority. Funded by a Water Environment Improvement Fund grant from the Environment Agency, the Catchment Partnership is promoting the protection of freshwater biodiversity through a variety of projects. The partnership has been working together for more than a decade, and brings together a wide range of stakeholders and volunteers to share knowledge, raise awareness and deliver practical work.

During 2022-23 work in the New Forest has mainly focused around two long-running catchment projects ***Blue Horizons*** and ***Wilder for Water*** which both run until 2025. During 2022-23, the projects were supported by the government's Green Recovery Challenge Fund, a partnership bid with the New Forest National Park Authority of which c.£400k was delivered by Freshwater Habitats Trust. Blue Horizons is developing a strategic ecological network for the freshwater environment in and around the New Forest, capitalising on opportunities at the boundary of the New Forest's protected area and adding value through cross-catchment partnership working. Wilder for Water seeks to raise awareness of the value of the New Forest's freshwaters with partners, local communities, businesses and visitors, as well as addressing impacts on locally important sites.

These projects expanded the work of the catchment partnership, effectively doubling the size of the team through recruitment of two new project officers. In total over 9000 visitors have been engaged in our core messages through 94 events and over 100 social media post including vlogs and blog. We have also worked at 45 sites with landowners, farmers, equine owners and businesses, continuing earlier Heritage Lottery support provided by the New Forest-wide 'Our Past, Our Future' programme which ran from 2015 to 2021.

River Ock catchment

A range of activities were undertaken in the R. Ock catchment further laying the groundwork for a large scale habitat restoration and management programme working with farmers and landowners. Elsewhere in the catchment fen management work at Barrow Farm Fen SSSI continued along with work on Hinksey Heights Fen, a Local Wildlife site on the edge of Oxford. At Hinksey Heights long-term scrub and woodland development has led to considerable degradation of one of Oxfordshire's largest remaining valley peat deposits. Work on Hinksey Heights fen was mainly funded by the ***Building Oxfordshire's Freshwater Network*** Green Recovery Challenge Fund project (see below).

We completed further site visits to farmers with Environment Agency Water Environment Improvement Fund support and undertook practical works at several sites, including the ***creation of a new floodplain wetland mosaic pond complex at Manor Farm, Garford,*** also part of the ***Building Oxfordshire's Freshwater Network*** Green Recovery Challenge Fund project (see below). Working with local volunteers we laid the groundwork for the development of a ***Curlew Monitoring Programme*** which will start in 2023-24.

We launched with local farmers the ***Ock Catchment Farmers Group*** with support from the Thames Water Catchment Partnership Support Fund. Working with the group we made preparation for a bid to Defra in 2023-24 for Ock Catchment Farmer Cluster.

River Thame catchment

We continued joint catchment management activities with the River Thame Conservation Trust of which the most important has been work to create a new wetland complex at Manor Farm Chearsley, on the floodplain of the Thame (see Figure 1 above).

During the year we made a proposal to the Defra – Natural England Nature-based Solutions carbon fund for further work to develop the ***Oxfordshire-Buckinghamshire Freshwater Network***, which included site in the R. Thame catchment. This work was planned for 2023-24.

Irfon Catchment Resilient Freshwater Habitats

During 2022-23 we were finally able to make good progress on this project following serious delays in receiving our up-front payment from Welsh Government. First grant payments were finally made, roughly 2 years late, in March 2022. Progress on the ground improved the FHT Project Director and Project Officer were able to devote time to the project. We also took on local farmer to help with project practical implementation. Progress is now being made, moving forward with interventions on farms. Catchment modelling was commissioned from our long-term partners University of York, the citizen science survey of water quality and laboratory water quality sampling have now begun, and the Important Freshwater Areas study was drafted. We completed a large-scale baseline botanical survey of the catchments freshwater and wetland habitats in the summer of 2022, and hydrological monitoring equipment has been installed. Work continued in 2023-24 with a project extension awarded by the Welsh government until September 2023. During 2022-23 we were successful in obtain a new Wales Nature Network grant to continue work in the Irfon until 2025.

Other catchment projects

Three further catchment projects running in 2022-23 were:

- ***North Buckinghamshire Freshwater Resilience Project***. With funding linked to East West Rail (received via Buckinghamshire Council) this project aims to better understand the state of freshwaters across seven river catchments between Milton Keynes and Aylesbury. Initial work conducted during FY 2021/22 included: 1. Baseline wetland plant, amphibian and fish surveys at random stratified sample locations by habitat type. 2. A program of engagement with local landowners and stakeholders to scope potential for habitat improvements (biodiversity net gain) and Natural Flood Management (NFM) interventions to help with localised flood risk. 3. Baseline modelling to inform NFM interventions carried out by University of York. This work is proceeding on schedule and we have now completed Phase 2 FY 2022/23 work which saw FHT deliver c.£100k of habitat and NFM work across the project area and undertake re-surveys at sampling locations. Further work is planned for 2023-24.
- ***Leck Catchment Natural Flood Management project***. We continued work on the Leck catchment Natural Flood Management project, funded by Buckinghamshire Council. We expect this work to continue in 2023-24.
- ***Wootton Brook catchment Natural Flood Management and Freshwater Biodiversity project***. With funding from the Environment Agency we continued a catchment Natural Flood Management and biodiversity project on the Wootton Brook, which runs into Northampton and sometime causes flooding there. The catchment is of strategic biological importance as it include part of the Yardley Chase MOD range which is an important area for freshwater wildlife.

6. Building the Oxfordshire-Buckinghamshire Freshwater Network

In developing the Freshwater Network concept, major funding for work to begin operationalising this concept in Oxfordshire came in 2022-23 with the award of a Green Recovery Challenge Fund grant of £680,000 to develop a new network of freshwater ponds, floodplain and fen habitats, and to develop the GroWet endangered water plant programme. The initial grant, part

of a national Covid recovery programme, ran for only 15 months and was completed in March 2023. We made a number of major steps forward in the course of this project including creating the floodplain wetland mosaic shown above in Figure 1, creating a new floodplain wetland mosaic at one of our longest established partnership project sites at the National Trust Coleshill and Buscot Estate and continuing fen management at various sites near Oxford.

The work is continuing in 2023-24 as part of the Natural England-funded Nature-based Solutions for climate change project. This project continues the work of the Green Recovery Challenge Fund project 'Building Oxfordshire Freshwater Network and expands this work to Buckinghamshire. It allows another years work on GroWet which has provided a great way to engage people directly and meaningfully with endangered water plant conservation.



Fig 2. In 2022-23 we completed the first stages of Building the Oxfordshire Freshwater Network, funded by the Government's Green Recovery Challenge Fund. The picture shows the creation of new floodplain wetland mosaic habitat at the National Trust Buscot and Coleshill Estate on the Oxfordshire-Wiltshire border. On this site we are addressing one of our core aims which is to focus on the restoration of Historic Floodplains, a key component of the Freshwater Network. This is the floodplain of the R. Cole where we first started practically assessing the benefits of river restoration in the mid-1990s, creating the sinuous river channel shown in the picture as part of an EU LIFE funded demonstration project.

7. Saving Oxfords Wetland Wildlife

The overall aims of the Saving Oxford's Wetland Wildlife project are to: (1) increase people's awareness of Oxford's exceptional freshwater environment; which contributes to Oxford and it surrounds being recognised as a nationally significant Important Freshwater Area (2) maximising the benefits of the Oxford Flood Alleviation Scheme for freshwater biodiversity; and (3) engaging people in practical conservation of freshwater habitats and species. The project began in 2018 with funding from Thames Water and has been continued with a variety of funding sources, most recently from the Thames Water Hinksey Height fund, which is derived from an Enforcement Proceedings payment made by Thames Water following the pollution of the North Hinksey stream. Specifically the project aims to:

- ***Increase people's awareness of the importance of freshwater biodiversity in the Oxford area*:** The area centred on Oxford is a nationally critical region for freshwater biodiversity but most Oxford residents are unaware of this, although the city's meadows and river are much loved by residents and visitors. We have engaged with schools, community groups and individuals by involving them in eDNA and water quality testing and undertaking walks and talks to inform and raise public and local interest in the city's special freshwater wildlife.
- ***Create and manage freshwater habitats for protected species:*** We have been working to restore water levels in fens which have been drained, create new clean water ponds, and bring sites back into good condition through selective removal of scrub growth and management of wetland vegetation. This work is directly benefitting the protected species, and wetland habitats which are nationally threatened. We are providing detailed management plans for these sites to ensure sustainable management in the long term. During 2020 we undertook further work at Cutteslowe Meadows – which now supports introduced 'rescue' populations of four nationally endangered and threatened water plants: Fen Violet, Creeping Marshwort, Greater Water-parsnip and Tubular Water-dropwort.
- Survey and ex-situ conservation work for priority species, assessing water pollution and raising awareness of the importance of the Oxford area for these species: The project is helping to protect and increase populations of extremely rare and threatened water plants, including Biodiversity Action Plan aquatic plants. They are being cultivated by volunteers for introduction into new areas, enhancing the number and distribution of these vulnerable wetland plants and securing their future in Oxford.

Further work on the Saving Oxford's Wetland Wildlife project is being undertaken with the support of Thames Water's Hinksey Heights Fund, continuing into 2023-24.

8. Restoring Oxfordshire's SSSI Fens

This project aims to restore important alkaline fen habitats at four Oxfordshire SSSI fens which are currently in poor condition due to lack of management and water pollution and at other Local Wildlife site fens (eg Hinksey Heights, Chilswell Valley). Started in 2018, from 2021 onwards the project was incorporated into the Building Oxfordshire Freshwater Network project., and its subsequent implementation in the Building the Oxfordshire-Buckinghamshire Freshwater Network. Work to restore Oxfordshire fens essentially comprises four main activities, which continued during 2022-23:

- ***Volunteer work parties*:** With the help of monthly volunteer work parties, mainly at Hinksey Heights and Coleshill Fen, we have been managing dense, unwanted, growth of Common Reed, which threaten to dominate the restoration areas.
- ***Baseline surveys*:** We undertook repeat surveys of wetland plants to provide the basis for assessing the success of the restoration work.

- ***Practical management:*** Management work was undertaken at three sites including Spartum and Middle Barton Fens SSSI - predominately scrub removal and tree felling.
- ***Species translocation*:** translocation of endangered fen and wetland plants as part of the restoration effort under the auspices of the GroWet project.

9. Water Friendly Farming

Water Friendly Farming is a large research demonstration project which started in 2010 where we, and our partners, including the Environment Agency, Game & Wildlife Conservation Trust, University of York and University of Sheffield are running one of the largest and longest running trials of the effectiveness of measures to protect the water environment from rural land management. The project is currently funded until 2027. During 2022-23 we continued field work to assess the effectiveness of the range of nature-based measures that have been introduced to protect and enhance freshwater in the landscape, especially focusing on streams. We also started the new Pitsford Water Friendly Farming project in the catchment of Pitsford Reservoir north of Northampton jointly with the Environment Agency and Anglian Water (see below). This project is replicating and extending the results of Water Friendly Farming over the next 5 years.

Water Friendly Farming is providing important evidence of the rapid benefits achieved from making clean water ponds, with very striking landscape wide gains in freshwater biodiversity – much more pronounced than is usually seen in catchment management projects. During 2022-23 we began work to produce the first papers on catchment modelling results, continued landscape wide assessment of the effects of land management measures of freshwater biodiversity, made more detailed investigations of the effectiveness of leaky dams and began wider dissemination of the projects results. Since December 2020, the site has also been a Demonstration Site for the EU Horizon 2020 funded PONDERFUL project.

10. Pitsford Water Friendly Farming

Pitsford Water Friendly Farming is a spin-off from the main Water Friendly Farming project with Anglian Water developing a second catchment research project based aiming to understand how we can enhance and protect the freshwater environment by using landscape wide mitigation measures. Baseline surveys of plants, inverts, water quality and flow were undertaken across the impact (Scaldwell) and control catchments (Walgrave) between 2020-22. We are currently developing and delivering a series of biodiversity and natural flood management measures across the impact catchment and preparing for the second half of the project in 2023-25.

11. Newt Conservation Partnership Great Crested Newt District Licensing scheme

The Newt Conservation Partnership (which started initially in 2017 as the South Midlands Newt Conservation Partnership) was established to create high quality aquatic and terrestrial habitat for Great Crested Newts as part of new approaches to the mitigation of development impacts on Great Crested Newt populations. In this project we work closely with the NatureSpace Partnership to implement so-called District Licensing for Great Crested Newts where development impacts on newts are mitigated by funding new aquatic and terrestrial habitat creation away from the development sites. The Newt Conservation Partnership is currently

operating in 10 counties across the south and Midlands (Bedfordshire, Northamptonshire, Buckinghamshire, Oxfordshire, Gloucestershire, Surrey, Berkshire, Hampshire, East Sussex and Staffordshire). FHT is a key partner in this scheme, working with NatureSpace and Amphibian and Reptile Conservation Trust, as well as many landowning and management organisation and individuals.

The project is now Freshwater Habitats Trust largest single funded programme.

The scheme is not only benefiting Great Crested Newts, but also other freshwater and pond-associated wildlife, including priority species for conservation like the Common Toad.

12. Saving Nidderdale's Priority Ponds

This project undertook a landscape-scale fresh water habitat survey, deliver training and events programme and raising awareness amongst the general public via a PR and citizen science campaign contributing to the long term protection of the AONBs priority ponds.

Surveys carried out by more than 60 Nidderdale AONB volunteers identified clean water in 84% of surveyed ponds, and increased our understanding of the distribution of protected amphibian species such as common toad and great crested newt. Records of protected species confirmed the presence of an additional 42 Priority Ponds, taking the total number for Nidderdale AONB to 80 Priority Ponds. However, the results from clean water testing indicate that Priority Ponds could constitute around 75% of all standing waterbodies in Nidderdale AONB, confirming its status one of the most Important Freshwater Landscapes in England & Wales.

Educational events catered for over 500 children from primary schools in Nidderdale AONB and across Yorkshire. Alongside other initiatives, these events helped to raise the profile of Freshwater Habitats Trust in the north of England. Press releases to an audience of an estimated 298k have supported key stages of the project, which raised the awareness of landowners and communities towards ponds and their wildlife.

The project is also kick starting a new partnership with the Freshwater Habitats Trust (FHT) and Nidderdale AONB. The funding allowed the appointment of a new member of FHT staff based in Nidderdale AONB's office.

We will continue to work with the Nidderdale AONB team, providing technical advice on the second phase of the project, which focusses on identifying strategic landowners where pond creation can take place in Wetland Opportunity Areas to create a connected landscape between Priority Ponds.

13. Testing the Waters: Brecks Fen Edge and Rivers Citizen Science project

Funded by a National Lottery Heritage Fund grant for the Brecks Fen Edge and Rivers project, Testing the Water is a modest (£55k) citizen science project being undertaken as part of the larger (£2 million), multi-partner programme.

During 2022-23 we undertook a variety of citizen science engagement work focussed on the use of nutrient pollution test kits to identify areas of clean water in the landscape and eDNA testing to evaluate the distribution of freshwater vertebrates (amphibians, fish, mammals, birds).

Close to 1,000 waterbodies have been tested by over 330 volunteers giving a landscape scale picture of the condition of this Important Freshwater Landscape for freshwater biodiversity, and paving the way for targetted conservation action across the partnership in the next round of the project.

14. Natural Environment Investment Readiness Fund (NEIRF)

NEIRF grant funding from Defra provided £88,374 for developing new funding mechanisms for habitat and species conservation which delivers outcomes of the Environment Act and 25 Year Environment Plan. The project, "Building a new investment model to use England's small waterbodies and wetlands to deliver 25YEP goals" runs until September 2023 and is a joint activity between NatureSpace, the Newt Conservation Partnership, Amphibian and Reptile Conservation Trust and Freshwater Habitats Trust.

15. PONDERFUL

Freshwater Habitats Trust is part of a consortium that is running the EU Horizon 2020 project 'PONDERFUL', led by the University of Vic (Spain). The project's overarching aim is to develop improved methods for maximising the use of ponds and pondscapes in climate change adaptation and mitigation, biodiversity conservation and the delivery of ecosystem services. PONDERFUL runs from December 2021 until November 2024.

During 2022-23 we undertook a wide variety of project promotion for the project (FHT leads the Workpackage 5 on 'Dissemination'), worked on various field data collection programmes, ran workshops on pond policy and contributed to the development of a manual of pond creation and management for Nature-based Solutions.

16. Doddington Rewilding

The Doddington Estate near Lincoln is beginning a rewilding programme and is working closely with Freshwater Habitats Trust and the River Restoration Centre to improve the estates water environment. The project builds on concepts developed during the Water Friendly Farming project and during 2022-23 we undertook baseline freshwater habitat surveys in preparation for the submission of a larger Heritage Lottery bid which was submitted in May 2023.

If the Lottery bid is successful, work will continue in 2023-25.

17. European Pond Conservation Network

Freshwater Habitats Trust helped found the European Pond Conservation Network in 2004 and has maintained a long connection with the network. During 2020 we helped plan the most recent European Pond Conservation Network conference which ran in May 2021. As part of the PONDERFUL project funding has been available to partner University College, London to continue supporting parts of the EPCN network. FHT is on the organising committee of EPCN and has worked closely with UCL to support EPCN activities.

Plans for 2023-24

During 2023-24 we plan to:

- Formally launch the Freshwater Network.
- Continue the major Europe-wide project PONDERFUL which is led by the University of Vic in Spain and involving a consortium of European pond conservation specialists.
- Continue practical projects in the Freshwater Network, particularly in the catchments of the River Thames, the New Forest and the Yorkshire Lowlands. The Freshwater Network aims to protect and link up freshwater biodiversity hotspots across the country. During the year we also hope to get a major funder on board for this next phase of freshwater biodiversity protection and recovery.
- Continue project buildings a 'halo' of high quality freshwater habitats around the New Forest, extending the area which has freshwaters of the quality seen in the open Forest at the heart of the National Park.
- Continue developing a new national small waters monitoring network and research centre, building on the foundations provided by PondNet.
- Complete the 9th year of the Great Crested Newt national eDNA monitoring programme and secure funds to complete a decade of survey in 24/25.
- Continue catchment projects which deliver benefits for freshwater biodiversity in England and Wales (with a focus on the New Forest, Oxfordshire, Buckinghamshire, Northamptonshire and the South Midlands, R. Irfon in mid-Wales).
- Continue the Water Friendly Farming project which is now in its 13th year; publish results of catchment studies that update the paper of Williams et al 2020, a major milestone in our work.
- Continue to create new terrestrial and pond habitat for Great Crested Newts in the South Midlands and extend to new counties in the South and the Midlands.
- Continue to promote and practically undertake new pond creation programmes, including planning a new phase of the Million Ponds Project.
- Publish, promote and make people aware of our work; now scheduled for publication in 2023, the long-awaited New Naturalist book 'Ponds, Pools and Puddles' (written by two of the Trusts senior staff) will help to make more people aware of the value of small waterbodies for freshwater biodiversity.
- Undertake an annual review of the 2021-2035 strategy that guides the first eight years of the work of Freshwater Habitats Trust.
- Continue to support the work of Newt Conservation Partnership with seconded staff.
- Upgrade management systems to reflect the needs of the growing organisation.

Reference Details

Board of Trustees:
Professor Lorraine Maltby - Chair of Trustees (Retired 25 July 2023)
Sonia Shah - Treasurer
Keith Lawry – Chair of Trustees (Appointed 25 July 2023).
Dr Edward Sykes
Dr Mike Jeffries
Debbie Tann (Resigned Feb 2023)

Company Secretary:
Yingli Wei (Appointed 26/10/2021; Resigned 16th June 2023)
Ruth Redding will be appointed Company Secretary on successful completion of 3 month probation review 18th September 2023

Senior Management Team:
Professor Jeremy Biggs (CEO)
Pete Case (Senior Project Officer)
Dr Naomi Ewald (Director of Research and Development)
Dr Pascale Nicolet (Technical Director and CEO to NCP)

Registered Office:
Bury Knowle House,
North Place, Headington,
Oxford, OX3 9HY

Auditors:
Wenn Townsend
30 St Giles
Oxford
OX1 3LE

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

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

Structure, governance, and management

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

The Trust is administered by a Board of Trustees, currently consisting of eight members. The Senior Management Team (SMT) reports to the Trustee Board and manages staff and activities of the Trust under delegated authority from the Trustee Board. The financial management and fundraising strategy of the Trust are supervised by Trustees and SMT, reporting and making recommendations to the full board for implementation. The Trust currently provides an informal induction process for new Trustees. Prospective trustees are nominated for their professional experience and the match of their skills to the board's needs. They are approached by the Chair or an SMT member, the aims and activities of the Trust are explained to them, and they are provided with explanatory information and reports. They are invited to attend a board meeting to learn more of our work and procedures and when possible, to meet staff. On becoming a Trustee, they are provided with explanatory material on Trusteeship from the Charity Commission, and copies of the budget, recent accounts, and recent staff and board meeting minutes.

Public Benefit

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

Key Management Personnel Remuneration

All employees, including the Chief Executive and the key management personnel are covered by the same remuneration policy which is based on external benchmarking salary bands. The remuneration policy is approved by the board and subject to periodic review.

Fundraising Standards Information

The charity does not engage in significant fundraising activities from the general public, with the bulk of income being project development by staff. Public donations are raised on a voluntary basis on the website, and with the occasional collection box at events, and are not material to the accounts. As a result, the charity does not use any professional fund-raiser or commercial participator, and is not bound by any voluntary regulatory scheme regarding its fund-raising. Such activities are monitored as required by trustees and senior management, and there were no complaints raised in the period, nor are direct approaches to individuals made as part of this process.

Objects

- To advance public education in the conservation and ecology of ponds, wetlands, catchment systems and other water habitats.

- To promote for public benefit the conservation and creation of freshwater habitats and their wildlife, and their sustainable enjoyment by the public but not exclusively, through:

(a) Promotion and conduct of active creation and conservation of freshwater habitats and their catchments.

(b) Public education in the conservation and ecology of freshwater habitats and their catchments.

(c) Promotion and conduct of research and the dissemination of useful results.

(d) Advocacy to promote the conservation, creation, sustainable use and enhancement of freshwater habitats.

Mission statement

Our mission to: Reverse the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter cleaner and connected: the Freshwater Network.

Risk management

The Board of Trustees have assessed the major risks to which the charity is exposed, those relating to the operations, reputation, business, and finance of Freshwater Habitats Trust. The Senior Management Team (SMT) assess and update the likelihood and impact of material risks on a risk management matrix, which is reviewed by the Board on a quarterly basis at Trustee meetings. Any significant changes are reported to Trustees as they arise. Health and Safety Procedures are reviewed annually on a rotational basis, with Health and Safety reports as standing items on Board, SMT and staff meeting agendas. Specific risk assessments are carried out for all new activities and field working sites. Health and Safety is a primary element of the staff induction system, and training is provided whenever appropriate.

Data Protection

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

Financial review

The Statement of Financial Activities for the year ended 31 March 2023 is set out on page 28 of this report.

Income

Freshwater Habitats Trust's total income increased in 2022/23 to £2,847k (2021/22: £1,323k).

Voluntary income of £1,651k (2021/22: £330k) comprised new and continuing grants including Green Recovery Fund HLF, GRCF NF, The Oxfordshire-Buckinghamshire Freshwater Network, Ponderful, River Irfon projects.

Charitable activities income of £1,195k is higher than the prior year (2021/22: £993k). This included Environment Agency Water Friendly Farming project (£25k), Pitsford (£225K), Newt Conservation Partnership (£484k), various eDNA projects (£194K) and EWR – North Bucks FRP (£93K)

Expenditure

Total expenditure for 2022/23 is higher by 91% at £2,444k (2020/21: £1,282k) following the additional income. Staff costs including training and development is £1,036k, which is 42% of the total cost. Project cost is £1,273k, 52.1% of the total expenditure.

Reserves position

Closing reserves of £1,034k are 63.6% higher than 2021/22 (£632k). This was due to an increase in contractual projects and funds held over relating to ongoing projects.

Restricted reserves increased by 398% at £331k (2021/22: £66.5k).

Unrestricted reserves increased by 24.3% to £703k (2021/22: £565.4k).

Reserves policy

The Trustees have agreed to maintain sufficient unrestricted reserves to meet the requirements of Freshwater Habitats Trust's operations and meet any temporary shortfall in funds or cover unexpected expenditure. Trustees have agreed that this should be equivalent to at least 3 months' planned expenditure.

Total reserves of £1,034k (2021/22: £632k) are made up of;
- Restricted reserves, which increased by 398% to £331k (2021/22: £66.5k),
- Unrestricted reserved, which increased by 24.3% to £703k (2021/22: £565.4k).

The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need for unbudgeted expenditure.

The Trustees have previously agreed as a reserves policy that unrestricted reserves should not fall below a level of approximately three months of costs, initially set at c£300k. It is anticipated that this value will be formally reviewed upwards in 2023-24 to reflect the current operating scale of the charity.

As at the 31st March 2023, free reserves held were £689k, which whilst above this historically set numerical threshold, is deemed to be in line with the overall policy in place.

In the opinion of the Trustees, this level of reserves continues to be required to provide working capital having considered the following factors:

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding.

The Trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats in the foreseeable future.

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP 2019 (FRS102);
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal risks and uncertainties and summary of plans and strategies for managing the risks

The principal risks and uncertainties for the period in question are set out in the Risk Register, including financial, reputational, Health & Safety (including Covid-19) and our strategies for managing risks.

In so far as the trustees are aware:

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

Approval

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

Small Company Rules

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

Signed on behalf of the Trustees on 13th September 2023

Keith Lawrey

Independent Auditor's Report to the Members of Freshwater Habitats Trust

Opinion

We have audited the financial statements of Freshwater Habitats Trust ('the charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 financial statements section of our report. We are independent of the charitable company 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 charitable company'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of Freshwater Habitats Trust (continued)

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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
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.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company'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 charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Benjamin Hayes FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend
Chartered Accountants and Statutory Auditor
30 St Giles
Oxford
OX1 3LE

13th September 2023

Freshwater Habitats Trust

Statement of Financial Activities
(including income and expenditure account)
for the year ended 31st March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Grants and donations	2	14,823	1,635,726	1,650,549	330,032
Investments		1,275	-	1,275	51
Charitable activities	3	1,150,933	43,900	1,194,833	992,730
Total income		1,167,031	1,679,626	2,846,657	1,322,813
Expenditure on:					
Raising funds	4	1,173	80	1,253	4,357
Charitable activities	5	1,012,416	1,430,775	2,443,191	1,277,154
Total expenditure		1,013,589	1,430,855	2,444,444	1,281,511
Net income/(expenditure)		153,442	248,771	402,213	41,203
Transfers between funds	17	(15,806)	15,806	-	-
Net movement in funds		137,636	264,577	402,213	41,302
Fund balances at 1st April 2022		565,433	66,556	631,989	590,687
Fund balances at 31st March 2023		703,069	331,133	1,034,202	631,989

All income and expenditure derive from continuing activities.

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

The notes on pages 31 to 47 form part of these financial statements.

Freshwater Habitats Trust

Balance Sheet
as at 31st March 2023

	Note		2023		2022
		£	£	£	£
Fixed Asset					
Intangible assets	10	-		-	
Tangible assets	11	13,924		2,745	
			13,924		2,745
Current Assets					
Stock	12	9,623		7,277	
Debtors	13	772,059		470,483	
Cash at bank and in hand		706,954		979,683	
Total current assets			1,488,636		1,457,443
Creditors: amounts falling due within one year	14		(468,358)		(828,199)
Net current assets			1,020,278		629,244
Net assets			1,034,202		631,989
The funds of the charity	17				
Restricted funds			331,133		66,556
Unrestricted funds			703,069		565,433
Total charity funds			1,034,202		631,989

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. These statements were approved and authorised for issue by the Trustees on 13th September 2023 and signed on their behalf by:

.....
Keith Lawry
Trustee

Company number: 05317683

The notes on pages 31 to 47 form part of these financial statements

Freshwater Habitats Trust

Cash Flow Statement
for the year ended 31st March 2023

	2023 £	2022 £
Cash flow from operating activities:		
Net cash provided by operating activities (below)	(260,912)	283,780
Cash flows from investing activities:		
Payments to acquire tangible fixed assets	(13,092)	-
Interest income	1,275	51
Net cash used in investing activities	(11,816)	51
Change in cash and cash equivalents in reporting period	(272,729)	283,832
Cash and cash equivalents at the beginning of the reporting period	979,683	695,851
Cash and cash equivalents at the end of the reporting period	706,954	979,683
Reconciliation of net income to net cash flow from operating activities		
Net income (as per the statement of financial activities)	402,213	41,302
Investment income	(1,275)	(51)
Adjustment for:		
Depreciation and amortisation charges	1,913	(1,480)
Increase/decrease in stocks	(2,346)	(1,075)
Increase/decrease in debtors	(301,576)	(312,049)
Increase/decrease in creditors	(359,841)	557,133
Net cash provided by operating activities	(260,912)	283,780
Analysis of cash and cash equivalents and net debt		
Bank current accounts	182,756	146,760
Bank deposit accounts	524,198	832,923
	706,954	979,683

General Information
Freshwater Habitats Trust is a public benefit entity, a charity registered in England and Wales (registered charity number 05317683) and a company limited by guarantee (company number 1091708), registered in England.

The registered office and its principal place of business is Bury Knowle House, North Place, Headington, Oxford, OX3 9HY.

1. Accounting policies

(a) Accounting convention

Basis and preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland (FRS 102).

The charitable company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with 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 issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Trust to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements, and have considered the Trust's forecasts and projections. After making enquiries the trustees have concluded that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements and there are no material uncertainties at the date of signing.

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

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

(d) Income recognition
All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1. Accounting policies (continued)

(d) Incoming recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

The charity receives government grants in respect of project funding. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes and includes bank interest. It is included when the amount can be measured reliably and recognised using the effective interest method as the charity's right to receive payment is established.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities
- Other expenditure

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

(g) Intangible and tangible fixed assets and depreciation

Fixed assets are stated at cost (or deemed cost) less accumulated depreciation or amortisation and accumulated impairment losses. Depreciation and amortisation are provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

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

1. Accounting policies (continued)

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

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

(j) Financial instruments

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

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

(k) Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(l) Provisions
Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(m) Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(n) Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(o) Tax
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. There are no significant estimates or judgements that have a material effect on amounts recognised in the financial statements.

2. Grants and donations - 2023

	Unrestricted	Restricted	Total 2023
	£	£	£
Project Activities			
Bartley Water & Fletchwood WEIF (RR)	-	323	323
Brecks (RR)	-	6,618	6,618
CPAF New Forest Hosting (RR)	-	27,000	27,000
CPAF Ock Hosting (RR)	-	7,500	7,500
CPAF Thame Hosting (RR)	-	7,500	7,500
NF Blue Horizon (Halo) (RR)	-	29,122	29,122
NF Wilder for Water (Recreation) (RR)	-	30,593	30,593
Green Recovery Fund HLF Oxford (RR)	-	636,198	636,198
Nidderdale (RR)	-	45,197	45,197
Ock Arable (III) WEIF (RR)	-	20,000	20,000
Ponderful H2020 (RR)	-	192,259	192,259
River Irfon (RR)	-	235,280	235,280
Saving Oxford Wetland Wildlife (RR)	-	5,275	5,275
GRCF NF (RR)	-	192,754	192,754
Ock – Catchment Partnership Support Fund	-	22,000	22,000
Thame – Catchment Partnership Support Fund	-	22,000	22,000
The Oxfordshire-Buckinghamshire Freshwater Network	-	101,107	101,107
Pitsford	-	30,000	30,000
WFF 21-27	-	25,000	25,000
NEIRF	1,676	-	1,676
	1,676	1,635,726	1,637,402
Other			
Individual Donations	6,632	-	6,632
Support Scheme	6,515	-	6,515
	13,147	-	13,147
Total grants and donations	14,823	1,635,726	1,650,549

2. Grants and donations – 2022

	Unrestricted	Restricted	Total 2022
	£	£	£
Project Activities			
Bartley Water & Fletchwood WEIF (RR)	-	74,960	74,960
Brecks (RR)	-	32,362	32,362
CPAF New Forest Hosting (RR)	-	27,000	27,000
CPAF Ock Hosting (RR)	-	7,500	7,500
CPAF Thame Hosting (RR)	-	7,500	7,500
NF Blue Horizon (Halo) (RR)	-	3,729	3,729
NF Wilder for Water (Recreation) (RR)	-	10,452	10,452
Green Recovery Fund HLF Oxford (RR)	-	116,971	116,971
NF Catchments (RR)	-	3,889	3,889
Nidderdale (RR)	-	300	300
Ock Arable (III) WEIF (RR)	-	39,903	39,903
Ponderful H2020 (RR)	-	(95,000)	(95,000)
River Irfon (RR)	-	31,237	31,237
Saving Oxford Wetland Wildlife (RR)	-	41,430	41,430
Harcourt Hill, Oxfordshire Fens, TOE2 (RR)	-	4,384	4,384
Mid Thame Development Funding (RTCT) – Manor Farm	-	9,450	9,450
	-	316,068	316,068
Other			
Individual Donations	4,440	-	4,440
Support Scheme	8,913	-	8,913
Other	610	-	610
	13,964	316,068	330,032
Total grants and donations	13,964	316,068	330,032

3. Charitable activities

Year to 31st March 2023	Unrestricted	Restricted	Total 2023
	£	£	£
Project activities	1,146,706	43,900	1,190,606
Corporate membership and sponsorship	4,227	-	4,227
	1,150,933	43,900	1,194,833

Year to 31st March 2022	Unrestricted	Restricted	Total 2022
	£	£	£
Project activities	989,250	-	989,250
Corporate membership and sponsorship	3,480	-	3,480
	992,730	-	992,730

4. Raising funds

Year to 31st March 2023	Unrestricted	Restricted	Total 2023
	£	£	£
Support costs	1,173	80	1,253
	1,173	80	1,253

Year to 31st March 2022	Unrestricted	Restricted	Total 2022
	£	£	£
Support costs	4,357	-	4,357
	4,357	-	4,357

Notes to the Financial Statements (continued) for the year ended 31st March 2023

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

	2023 £	2022 £
Grants payable	42,827	3,750
Staff costs	810,131	543,901
Project activities	1,269,740	550,230
Support costs (see note 6)	320,493	179,273
	2,443,191	1,277,154

5b. Grants payable

	2023 £	2022 £
Project partners:		
Long Mead Foundation	24,350	-
River Thame Conservation Trust	18,477	3,750
	42,827	3,750

Long Mead Foundation – Project partner who undertook management and restoration of floodplain meadows that they own as part of the projects deliverable (Green Recovery Fund HLF Oxford).

River Thame Conservation Trust – Project partner who undertook floodplain wetland habitat creation as part of the project (Thame – Catchment Support Fund, CPAF Thame hosting and Green Recovery Fund HLF Oxford).

6. Support costs

Year to 31st March 2023	Unrestricted £	Restricted £	Total 2023 £
Staff costs	139,970	88,528	228,499
Office running costs	71,349	2,732	74,081
Governance costs	8,230	-	8,230
Other	9,683	-	9,683
	229,232	91,260	320,493

6. Support costs (continued)

Year to 31st March 2022	Unrestricted	Restricted	Total 2022
	£	£	£
Staff costs	82,420	25,871	108,291
Office running costs	54,761	113	54,874
Governance costs	7,458	-	7,458
Other	8,650	-	8,650
	153,289	25,984	179,273

7. Net incoming resources

	2023	2022
	£	£
Net incoming resources are stated after charging:		
Auditor's remuneration – statutory audit work	7,800	9,150
Depreciation on tangible assets	1,913	446

8. Trustees' remuneration and expenses

Two trustees received £271 reimbursement (2022: £Nil) in relation to travel expenses in the financial year and no trustees received any remuneration. Unrestricted donations from trustees were £Nil (2022: £Nil).

9. Employees' remuneration

Total aggregate payroll costs of employees were:

	2023 £	2022 £
Wages and salaries	884,902	565,720
Social security	81,940	44,337
Pension costs	44,954	29,797
	1,011,796	639,854

No employee received emoluments of more than £60,000 during the year (2022: none).

Average number of employees:

	2023	2022
Project activities	32	19
Support	4	3
	36	22

Key management personnel include the trustees and senior management. The total employee benefits, including pension costs, of the charity's key management personnel were £271,376 (2022: £231,352).

10. Intangible fixed assets

	Software	Total
Cost		
At 1st April 2022	8,677	8,677
Additions	-	-
At 31st March 2023	8,677	8,677
Amortisation		
At 1st April 2022	8,677	8,677
Annual charge	-	-
At 31st March 2023	8,677	8,677
At 31st March 2022	-	-
At 31st March 2023	-	-

11. Tangible fixed assets

	Leasehold costs	Computers	Total
Cost			
At 1st April 2022	1,600	18,195	19,795
Additions	-	13,092	13,092
At 31st March 2023	1,600	31,287	32,887
Depreciation			
At 1st April 2022	686	16,364	17,050
Charge for the year	228	1,685	1,913
At 31st March 2023	914	18,049	18,963
Net book value			
At 31st March 2022	914	1,831	2,745
At 31st March 2023	686	13,238	13,294

12. Stocks

	2023 £	2022 £
Books	1,162	1,240
Kits for use and resale	8,461	6,037
	9,623	7,277

13. Debtors

	2023	2022
	£	£
Project debtors	419,067	285,424
Prepayments and accrued income	350,700	184,628
Other debtors	2,292	431
	772,059	470,483

14. Creditors falling due within one year

	2023	2022
	£	£
Project creditors	133,097	119,368
Deferred income < one year	190,780	569,697
Accruals	63,469	34,811
Taxation and social security costs	79,722	103,073
Other creditors	1,290	1,250
	468,358	828,199

15. Deferred income

	2023	2022
	£	£
At 1st April	569,697	119,148
Additions during the year	90,780	569,697
Amounts released to income	(469,697)	(119,148)
At 31st March	190,780	569,697

Income has been deferred to meet the recognition criteria under SORP for long term contract/grant funding received.

16. Operating lease commitments

As of 31st March 2023, the charity had the following commitments under non-cancellable operating leases.

	Land and buildings	
	2023	2022
	£	£
Expire within one year	23,500	31,000
Expiry within two to five years	47,000	93,764
	70,500	124,764

The amount of non-cancellable operating lease payments recognised as an expense during the year was £27,930 (2022: £24,704).

17. Analysis of funds – current year

	At 1st April 2022	Incoming Resources	Resources Expended	Transfers	At 31st March 2023
	£	£	£	£	£
Restricted Funds					
Bartley Water & Fletchwood WEIF (RR)	242	323	323	-	242
Brecks (RR)	8,566	6,618	15,184	-	-
CPAF New Forest Hosting (RR)	12,271	27,000	25,979	-	13,292
CPAF Ock Hosting (RR)	(242)	7,500	7,803	-	(545)
CPAF Thame Hosting (RR)	1,138	7,500	7,802	-	836
GRCF NF (RR)	(23,034)	192,754	168,037	-	1,683
NF Blue Horizon (Halo) (RR)	(4,654)	29,714	24,891	-	169
NF Wilder for Water (Recreation) (RR)	(16,963)	31,496	12,921	-	1,612
Green Recovery Fund HLF Oxford (RR)	(321)	643,648	637,949	-	5,378
Harcourt Hill, Oxfordshire Fens, TOE2 (RR)	(2,748)	-	-	2,748	-
Med Leech (RR)	16,176	1,266	1,746	-	15,696
Mid Thame Development Funding (RTCT)					
- Manor Farm	9,261	-	507	-	8,754
MPP Pond Fund (RR)	28,013	-	-	-	28,013
NF Catchments (RR)	6,399	-	306	11,760	17,853
Nidderdale (RR)	(13,495)	45,197	26,030	-	5,672
Ock Arable (III) WEIF (RR)	9,414	20,000	21,789	-	7,625
Ock – Catchment Partnership Support Fund	-	22,000	9,342		12,658
Pitsford (RR)	-	30,000	30,000		-
Policy Officer (RR)	(3,698)	-	1,795	3,698	(1,795)
Ponderful H2020 (RR)	6,859	192,259	67,000	-	132,118
River Irfon (RR)	-	235,280	193,350	-	41,930
Saving Oxford Wetland Wildlife (RR)	33,720	38,964	37,427	(2,748)	32,509
Thame - Catchment Partnership Support Fund	-	22,000	14,776	-	7,224
The Oxfordshire-Buckinghamshire Freshwater Network	-	101,107	100,898	-	209
WEG Hatchett (RR)	(348)	-	-	348	-
WFF 21-27 (RR)	-	25,000	25,000	-	-
Total restricted funds	66,556	1,679,626	1,430,855	15,806	331,133

Restricted funds consist of grants which have been made to Freshwater Habitats Trust which have yet to be fully completed and span over the year end. Transfer between funds into and out of restricted funds is either with the permission of the grant giver, or from Core to cover overspend, or to ring-fence surplus made on contracts to act as match-funds for future projects.

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the restricted funds.

17. Analysis of funds – current year (continued)

	At 1st April 2022 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2023 £
Unrestricted Funds					
Citizen Scientists assessing Pond presence and Priority	-	46,666	23,193	-	23,473
Defining and mapping pond	-	5,828	2,369	-	3,459
Doddington	-	6,675	4,788	-	1,887
eDNA Network Rail (Southern)	-	109,768	54,805	-	54,963
NSP Berks/Bucks e DNA	4,613	-	-	-	4,613
NSP Hampshire e DNA	2,453	-	-	-	2,453
NSP Network Rail East	14,338	-	1,162	-	13,176
NSP South Midlands e DNA	12,065	-	40,355	-	(28,290)
NSP Mapping and modelling	-	-	69	-	(69)
EWR – North Bucks FRP (UU)	18,511	-	17,937	-	574
Grove, Childrey & Lower Ock (UU)	1,127	-	55,013	-	(53,886)
Leck Catchment NFM	4,986	32,902	20,361	-	17,527
Market Harborough NFM	-	2,500	1,643	-	857
Natural England eDNA project	-	-	474	-	(474)
NE Agri Ponds	2,021	-	1,222	-	799
NECA	11,760	-	-	(11,760)	-
NEIRF	-	3,377	5,801	-	(2,424)
Newt Conservation Monitoring	(17)	29,774	26,848	-	2,909
Newt Conservation Practical Projects	5,297	230,459	195,359	-	40,397
Newt Conservation Admin	16,298	223,919	214,607	-	25,610
North Bucks Freshwater Resilience Project Phase II (EWR)	-	93,259	83,910	-	9,349
Pitsford	33,308	194,964	160,327	-	67,945
Pondnet e DNA	4,015	84,638	87,467	-	1,186
Publications	4,044	2,346	2,112	-	4,278
Thames Water Hinksey	(1,218)	-	190	-	(1,408)
WFF 21-27 (UU)	38,932	74,988	83,658	-	30,262
Wootton Brook (EA Anglian)	22,409	19,857	6,150	-	36,116
Misc contracts	(6,680)	5,404	10,417	-	(11,693)
Total unrestricted funds	188,262	1,167,324	1,100,237	(11,760)	243,589
Core	377,171	(293)	(86,648)	(4,046)	459,480
Total unrestricted funds + core	565,433	1,167,031	1,013,589	(15,806)	703,069
Total	631,989	2,846,657	2,444,444	-	1,034,202

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the unrestricted funds.

17. Analysis of funds (continued) – prior year

	At 1st April 2021 £	Incoming Resources £	Resources Expended £	At 31st March 2022 £
Restricted Funds				
Bartley Water & Fletchwood WEIF (RR)	-	74,960	74,718	242
Brecks (RR)	-	32,362	23,796	8,566
CPAF New Forest Hosting (RR)	9,622	27,000	24,351	12,271
CPAF Ock Hosting (RR)	2,068	7,500	9,810	(242)
CPAF Thame Hosting (RR)	-	7,500	6,362	1,138
GRCF NF (RR)	-	-	23,034	(23,034)
NF Blue Horizon (Halo) (RR)	-	3,730	8,384	(4,654)
NF Wilder for Water (Recreation) (RR)	-	10,452	27,415	(16,963)
Green Recovery Fund HLF Oxford (RR)	-	116,971	117,292	(321)
Med Leech (RR)	20,923	-	4,747	16,176
MPP Pond Fund (RR)	28,031	-	18	28,013
NF Catchments (RR)	2,789	3,889	279	6,399
Nidderdale (RR)	-	300	13,795	(13,495)
Ock Arable (III) WEIF (RR)	-	39,903	30,489	9,414
Policy Officer (RR)	-	-	3,698	(3,698)
Ponderful H2020 (RR)	168,264	(95,000)	66,405	6,859
River Irfon (RR)	-	31,237	31,237	-
Saving Oxford Wetland Wildlife (RR)	331,414	41,430	39,124	33,720
Harcourt Hill, Oxfordshire Fens, TOE2 (RR)	-	4,384	7,132	(2,748)
WEG Hatchett (RR)	-	-	354	(354)
Mid Thame Development Funding (RTCT)				
- Manor Farm	-	9,450	189	9,261
Total restricted funds	263,112	316,068	512,623	66,556

Restricted funds consist of grants which have been made to Freshwater Habitats Trust which have yet to be fully completed and span over the year end.

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the restricted funds.

17. Analysis of funds (continued) – prior year

	At 1st April 2021 £	Incoming Resources £	Resources Expended £	At 31st March 2022 £
Unrestricted Funds				
eDNA Network Rail (Southern)	-	609	609	-
EWR – North Bucks FRP (UU)	-	139,846	121,335	18,511
Grove, Childrey & Lower Ock (UU)	-	12,551	11,424	1,127
Leck Catchment NFM	-	12,852	17,105	(4,253)
Wootton Brook (EA Anglian)	-	53,025	30,616	22,409
NECA	2,849	11,725	2,814	11,760
NSP Berks/Bucks e DNA	-	21,469	16,856	4,613
NSP Hampshire e DNA	-	16,192	13,739	2,453
NSP Network Rail East	-	137,614	123,276	14,338
NSP South Midlands e DNA	-	53,434	41,369	12,065
Pondnet e DNA	4,015	21,886	21,886	4,015
Pitsford	-	130,475	97,167	33,308
NE Agri Ponds	-	40,056	38,035	2,021
WFF 21-25 (UU)	-	65,012	26,080	38,932
Newt Conservation Monitoring	-	20,017	20,034	(17)
Newt Conservation Practical Projects	-	135,863	130,566	5,297
Newt Conservation Admin	-	93,991	77,693	16,298
Publications	-	4,044	-	4,044
Thames Water Hinksey	-	-	1,218	(1,218)
Misc contracts	6,205	18,589	31,474	(6,680)
Total unrestricted funds	13,069	989,250	823,296	179,023
Core	314,507	17,495	(54,408)	386,410
Total unrestricted funds + core	327,576	1,006,745	768,888	565,433
Total	590,687	1,322,813	1,281,511	631,989

Please see the 'Our activities' section of the Trustees' Annual Report for descriptions and purposes of the unrestricted funds.

18. Analysis of net assets by funds

	Unrestricted £	Restricted £	Total £
Year to 31st March 2023			
Fixed assets	13,924	-	13,924
Current assets	997,762	490,874	1,488,636
Current liabilities	(308,617)	(159,741)	(468,358)
Net assets	703,069	331,133	1,034,202

	Unrestricted £	Restricted £	Total £
Year to 31st March 2022			
Fixed assets	2,745	-	2,745
Current assets	1,390,887	66,556	1,457,443
Current liabilities	(828,199)	-	(828,199)
Net assets	565,443	66,556	631,989

19. Related parties transactions

The CEO of the charity is one of the Directors of the Newt Conservation Partnership (NCP), a community benefit society, in an individual capacity. The CEO of NCP is one of the charity's technical directors and is seconded from the charity. The charity seconds staff to NCP and charges for staff time as well as a contribution towards overheads for this. As a result this entity is a related party and the charity is a sub-contractor of NCP. During the year, charges of £484,675 (2022: £250,870) were made by the charity to NCP. Debtors include an amount of £73,522 (2022: £26,435) payable by NCP to the charity.

There were no other related party transactions during the period (2022: none).

20. Comparative Statement of Financial Activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income from:			
Grants and donations	13,964	316,068	330,032
Investments	51	-	51
Charitable activities	992,730	-	992,730
Total income	1,006,745	316,068	1,322,813
Expenditure on:			
Raising funds	4,357	-	4,357
Charitable activities	764,531	512,623	1,277,154
Total expenditure	768,888	512,263	1,277,154
Net income/(expenditure)	237,857	(196,555)	1,281,511
Transfers between funds	-	-	-
Net movement in funds	237,857	(196,555)	41,302
Fund balances at 1st April 2021	327,576	263,111	590,687
Fund balances at 31st March 2022	565,433	66,556	631,989

FRESHWATER HABITATS TRUST

England & Wales - Charity number 1107708

Accounts

□□u□□□□□v□□p□□□□□

□□u□□□□□v□□p□□□□□

□□u□□□□□□v□□p□□□□□□

□□u□□□□□v□□p□□□□□

Our activities in 2021/22

People, Ponds, and Water project – Legacy work

From 2015-2018 the National Lottery Heritage Fund (NLHF) supported the **People, Ponds, and Water project** which allowed us to develop three strands of work which continue to play a central role in the organisation's activity.

The three main project aims of the People, Ponds and Water project were:

- Gathering evidence on status and trends in freshwater habitats and species
- Protecting the best freshwater habitats
- Championing freshwater biodiversity, particularly by encouraging people to assess the extent of water pollution, and conversely the occurrence of clean water, with a special focus on smaller waters which often go un-monitored.

To achieve these aims the People, Ponds and Water project had **three overlapping project elements**:

- PondNet
- Flagship Ponds
- Clean Water for Wildlife.
- Since 2018 our work on these three elements has continued to build on the legacy of the original NLHF-funded project.

PondNet – The aim of PondNet was to create a volunteer survey network to collect statistically robust data to identify trends in pond quality and pond species, including uncommon plants and animals. Survey methodologies were standardised and included environmental metrics; giving information to help explain the reasons for changes in biological quality, and ultimately help to guide the direction of freshwater policy and practice. As part of this project, over the last 5 years, working with Defra, Natural England and Amphibian and Reptile Conservation Trust; Freshwater Habitats Trust has established the world's first national, volunteer-based, eDNA monitoring programme for a protected species, the Great Crested Newt. 2021/22 saw the completion of a seventh year of survey, visiting the same ponds annually, to build a picture of status and change of this species in terms of 1 km square and pond occupancy. Whilst this is still a relatively short timescale, we can already begin to report with greater certainty on the status of Great Crested Newts in England; and consider the opportunities and constraints of this new citizen science approach for longer term monitoring of Great Crested Newts and other aquatic species and habitats. At the same time, we have continued to develop the design and funding mechanism for a national freshwater monitoring network building on the PondNet framework.

Flagship Ponds – This element of the People, Ponds and Water project saw the creation of a network of some of the most important, and highest quality, pond sites in England and Wales, known to support populations of species under threat. We helped local communities develop sustainable plans for these sites enabling them to undertake monitoring, management, and pond creation to help species recovery. 2021/22 has seen us to continue to support Flagship Ponds at various sites in the New Forest, on National Trust properties around England and Wales and in Oxfordshire. We began preparatory work to expand numbers of ponds at the Pinkhill Meadow Flagship site, continued work

in The Brecks including the Stow Bedon Flagship site and monitoring at the Strensall Common Flagship site in Yorkshire.

Clean Water for Wildlife – The aim of this element of the original People, Ponds and Water project was to create a citizen science survey to raise awareness of the true extent of nutrient pollution, and identify clean water habitats in England and Wales, with the aim of helping to protect biodiversity. Nutrient pollution is invisible, so often doesn't seem 'real' to people. Using quick kits made it possible for people to easily 'see' pollution for the first time and we have continued to apply this approach in a range of our projects. In 2021/22 we have continued to apply the Clean Water for Wildlife concept running the Testing the Water project as part of the Brecks and Fen Edge Landscape Project funded by the National Heritage Lottery Fund. We also applied this approach working with local citizens in Oxford as part of the Saving Oxford's Wetland Wildlife Project and on the R. Irfon in Wales. In many of our project we also use the Clean Water for Wildlife test kits to assess levels of nutrient pollution as part of preparatory work to develop new practical projects, such as the R. Ock Arable Farmers project.

People, Ponds, and Water-Species Project: Medicinal Leech - Work during the NLHF funded People, Ponds and Water project identified the need for a specific project focussed on Medicinal Leech. Because of their severe declines, Medicinal Leeches are a global conservation priority and listed under a raft of international legislation as needing protection. Preparation for this project began in 2019-20 and we successfully fundraised to provide the resources needed for this work. Work on this project is now in progress and includes: (1) data collation to document and understand the decline of England's Medicinal Leeches; (2) development of an eDNA monitoring tool to allow wide volunteer engagement through surveys at sites across England; (3) collaboration with zoos to secure three populations through 'Ark collections' to provide a living gene bank in case of wild extinctions; (4) raising the profile of medicinal leeches through displays at three zoos and six events that engage 5000 people in their conservation; and (5) convening a collaborative workshop to define and initiate a suite of long-term conservation actions, engaging 30 partners, land managers and key volunteers.

Working with the National Trust

Work with the National Trust was slowed by the Covid-19 crisis, so some work originally planned for 2021-22 was postponed. The National Trust's 10-year strategy includes several ambitious targets for the ways in which it manages its land and delivers a healthy, beautiful, natural environment, particularly for the water environment. To measure and track progress with this strategy a range of metrics and monitoring approaches are being developed – including the need to develop a monitoring strategy for the status of freshwaters across the National Trust estate.

Working with the Trust we have undertaken a range of activities to help protect freshwaters, focusing especially on small water bodies: ponds and small streams. This has included:

- ***Volunteer Clean Water surveys:*** In the previous financial year (2020-21) ten training sessions were completed with National Trust staff and volunteers at National Trust properties around the country with 50 attendees. In the course of this work each of the properties used as a training centre was supplied with 50 clean water sample kits for ponds, lakes, rivers, streams, and ditches within the property. Covid-19 slowed this work and, but Trust staff are now aware of the role of clean water testing and are using the approach on an *ad hoc* basis.

- ***Baseline surveys of National Trust freshwaters:*** In the previous financial year, 2020-21, the second year of the five-year planned programme of survey work was undertaken so that, by the end of the year, a total of 40 pond PSYM assessments and 40 river LEAFPACs surveys had been completed by Penny Williams and external expert Richard Lansdown. Results in Year 2 were in-line with the first year of survey with the main conclusions being that: (1) there are a small number of high quality sites on National Trust properties – notable during the year was the rediscovery of Starfruit at its only remaining native pond site (recovery achieved as part of our management work during the Flagship Ponds project); (2) the majority of freshwaters on National Trust properties are no better than the wider countryside, with degradation due to poor water quality and dominance by secondary scrub. An annual summary report is available on the Freshwater Habitats Trust website. Work originally planned for 2021-22 could not be undertaken because of Covid-19 and we are now discussing with National Trust the options for re-starting this programme.

Environmental DNA

We continued developing and testing the use of environmental DNA in several contexts during the year. New projects using eDNA were set up for Pitsford Water Friendly Farming, and were used in summer 2021, and in the PONDERFUL project where a standard set of eDNA samples have been taken from a network of ponds in 11 European states. We expect also to use eDNA sampling in the R. Irfon in Wales and with the Medicinal Leech. During the year we began developing plans for a national monitoring network, focussing on smaller waters, capitalising on the use of eDNA in combination with traditional monitoring methods.

Catchment Management work

We have continued a range of work as the hosts of three catchments in the Catchment-based Approach (CaBA) programme:

New Forest catchment (in partnership with the New Forest Park Authority)

River Ock catchment

River Thame catchment (in partnership with the River Thame Conservation Trust)

New Forest catchment

Work on the New Forest Catchment Partnership (enabled by WEIF CaBA funding) has been focussed on a range of engagement and practical projects including:

- ***Engagement:*** We continued work to encourage collaborative working to protect freshwaters in the New Forest having previously (in 2020-21) established with the Environment Agency catchment coordinator two sub-groups to improve the partnership approach when addressing New Forest water issues (1) an Agricultural sub-group and (2) a Protected sites sub-group. The annual New Forest Water Forum was held in March 2022 and the approximately twice-yearly Waternews – the newsletter of the New Forest Catchment Partnership – was produced.

- ***Practical management:*** In 2021-22 we started the **Woodlands and Wetlands** and **Blue Horizons** projects with support from the Government's Green Recovery Challenge Fund, facilitating opportunities to expand the outstanding habitats and species of the New Forest's freshwater landscape. Woodlands and Wetlands is one of several projects to put into practice Freshwater Habitats Trust's new approach to the protection of freshwater biodiversity - The Freshwater Network - which aims to create a national network of healthy, unpolluted, and interconnected freshwater landscapes made up of Important Freshwater Areas (IFAs), Historic floodplains, and Wetland Opportunity Areas. The approach focuses on the small freshwater and wetland habitats that make up most of the water environment, which are critical for maintaining landscapes rich in freshwater biodiversity and are the easiest to manage, create and restore successfully. Additionally in the New Forest in the **Wilder for Water** project we continued an element of our previously funded HLF project **Our Past, Our Future: Living Waters Project**. This project is addressing and managing the threat of deterioration of Water Framework Directive (WFD) waterbodies and protected areas caused by recreation and camping activities in the New Forest.

River Ock catchment

A range of activities were undertaken in the R. Ock catchment further laying the groundwork for a large-scale habitat restoration and management programme working with farmers and landowners.

The first stage of SSSI fen restoration work at the Barrow Farm Fen SSSI, in the Ock catchment, was completed along with work on the Hinksey Heights Fen, a Local Wildlife site on the edge of Oxford where long-term scrub and woodland development has led to considerable degradation of one of Oxfordshire's largest remaining valley peat deposits. This work was continued in 2021-22 as part of the Green Recovery Challenge Fund project 'Building Oxfordshire's Freshwater Network'.

We completed further site visits to farmers with support from the Environment Agency WEIF funding and began initial project designs for practical works the first of which we expect to undertake in 2022-23 following Covid-19 delays.

River Thame catchment

We continued joint catchment management activities with the River Thame Conservation Trust of which the most important work has been to create a new wetland complex on the Waddesdon Estate and complete the identification of the Important Freshwater Areas (IFAs) in the R. Thame catchment.

Waddesdon Estate: The Waddesdon Estate wetland comprises a fish refuge and a complex of ponds and pools covering about 1.5 ha. It is the first floodplain wetland habitat creation of that scale in the catchment and is being used as a demonstration site to develop further floodplain restoration projects. It was a two-phased project, led and coordinated by our partners the River Thame Conservation Trust, with Frehswater Habitats Trust providing technical expertise and leading the wetland design. Further joint work in the Thame catchment is now being undertaken as part of the Green Recovery Challenge Fund project 'Building Oxfordshire's Freshwater Network'.

Saving Oxfords Wetland Wildlife

The overall aims of the Saving Oxford's Wetland Wildlife project are: (1) increasing people's awareness of Oxford's exceptional freshwater environment; which contributes to Oxford, and it surrounds being

recognised as a nationally significant Important Freshwater Landscape, (2) maximising the benefits of the Oxford Flood Alleviation Scheme for freshwater biodiversity; and (3) engaging people in practical conservation of freshwater habitats and species.

Increasing people's awareness of the importance of freshwater biodiversity in the Oxford area: The area centred on Oxford is a nationally critical region for freshwater biodiversity, but most Oxford residents are unaware of this, although the city's meadows and river are much loved by residents and visitors. The Oxford Flood Alleviation Scheme site, on the west side of the city, has around 160,000 people living within 5 km so present a tremendous opportunity for introducing people to the water environment. In 2021-22 we engaged with schools, community groups and individuals by involving them in eDNA and water quality testing and undertaking walks and talks to inform and raise public and local interest in the city's special freshwater wildlife. We also completed detailed surveys of the Oxford Flood Alleviation Scheme area's wetland plant communities.

Creation and management of freshwater habitats for protected species: Work continued in 2021-22 working restoring water levels in fens which have been drained and bringing sites back into good condition through selective removal of scrub growth and management of wetland vegetation. This work is directly benefitting protected species and wetland habitats in the Oxford area which are nationally threatened. We are providing detailed management plans for these sites to ensure sustainable management in the long term. During 2021 we undertook survey work at Cutteslowe Meadows to evaluate the condition of floodplain ponds we created previously, and which now supports introduced 'rescue' populations of four nationally endangered and threatened water plants: Fen Violet, Creeping Marsh wort, Greater Water-parsnip, and Tubular Water-dropwort.

Restoring Oxfordshire's SSSI Fens

Started in 2020, we have continued work to restore Oxfordshire SSSI fens during 2021-22 with funding from the Government's Green Recovery Challenge Fund as part of the Building Oxfordshire's Freshwater Network project. This project aims to restore important alkaline fen habitats at four Oxfordshire SSSI fens which are currently in poor condition due to lack of management and water pollution. During 2021-22 the project undertook four main activities:

- ***Volunteer work parties***: With the help of monthly volunteer work parties, at Hinksey Heights, we managed stands of Common Reed, which threaten to dominate the restoration areas.
- ***Baseline surveys***: We undertook repeat surveys of water quality, invertebrates, and plants to provide the basis for assessing the success of the restoration work.
- ***Practical management:*** Management work was undertaken at three sites including Spartum and Middle Barton Fens SSSI - predominately scrub removal and tree felling.
- ***Species translocation***: Seeds of Parsley Water-dropwort and Marsh Lousewort were translocated to the first of four sites as part of the restoration effort.

Water Friendly Farming

Water Friendly Farming is a large research demonstration project where we, and our partners, including the Environment Agency, Game & Wildlife Conservation Trust, University of York, and

University of Sheffield are running one of the largest and longest running trials of the effectiveness of measures to protect the water environment from rural land management. During 2021-22 we began Stage 3 of the project, which runs to 2027, with financing from the Anglian North Regional Flood and Coastal Committee and the Environment Agency. We also started the new Pitsford Water Friendly Farming project in the catchment of Pitsford Reservoir north of Northampton jointly with the Environment Agency and Anglian Water. This project is replicating and extending the results of Water Friendly Farming over the next 5 years.

Water Friendly Farming is providing important evidence of the rapid benefits achieved from making clean water ponds, with very striking landscape wide gains in freshwater biodiversity – much more pronounced than is usually seen in catchment management projects. During 2021-22 we completed analysis of catchment flood management models and began work to produce the first papers on catchment modelling results, with the work being led by University of York. In December 2020, the site also became a Demonstration Site for the EU Horizon 2020 funded PONDERFUL project.

Newt Conservation Partnership

The Newt Conservation Partnership (formerly the South Midlands Newt Conservation Partnership) was established in 2018 to create high quality aquatic and terrestrial habitat for Great Crested Newts as part of the Natural England-led Great Crested Newt District Licensing scheme. In this project we work closely with the NatureSpace Partnership. The Newt Conservation Partnership is currently operating in 8 counties and has created or restored 196 ponds (of which 180 are newly created). The Trust is a key partner in this scheme, working with NatureSpace and Amphibian and Reptile Conservation Trust, as well as many landowning and management organization and individuals. Monitoring undertaken in 2020-21 recorded great crested newts in 36% of. A further full survey of the new ponds is planned for 2022-23.

European Pond Conservation Network

In May 2021 we participated in the European Pond Conservation Network conference as part of the PONDERFUL project which was hosted by University College London as part of the Hydroscape project. We also made presentation at the 2021 Symposium for European Freshwater Sciences which will be published in the scientific journal Hydrobiologia in 2023.

Our Plans for 2022/23

During 2022/23 we plan to:

- Formally launch the Freshwater Network concept and make partners and landowners widely aware of its aims.
- Continue the major Europe-wide project PONDERFUL project which is led by the University of Vic in Spain and involving a consortium of European pond conservation specialists.
- Continue developing the first practical projects in the Freshwater Network, focussing initially on the catchments of the River Thames, the Oxford – Cambridge Arc, the New Forest and the Yorkshire Lowlands. The Freshwater Network aims to protect and link up freshwater biodiversity hotspots across the country. During the year we also hope to get a major funder on board for this next phase of freshwater biodiversity protection and recovery.

- Develop a new project building a 'halo' of high-quality freshwater habitats around the New Forest, extending the area which has freshwaters of the quality seen in the open Forest at the heart of the National Park.
- Continue developing a new national small water monitoring network, building on the foundations provided by PondNet.
- Complete the 8th year of the Great Crested Newt national eDNA monitoring programme
- Continue catchment projects which deliver benefits for freshwater biodiversity in England and Wales (with a focus on the New Forest, Northamptonshire and the South and East Midlands and R. Irfon in mid-Wales).
- Continue to create new terrestrial and pond habitat for Great Crested Newts in the South Midlands and extend to new counties in the South and the Midlands.
- Continue to promote and practically undertake new pond creation programmes, including planning a new phase of the Million Ponds Project.
- Publish, promote, and make people aware of the long-awaited New Naturalist book 'Ponds, Pools and Puddles' (written by two of the Trusts senior staff), scheduled for publication by HarperCollins in 2022-23. This will help to make more people aware of the value of small waterbodies for freshwater biodiversity.
- Begin practical projects guided by our new 2020-35 strategy.

Reference Details

Board of Trustees:

Professor Lorraine Maltby	Chair of Trustees
Sonia Shah	Treasurer
Keith Lawry	
Dr Edward Sykes	
Dr Mike Jeffries	Appointed 27/07/2021
Debbie Tann	
Dr Mark Downs	Stepped down 01/08/2022

Company Secretary:

Yingli Wei	Appointed 26/10/2021
Natasha Challoner	Resigned 28/10/2021

□□u□□□□□v□□p□□□□□

Structure, governance, and management

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

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

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

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

Public Benefit

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

All employees, including the Chief Executive and the key management personnel are covered by the same remuneration policy which is based on external benchmarking salary bands. The remuneration policy is approved by the board and subject to periodic review.

Objects

- To advance public education in the conservation and ecology of ponds, wetlands, catchment systems and other water habitats.
- To promote for public benefit the conservation and creation of freshwater habitats and their wildlife, and their sustainable enjoyment by the public but not exclusively, through:

(a) Promotion and conduct of active creation and conservation of freshwater habitats and their catchments.

(b) Public education in the conservation and ecology of freshwater habitats and their catchments.

(c) Promotion and conduct of research and the dissemination of useful results.

(d) Advocacy to promote the conservation, creation, sustainable use and enhancement of freshwater habitats.

Mission statement

Our mission to: Reverse the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter cleaner and connected: the Freshwater Network.

Risk management

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

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

Data Protection

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

□□u□□□□□v□□p□□□□□

Reserves policy

The Charity's policy is to maintain general reserves to reflect the long-term nature of its work. As the temporary custodians of these reserves, trustees feel that it is essential that they leave The Freshwater Habitats Trust in a state where it can continue for as long as freshwater habitats need preserving, and there is no sign of this need diminishing.

Total reserves of £632k (2020/21: £591k) are made up of;

- Restricted reserves, which decreased by 74.7% to £66.5k (2020/21: £263k),
- Unrestricted reserved, which increased 72.6% to £565.4k (2020/21: £327k). This was due to an increase in contractual projects.

The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need for unbudgeted expenditure.

The Trustees have agreed that unrestricted reserves should not fall below £ 299k.

In the opinion of the Trustees, this level of reserves continues to be required to provide working capital having considered the following factors:

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding

The trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats ion the foreseeable future.

DocuSign Envelope ID: E5461B58-334A-42F9-82C2-54C136FFC0C1

Approval

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Small Company Rules

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

Signed on behalf of the Trustees on 5 December 2022

Lorraine Maltby

DocuSigned by:
Lorraine Maltby
E09440F4D3CE4EC...

□□u□□□□□v□□p□□□□□

material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation;
- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance;
- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
-

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 05/12/2022

Statement of Financial Activities for the year ended 31 March 2022

(Incorporating the summary Income and Expenditure account)

	Note	Unrestricted Funds	Restricted Funds	Total Funds ended 31 March 2022	Total Funds ended 31 March 2021
		£	£	£	£
Income from:					
Grants & Donations	2	13,964	316,068	330,032	579,985
Investment		51	-	51	256
Charitable Activities	3	992,730	-	992,730	578,935
Total Income		**1,006,745**	**316,068**	**1,322,813**	**1,159,176**
Expenditure on:					
Raising funds	4	4,357	-	4,357	41,271
Charitable activities	5	764,531	512,623	1,277,154	912,182
Total Expenditure		**768,888**	**512,623**	**1,281,511**	**953,453**
Net Movement in funds		**237,857**	**(196,555)**	**41,302**	**205,723**
Funds balances at 1st April 2021		327,576	263,111	590,687	384,964
Funds balances at 31st March 2022		**565,433**	**66,556**	**631,989**	**590,687**

The notes form part of these financial statements.

All income and expenditure derive from continuing activities.

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

DocuSign Envelope ID: E5461B58-334A-42F9-82C2-54C136FFC0C1

Balance Sheet as at 31 March 2022

	Note	31/03/2022 £	31/03/2022 £	31/03/2021 £	31/03/2021 £
Fixed Asset					
Intangible Assets	**11**	-		-	
Tangible Assets	**12**	2,745		1,264	
			2,745		**1,264**
Current Assets					
Stock	**13**	7,277		6,203	
Debtors	**14**	470,483		158,435	
Cash at bank and in hand		979,683		695,851	
Total current Assets		1,457,443		860,489	
Creditors					
Amounts falling due within one year	**15**	(828,199)		(271,066)	
Net current assets			**629,244**		**589,423**
Net assets			**631,989**		**590,687**
The funds of the charity	**16**				
Restricted Funds			66,556		263,112
Unrestricted Funds			565,433		327,575
Total charity Funds			**631,989**		**590,687**

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. These statements were approved and authorised for issue by the Trustees on 5 December 2022.

And signed on their behalf by Trustee:

Lorraine Maltby

DocuSigned by: Lorraine Maltby E09440F4D3CE4EC...

Company number 5317683

Cash Flow Statement

For the year ended 31st March 2022

	2022	2021
	£	£
Cash flow from operating activities:		
Net cash provided by operating activities	283,780	230,356
Cash flows from investing activities:		
Interest Income	51	256
Net cash used in investing activities	**51**	**256**
Change in cash and cash equivalents in reporting period	283,832	230,612
Cash and cash equivalents at the beginning of the reporting period	**695,851**	**465,239**
Cash and cash equivalents at the end of the reporting period	**979,683**	**695,851**

Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£	£
Net Income (as per the statement of financial activities)	41,302	205,723
Investment income	(51)	(256)
Adjustment for		
Depreciation and amortisation charges	(1,480)	2,159
Increase / decrease in stocks	(1,075)	(5,778)
Increase / decrease in debtors	(312,049)	(55,780)
Increase / decrease in creditors	557,133	84,288
Net Cash provided by operating activities	283,780	230,356

Analysis of cash and cash equivalents and net debt	**2022**	**2021**
cash in hand	£	£
opening balance	695,851	465,239
cash flows	283,832	230,612
closing balance	979,683	695,851

□□u□□□□□v□□p□□□□□

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

d. Incoming resources

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

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

e. Resources expended

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

f. Intangible and tangible fixed assets and depreciation

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

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

g. Stocks

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

h. Pension costs

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

i. Foreign currency

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

□□u□□□□□v□□p□□□□□

□□u□□□□□v□□p□□□□□

Year to 31 March 2021	Unrestricted	Restricted	Total 2021
	£	£	£
Project Activities			
Environment Agency	-	212,232	212,232
New Forest National Park Authority		12,927	12,927
Thames Water	-	66,601	66,601
Rural Payments Agency	-	1,719	1,719
Trust for Oxfordshire's Environment	-	6,230	6,230
Horizon 2020	-	183,800	183,800
HLF	-	13,093	13,093
Natural England	-	33,227	33,227
Other	11,339	1,501	12,840
	11,339	531,330	542,669
Other			
SHMRC –JRS	18,078	-	18,078
Supporter Scheme	10,717	-	10,717
Other	7,351	1,170	
	36,146	1,170	37,316
Total grants and donations:			
	47,485	**532,500**	**579,985**

3. Charitable activities

Year to 31 March 2022	Unrestricted £	Restricted £	Total 2022 £
Project Activities	989,250	-	989,250
Corporate membership & sponsorship	3,480	-	3,480
	992,730	**-**	**992,730**

Year to 31 March 2021	Unrestricted £	Restricted £	Total 2021 £
Project Activities	575,215	-	575,215
Corporate membership & sponsorship	3,720	-	3,720
	578,935	**-**	**578,935**

4. Raising funds

	Unrestricted 2022	Restricted 2022	Total 2022
Year to 31 March 2022	**£**	**£**	**£**
Support Costs	4,357	-	4,357
	4,357	**-**	**4,357**

	Unrestricted 2021	Restricted 2021	Total 2021
Year to 31 March 2021	**£**	**£**	**£**
Staff costs	38,476	-	38,476
Support costs	2,795	-	2,795
	41,271	**-**	**41,271**

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

Year to 31 March 2022	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2022
	£	£	£	£	£	£
	3,750	543,901	550,230	-	179,273	1,277,154
	3,750	**543,901**	**550,230**	**-**	**179,273**	**1,277,154**

Year to 31 March 2021	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2021
	£	£	£	£	£	£
	3,750	314,886	427,775	2,224	163,547	912,182

3,750	**314,886**	**427,775**	**2,224**	**163,547**	**912,182**

6. Support costs

Year to 31 March 2022	**Unrestricted 2022 £**	**Restricted 2022 £**	**Total 2022 £**
Staff costs	82,420	25,871	108,291
Office running costs	54,761	113	54,874
Governance costs	7,458	-	7,458
Other	8,650	-	8,650
	153,289	**25,984**	**179,273**

Year to 31 March 2021	**Unrestricted 2021 £**	**Restricted 2021 £**	**Total 2021 £**
Staff costs	81,723	26,652	108,375
Office running costs	34,636	11,296	45,932
Governance costs	153	50	203
Other	6,815	2,222	9,037
	123,327	**40,220**	**163,547**

7. Net incoming resources

Net incoming resources are stated after charging:

	2022	2021
	£	£
Auditor's remuneration	9,150	8,900
Independent examiner's remuneration	-	-
Depreciation on tangible assets	446	2,159
Amortisation of intangible assets	-	-

8. Trustees' remuneration and related parties

Trustees received no reimbursement (2021: £NIL) in relation to travel expenses in the financial year and no trustees received any remuneration.

Unrestricted donations from trustees were £NIL (2021: £120).

There were no other related parties that required disclosure for the year (2021- None).

□□u□□□□□v□□p□□□□□

10. Taxation

As a registered charity Freshwater Habitats Trust benefits from exemptions on income and gains falling within Sections 466-493 of the Corporation Tax Act 2010 to the extent they derived from charitable activities.

11. Intangible fixed assets

	Software £	Total £
Cost		
At 01/04/22	8,677	8,677
Additions	-	-
At 31/03/22	8,677	8,677
Amortisation		
At 01/04/22	8,677	8,677
Annual charge	-	-
At 31/03/22	8,677	8,677
At 31/03/22	-	-
At 31/03/21	-	-

12. Tangible fixed assets

	Leasehold costs £	Computers £	Total £
Cost			
At 01/04/21	1,600	16,268	17,868
Additions	-	1,928	1,928
Disposals	-	-	-
At 31/03/22	1,600	18,196	19,796
Depreciation			
At 01/04/21	458	16,146	16,604
Charge for the year	228	218	446
Release on disposal	-	-	-
At 31/03/22	686	16,364	17,050
Net book value			
At 31/03/22	914	1,831	2,745
At 31/03/21	1,142	122	1,264

13. Stocks

	2022	2021
	£	£
Books	1,240	670
Kits for use and resale	6,037	5,533
	7,277	6,203

14. Debtors

	2022	2021
	£	£
Project debtors	285,424	70,607
Prepayments and accrued income	10,305	86,091
Other debtors	174,754	1,737
	470,483	158,435

15. Creditors falling due within one year

	2022	2021
	£	£
Project creditors	119,368	83,687
Deferred income < one year	569,697	119,148
Accruals	34,811	34,965
Taxation and social security costs	103,073	32,016
Other creditors	1,250	1,250
	828,199	271,066

16. Analysis of funds	At 1-Apr-21 £	Incoming Resources £	Resources expended £	Balance of the Project 31.03.2022 £
Restricted Funds				
Bartley Water & Fletchwood WEIF (RR)	-	74,960	74,718	242
Brecks (RR)	-	32,362	23,796	8,566
CPAF New Forest hosting (RR)	9,622	27,000	24,351	12,271
CPAF Ock Hosting (RR)	2,068	7,500	9,810	(242)
CPAF Thame hosting (RR)	-	7,500	6,362	1,138
GRCF NF (RR)	-	-	23,034	(23,034)
NF Blue Horizon (Halo)(RR)	-	3,730	8,384	(4,654)
NF Wilder for Water (Recreaton) (RR)	-	10,452	27,415	(16,963)
Green Recovery Fund HLF Oxford (RR)	-	116,971	117,292	(321)
Med. Leech (RR)	20,923	-	4,747	16,176
MPP Pond Fund (RR)	28,031	-	18	28,013
NF catchments (RR)	2,789	3,889	279	6,399
Nidderdale (RR)	-	300	13,795	(13,495)
Ock Arable (III) WEIF (RR)	-	39,903	30,489	9,414
Policy Officer (RR)	-	-	3,698	(3,698)
Ponderful H2020 (RR)	168,264	(95,000)	66,405	6,859
River Irfon (RR)	-	31,237	31,237	-
Saving Oxford Wetland Wildlife (RR)	31,414	41,430	39,124	33,720
Harcourt Hill, Oxfordshire Fens, TOE2 (RR)	-	4,384	7,132	(2,748)
WEG Hatchett (RR)	-	-	354	(354)
Mid Thame Development Funding (RTCT) – Manor Farm	-	9,450	189	9,261
Total Restricted funds:	**263,112**	**316,068**	**512,623**	**66,556**

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

Analysis of funds (*continued)*

Unrestricted funds	At 01 Apr 2021	Incoming Resources	Expenditure	Balance of the Project 31.03.2022
	£	£	£	£
eDNA Network Rail (Southern)		609	609	-
EWR - North Bucks FRP(UU)		139,846	121,335	18,511
Grove, Childrey & Lower Ock (UU)		12,551	11,424	1,127
Leck Catchment NFM		12,852	17,105	(4,253)
Wooton Brook (EA Anglian)		53,025	30,616	22,409
NECA	2,849	11,725	2,814	11,760
NSP Berks/Bucks e DNA		21,469	16,856	4,613
NSP Hampshire e DNA		16,192	13,739	2,453
NSP Network Rail East		137,614	123,276	14,338
NSP South Midlands e DNA		53,434	41,369	12,065
Pondnet e DNA	4,015	21,886	21,886	4,015
Pitsford		130,475	97,167	33,308
NE Agri Ponds		40,056	38,035	2,021
WFF 21-25 (UU)		65,012	26,080	38,932
Newt Conservation Monitoring		20,017	20,034	(17)
Newt Conservation Practical Projects		135,863	130,566	5,297
Newt Conservation Admin		93,991	77,693	16,298
Publications		4,044	-	4,044
Thames Water Hinksey		-	1,218	(1,218)
Misc contracts	6,205	18,589	31,474	(6,680)
Total unrestricted funds:	**13,069**	**989,250**	**823,296**	**179,023**

Core - Thame Dev Fund		7,228	-	1,683	5,545
Core - Project Dev			-	11,514	(11,514)
Core - Comms & Website			-	11,932	(11,932)
Core- Freshwater Network Proj. Dev			-	338	(338)
Core		307,279	17,495	(79,875)	404,649
	Total Core:	**314,507**	**17,495**	**(54,408)**	**386,410**
Total unrestricted funds + Core		**327,576**	**1,006,745**	**768,888**	**565,433**
	Total:	**590,687**	**1,322,813**	**1,281,511**	**631,989**

17. Analysis of net assets by funds

	Unrestricted	Restricted	Total Funds
	£	£	£
Year to 31 March 2022			
Fixed assets	2,745	-	2,745
Current assets	1,390,887	66,556	1,457,443
Current liabilities	(828,199)	-	(828,199)
Net assets	565,443	66,556	631,989

	Unrestricted	Restricted	Total Funds
	£	£	£
Year to 31 March 2021			
Fixed assets	1,264	-	1,264
Current assets	597,377	263,112	860,489
Current liabilities	(271,066)	-	(271,066)
Net assets	327,575	263,112	590,687

18. Operating lease commitments

As of 31 March 2022, the charity had the following commitments under non-cancellable operating leases.

	Land and buildings 2022	Land and buildings 2021
	£	£
Expire within one year:	31,000	31,000
Expiry within two to five years:	93,764	849
	124,764	31,849

□□u□□□□□v□□p□□□□□

□□u□□□□□v□□p□□□□□

□□u□□□□□□v□□p□□□□□□

□□u□□□□□v□□p□□□□□

Our activities in 2021/22

People, Ponds, and Water project – Legacy work

From 2015-2018 the National Lottery Heritage Fund (NLHF) supported the **People, Ponds, and Water project** which allowed us to develop three strands of work which continue to play a central role in the organisation's activity.

The three main project aims of the People, Ponds and Water project were:

- Gathering evidence on status and trends in freshwater habitats and species
- Protecting the best freshwater habitats
- Championing freshwater biodiversity, particularly by encouraging people to assess the extent of water pollution, and conversely the occurrence of clean water, with a special focus on smaller waters which often go un-monitored.

To achieve these aims the People, Ponds and Water project had **three overlapping project elements**:

- PondNet
- Flagship Ponds
- Clean Water for Wildlife.
- Since 2018 our work on these three elements has continued to build on the legacy of the original NLHF-funded project.

PondNet – The aim of PondNet was to create a volunteer survey network to collect statistically robust data to identify trends in pond quality and pond species, including uncommon plants and animals. Survey methodologies were standardised and included environmental metrics; giving information to help explain the reasons for changes in biological quality, and ultimately help to guide the direction of freshwater policy and practice. As part of this project, over the last 5 years, working with Defra, Natural England and Amphibian and Reptile Conservation Trust; Freshwater Habitats Trust has established the world's first national, volunteer-based, eDNA monitoring programme for a protected species, the Great Crested Newt. 2021/22 saw the completion of a seventh year of survey, visiting the same ponds annually, to build a picture of status and change of this species in terms of 1 km square and pond occupancy. Whilst this is still a relatively short timescale, we can already begin to report with greater certainty on the status of Great Crested Newts in England; and consider the opportunities and constraints of this new citizen science approach for longer term monitoring of Great Crested Newts and other aquatic species and habitats. At the same time, we have continued to develop the design and funding mechanism for a national freshwater monitoring network building on the PondNet framework.

Flagship Ponds – This element of the People, Ponds and Water project saw the creation of a network of some of the most important, and highest quality, pond sites in England and Wales, known to support populations of species under threat. We helped local communities develop sustainable plans for these sites enabling them to undertake monitoring, management, and pond creation to help species recovery. 2021/22 has seen us to continue to support Flagship Ponds at various sites in the New Forest, on National Trust properties around England and Wales and in Oxfordshire. We began preparatory work to expand numbers of ponds at the Pinkhill Meadow Flagship site, continued work

in The Brecks including the Stow Bedon Flagship site and monitoring at the Strensall Common Flagship site in Yorkshire.

Clean Water for Wildlife – The aim of this element of the original People, Ponds and Water project was to create a citizen science survey to raise awareness of the true extent of nutrient pollution, and identify clean water habitats in England and Wales, with the aim of helping to protect biodiversity. Nutrient pollution is invisible, so often doesn't seem 'real' to people. Using quick kits made it possible for people to easily 'see' pollution for the first time and we have continued to apply this approach in a range of our projects. In 2021/22 we have continued to apply the Clean Water for Wildlife concept running the Testing the Water project as part of the Brecks and Fen Edge Landscape Project funded by the National Heritage Lottery Fund. We also applied this approach working with local citizens in Oxford as part of the Saving Oxford's Wetland Wildlife Project and on the R. Irfon in Wales. In many of our project we also use the Clean Water for Wildlife test kits to assess levels of nutrient pollution as part of preparatory work to develop new practical projects, such as the R. Ock Arable Farmers project.

People, Ponds, and Water-Species Project: Medicinal Leech - Work during the NLHF funded People, Ponds and Water project identified the need for a specific project focussed on Medicinal Leech. Because of their severe declines, Medicinal Leeches are a global conservation priority and listed under a raft of international legislation as needing protection. Preparation for this project began in 2019-20 and we successfully fundraised to provide the resources needed for this work. Work on this project is now in progress and includes: (1) data collation to document and understand the decline of England's Medicinal Leeches; (2) development of an eDNA monitoring tool to allow wide volunteer engagement through surveys at sites across England; (3) collaboration with zoos to secure three populations through 'Ark collections' to provide a living gene bank in case of wild extinctions; (4) raising the profile of medicinal leeches through displays at three zoos and six events that engage 5000 people in their conservation; and (5) convening a collaborative workshop to define and initiate a suite of long-term conservation actions, engaging 30 partners, land managers and key volunteers.

Working with the National Trust

Work with the National Trust was slowed by the Covid-19 crisis, so some work originally planned for 2021-22 was postponed. The National Trust's 10-year strategy includes several ambitious targets for the ways in which it manages its land and delivers a healthy, beautiful, natural environment, particularly for the water environment. To measure and track progress with this strategy a range of metrics and monitoring approaches are being developed – including the need to develop a monitoring strategy for the status of freshwaters across the National Trust estate.

Working with the Trust we have undertaken a range of activities to help protect freshwaters, focusing especially on small water bodies: ponds and small streams. This has included:

- ***Volunteer Clean Water surveys:*** In the previous financial year (2020-21) ten training sessions were completed with National Trust staff and volunteers at National Trust properties around the country with 50 attendees. In the course of this work each of the properties used as a training centre was supplied with 50 clean water sample kits for ponds, lakes, rivers, streams, and ditches within the property. Covid-19 slowed this work and, but Trust staff are now aware of the role of clean water testing and are using the approach on an *ad hoc* basis.

- ***Baseline surveys of National Trust freshwaters:*** In the previous financial year, 2020-21, the second year of the five-year planned programme of survey work was undertaken so that, by the end of the year, a total of 40 pond PSYM assessments and 40 river LEAFPACs surveys had been completed by Penny Williams and external expert Richard Lansdown. Results in Year 2 were in-line with the first year of survey with the main conclusions being that: (1) there are a small number of high quality sites on National Trust properties – notable during the year was the rediscovery of Starfruit at its only remaining native pond site (recovery achieved as part of our management work during the Flagship Ponds project); (2) the majority of freshwaters on National Trust properties are no better than the wider countryside, with degradation due to poor water quality and dominance by secondary scrub. An annual summary report is available on the Freshwater Habitats Trust website. Work originally planned for 2021-22 could not be undertaken because of Covid-19 and we are now discussing with National Trust the options for re-starting this programme.

Environmental DNA

We continued developing and testing the use of environmental DNA in several contexts during the year. New projects using eDNA were set up for Pitsford Water Friendly Farming, and were used in summer 2021, and in the PONDERFUL project where a standard set of eDNA samples have been taken from a network of ponds in 11 European states. We expect also to use eDNA sampling in the R. Irfon in Wales and with the Medicinal Leech. During the year we began developing plans for a national monitoring network, focussing on smaller waters, capitalising on the use of eDNA in combination with traditional monitoring methods.

Catchment Management work

We have continued a range of work as the hosts of three catchments in the Catchment-based Approach (CaBA) programme:

New Forest catchment (in partnership with the New Forest Park Authority)

River Ock catchment

River Thame catchment (in partnership with the River Thame Conservation Trust)

New Forest catchment

Work on the New Forest Catchment Partnership (enabled by WEIF CaBA funding) has been focussed on a range of engagement and practical projects including:

- ***Engagement:*** We continued work to encourage collaborative working to protect freshwaters in the New Forest having previously (in 2020-21) established with the Environment Agency catchment coordinator two sub-groups to improve the partnership approach when addressing New Forest water issues (1) an Agricultural sub-group and (2) a Protected sites sub-group. The annual New Forest Water Forum was held in March 2022 and the approximately twice-yearly Waternews – the newsletter of the New Forest Catchment Partnership – was produced.

- ***Practical management:*** In 2021-22 we started the **Woodlands and Wetlands** and **Blue Horizons** projects with support from the Government's Green Recovery Challenge Fund, facilitating opportunities to expand the outstanding habitats and species of the New Forest's freshwater landscape. Woodlands and Wetlands is one of several projects to put into practice Freshwater Habitats Trust's new approach to the protection of freshwater biodiversity - The Freshwater Network - which aims to create a national network of healthy, unpolluted, and interconnected freshwater landscapes made up of Important Freshwater Areas (IFAs), Historic floodplains, and Wetland Opportunity Areas. The approach focuses on the small freshwater and wetland habitats that make up most of the water environment, which are critical for maintaining landscapes rich in freshwater biodiversity and are the easiest to manage, create and restore successfully. Additionally in the New Forest in the **Wilder for Water** project we continued an element of our previously funded HLF project **Our Past, Our Future: Living Waters Project**. This project is addressing and managing the threat of deterioration of Water Framework Directive (WFD) waterbodies and protected areas caused by recreation and camping activities in the New Forest.

River Ock catchment

A range of activities were undertaken in the R. Ock catchment further laying the groundwork for a large-scale habitat restoration and management programme working with farmers and landowners.

The first stage of SSSI fen restoration work at the Barrow Farm Fen SSSI, in the Ock catchment, was completed along with work on the Hinksey Heights Fen, a Local Wildlife site on the edge of Oxford where long-term scrub and woodland development has led to considerable degradation of one of Oxfordshire's largest remaining valley peat deposits. This work was continued in 2021-22 as part of the Green Recovery Challenge Fund project 'Building Oxfordshire's Freshwater Network'.

We completed further site visits to farmers with support from the Environment Agency WEIF funding and began initial project designs for practical works the first of which we expect to undertake in 2022-23 following Covid-19 delays.

River Thame catchment

We continued joint catchment management activities with the River Thame Conservation Trust of which the most important work has been to create a new wetland complex on the Waddesdon Estate and complete the identification of the Important Freshwater Areas (IFAs) in the R. Thame catchment.

Waddesdon Estate: The Waddesdon Estate wetland comprises a fish refuge and a complex of ponds and pools covering about 1.5 ha. It is the first floodplain wetland habitat creation of that scale in the catchment and is being used as a demonstration site to develop further floodplain restoration projects. It was a two-phased project, led and coordinated by our partners the River Thame Conservation Trust, with Frehswater Habitats Trust providing technical expertise and leading the wetland design. Further joint work in the Thame catchment is now being undertaken as part of the Green Recovery Challenge Fund project 'Building Oxfordshire's Freshwater Network'.

Saving Oxfords Wetland Wildlife

The overall aims of the Saving Oxford's Wetland Wildlife project are: (1) increasing people's awareness of Oxford's exceptional freshwater environment; which contributes to Oxford, and it surrounds being

recognised as a nationally significant Important Freshwater Landscape, (2) maximising the benefits of the Oxford Flood Alleviation Scheme for freshwater biodiversity; and (3) engaging people in practical conservation of freshwater habitats and species.

Increasing people's awareness of the importance of freshwater biodiversity in the Oxford area: The area centred on Oxford is a nationally critical region for freshwater biodiversity, but most Oxford residents are unaware of this, although the city's meadows and river are much loved by residents and visitors. The Oxford Flood Alleviation Scheme site, on the west side of the city, has around 160,000 people living within 5 km so present a tremendous opportunity for introducing people to the water environment. In 2021-22 we engaged with schools, community groups and individuals by involving them in eDNA and water quality testing and undertaking walks and talks to inform and raise public and local interest in the city's special freshwater wildlife. We also completed detailed surveys of the Oxford Flood Alleviation Scheme area's wetland plant communities.

Creation and management of freshwater habitats for protected species: Work continued in 2021-22 working restoring water levels in fens which have been drained and bringing sites back into good condition through selective removal of scrub growth and management of wetland vegetation. This work is directly benefitting protected species and wetland habitats in the Oxford area which are nationally threatened. We are providing detailed management plans for these sites to ensure sustainable management in the long term. During 2021 we undertook survey work at Cutteslowe Meadows to evaluate the condition of floodplain ponds we created previously, and which now supports introduced 'rescue' populations of four nationally endangered and threatened water plants: Fen Violet, Creeping Marsh wort, Greater Water-parsnip, and Tubular Water-dropwort.

Restoring Oxfordshire's SSSI Fens

Started in 2020, we have continued work to restore Oxfordshire SSSI fens during 2021-22 with funding from the Government's Green Recovery Challenge Fund as part of the Building Oxfordshire's Freshwater Network project. This project aims to restore important alkaline fen habitats at four Oxfordshire SSSI fens which are currently in poor condition due to lack of management and water pollution. During 2021-22 the project undertook four main activities:

- ***Volunteer work parties***: With the help of monthly volunteer work parties, at Hinksey Heights, we managed stands of Common Reed, which threaten to dominate the restoration areas.
- ***Baseline surveys***: We undertook repeat surveys of water quality, invertebrates, and plants to provide the basis for assessing the success of the restoration work.
- ***Practical management:*** Management work was undertaken at three sites including Spartum and Middle Barton Fens SSSI - predominately scrub removal and tree felling.
- ***Species translocation***: Seeds of Parsley Water-dropwort and Marsh Lousewort were translocated to the first of four sites as part of the restoration effort.

Water Friendly Farming

Water Friendly Farming is a large research demonstration project where we, and our partners, including the Environment Agency, Game & Wildlife Conservation Trust, University of York, and

University of Sheffield are running one of the largest and longest running trials of the effectiveness of measures to protect the water environment from rural land management. During 2021-22 we began Stage 3 of the project, which runs to 2027, with financing from the Anglian North Regional Flood and Coastal Committee and the Environment Agency. We also started the new Pitsford Water Friendly Farming project in the catchment of Pitsford Reservoir north of Northampton jointly with the Environment Agency and Anglian Water. This project is replicating and extending the results of Water Friendly Farming over the next 5 years.

Water Friendly Farming is providing important evidence of the rapid benefits achieved from making clean water ponds, with very striking landscape wide gains in freshwater biodiversity – much more pronounced than is usually seen in catchment management projects. During 2021-22 we completed analysis of catchment flood management models and began work to produce the first papers on catchment modelling results, with the work being led by University of York. In December 2020, the site also became a Demonstration Site for the EU Horizon 2020 funded PONDERFUL project.

Newt Conservation Partnership

The Newt Conservation Partnership (formerly the South Midlands Newt Conservation Partnership) was established in 2018 to create high quality aquatic and terrestrial habitat for Great Crested Newts as part of the Natural England-led Great Crested Newt District Licensing scheme. In this project we work closely with the NatureSpace Partnership. The Newt Conservation Partnership is currently operating in 8 counties and has created or restored 196 ponds (of which 180 are newly created). The Trust is a key partner in this scheme, working with NatureSpace and Amphibian and Reptile Conservation Trust, as well as many landowning and management organization and individuals. Monitoring undertaken in 2020-21 recorded great crested newts in 36% of. A further full survey of the new ponds is planned for 2022-23.

European Pond Conservation Network

In May 2021 we participated in the European Pond Conservation Network conference as part of the PONDERFUL project which was hosted by University College London as part of the Hydroscape project. We also made presentation at the 2021 Symposium for European Freshwater Sciences which will be published in the scientific journal Hydrobiologia in 2023.

Our Plans for 2022/23

During 2022/23 we plan to:

- Formally launch the Freshwater Network concept and make partners and landowners widely aware of its aims.
- Continue the major Europe-wide project PONDERFUL project which is led by the University of Vic in Spain and involving a consortium of European pond conservation specialists.
- Continue developing the first practical projects in the Freshwater Network, focussing initially on the catchments of the River Thames, the Oxford – Cambridge Arc, the New Forest and the Yorkshire Lowlands. The Freshwater Network aims to protect and link up freshwater biodiversity hotspots across the country. During the year we also hope to get a major funder on board for this next phase of freshwater biodiversity protection and recovery.

- Develop a new project building a 'halo' of high-quality freshwater habitats around the New Forest, extending the area which has freshwaters of the quality seen in the open Forest at the heart of the National Park.
- Continue developing a new national small water monitoring network, building on the foundations provided by PondNet.
- Complete the 8th year of the Great Crested Newt national eDNA monitoring programme
- Continue catchment projects which deliver benefits for freshwater biodiversity in England and Wales (with a focus on the New Forest, Northamptonshire and the South and East Midlands and R. Irfon in mid-Wales).
- Continue to create new terrestrial and pond habitat for Great Crested Newts in the South Midlands and extend to new counties in the South and the Midlands.
- Continue to promote and practically undertake new pond creation programmes, including planning a new phase of the Million Ponds Project.
- Publish, promote, and make people aware of the long-awaited New Naturalist book 'Ponds, Pools and Puddles' (written by two of the Trusts senior staff), scheduled for publication by HarperCollins in 2022-23. This will help to make more people aware of the value of small waterbodies for freshwater biodiversity.
- Begin practical projects guided by our new 2020-35 strategy.

Reference Details

Board of Trustees:

Professor Lorraine Maltby	Chair of Trustees
Sonia Shah	Treasurer
Keith Lawry	
Dr Edward Sykes	
Dr Mike Jeffries	Appointed 27/07/2021
Debbie Tann	
Dr Mark Downs	Stepped down 01/08/2022

Company Secretary:

Yingli Wei	Appointed 26/10/2021
Natasha Challoner	Resigned 28/10/2021

□□u□□□□□v□□p□□□□□

Structure, governance, and management

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

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

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

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

Public Benefit

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

All employees, including the Chief Executive and the key management personnel are covered by the same remuneration policy which is based on external benchmarking salary bands. The remuneration policy is approved by the board and subject to periodic review.

Objects

- To advance public education in the conservation and ecology of ponds, wetlands, catchment systems and other water habitats.
- To promote for public benefit the conservation and creation of freshwater habitats and their wildlife, and their sustainable enjoyment by the public but not exclusively, through:

(a) Promotion and conduct of active creation and conservation of freshwater habitats and their catchments.

(b) Public education in the conservation and ecology of freshwater habitats and their catchments.

(c) Promotion and conduct of research and the dissemination of useful results.

(d) Advocacy to promote the conservation, creation, sustainable use and enhancement of freshwater habitats.

Mission statement

Our mission to: Reverse the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter cleaner and connected: the Freshwater Network.

Risk management

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

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

Data Protection

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

□□u□□□□□v□□p□□□□□

Reserves policy

The Charity's policy is to maintain general reserves to reflect the long-term nature of its work. As the temporary custodians of these reserves, trustees feel that it is essential that they leave The Freshwater Habitats Trust in a state where it can continue for as long as freshwater habitats need preserving, and there is no sign of this need diminishing.

Total reserves of £632k (2020/21: £591k) are made up of;

- Restricted reserves, which decreased by 74.7% to £66.5k (2020/21: £263k),
- Unrestricted reserved, which increased 72.6% to £565.4k (2020/21: £327k). This was due to an increase in contractual projects.

The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need for unbudgeted expenditure.

The Trustees have agreed that unrestricted reserves should not fall below £ 299k.

In the opinion of the Trustees, this level of reserves continues to be required to provide working capital having considered the following factors:

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding

The trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats ion the foreseeable future.

DocuSign Envelope ID: E5461B58-334A-42F9-82C2-54C136FFC0C1

Approval

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Small Company Rules

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

Signed on behalf of the Trustees on 5 December 2022

Lorraine Maltby

DocuSigned by:
Lorraine Maltby
E09440F4D3CE4EC...

□□u□□□□□v□□p□□□□□

material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation;
- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance;
- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
-

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 05/12/2022

Statement of Financial Activities for the year ended 31 March 2022

(Incorporating the summary Income and Expenditure account)

	Note	Unrestricted Funds	Restricted Funds	Total Funds ended 31 March 2022	Total Funds ended 31 March 2021
		£	£	£	£
Income from:					
Grants & Donations	2	13,964	316,068	330,032	579,985
Investment		51	-	51	256
Charitable Activities	3	992,730	-	992,730	578,935
Total Income		**1,006,745**	**316,068**	**1,322,813**	**1,159,176**
Expenditure on:					
Raising funds	4	4,357	-	4,357	41,271
Charitable activities	5	764,531	512,623	1,277,154	912,182
Total Expenditure		**768,888**	**512,623**	**1,281,511**	**953,453**
Net Movement in funds		**237,857**	**(196,555)**	**41,302**	**205,723**
Funds balances at 1st April 2021		327,576	263,111	590,687	384,964
Funds balances at 31st March 2022		**565,433**	**66,556**	**631,989**	**590,687**

The notes form part of these financial statements.

All income and expenditure derive from continuing activities.

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

DocuSign Envelope ID: E5461B58-334A-42F9-82C2-54C136FFC0C1

Balance Sheet as at 31 March 2022

	Note	31/03/2022 £	31/03/2022 £	31/03/2021 £	31/03/2021 £
Fixed Asset					
Intangible Assets	**11**	-		-	
Tangible Assets	**12**	2,745		1,264	
			2,745		**1,264**
Current Assets					
Stock	**13**	7,277		6,203	
Debtors	**14**	470,483		158,435	
Cash at bank and in hand		979,683		695,851	
Total current Assets		1,457,443		860,489	
Creditors					
Amounts falling due within one year	**15**	(828,199)		(271,066)	
Net current assets			**629,244**		**589,423**
Net assets			**631,989**		**590,687**
The funds of the charity	**16**				
Restricted Funds			66,556		263,112
Unrestricted Funds			565,433		327,575
Total charity Funds			**631,989**		**590,687**

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. These statements were approved and authorised for issue by the Trustees on 5 December 2022.

And signed on their behalf by Trustee:

Lorraine Maltby

DocuSigned by: Lorraine Maltby E09440F4D3CE4EC...

Company number 5317683

Cash Flow Statement

For the year ended 31st March 2022

	2022	2021
	£	£
Cash flow from operating activities:		
Net cash provided by operating activities	283,780	230,356
Cash flows from investing activities:		
Interest Income	51	256
Net cash used in investing activities	**51**	**256**
Change in cash and cash equivalents in reporting period	283,832	230,612
Cash and cash equivalents at the beginning of the reporting period	**695,851**	**465,239**
Cash and cash equivalents at the end of the reporting period	**979,683**	**695,851**

Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£	£
Net Income (as per the statement of financial activities)	41,302	205,723
Investment income	(51)	(256)
Adjustment for		
Depreciation and amortisation charges	(1,480)	2,159
Increase / decrease in stocks	(1,075)	(5,778)
Increase / decrease in debtors	(312,049)	(55,780)
Increase / decrease in creditors	557,133	84,288
Net Cash provided by operating activities	283,780	230,356

Analysis of cash and cash equivalents and net debt	**2022**	**2021**
cash in hand	£	£
opening balance	695,851	465,239
cash flows	283,832	230,612
closing balance	979,683	695,851

□□u□□□□□v□□p□□□□□

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

d. Incoming resources

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

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

e. Resources expended

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

f. Intangible and tangible fixed assets and depreciation

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

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

g. Stocks

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

h. Pension costs

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

i. Foreign currency

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

□□u□□□□□v□□p□□□□□

□□u□□□□□v□□p□□□□□

Year to 31 March 2021	Unrestricted	Restricted	Total 2021
	£	£	£
Project Activities			
Environment Agency	-	212,232	212,232
New Forest National Park Authority		12,927	12,927
Thames Water	-	66,601	66,601
Rural Payments Agency	-	1,719	1,719
Trust for Oxfordshire's Environment	-	6,230	6,230
Horizon 2020	-	183,800	183,800
HLF	-	13,093	13,093
Natural England	-	33,227	33,227
Other	11,339	1,501	12,840
	11,339	531,330	542,669
Other			
SHMRC –JRS	18,078	-	18,078
Supporter Scheme	10,717	-	10,717
Other	7,351	1,170	
	36,146	1,170	37,316
Total grants and donations:			
	47,485	**532,500**	**579,985**

3. Charitable activities

Year to 31 March 2022	Unrestricted £	Restricted £	Total 2022 £
Project Activities	989,250	-	989,250
Corporate membership & sponsorship	3,480	-	3,480
	992,730	**-**	**992,730**

Year to 31 March 2021	Unrestricted £	Restricted £	Total 2021 £
Project Activities	575,215	-	575,215
Corporate membership & sponsorship	3,720	-	3,720
	578,935	**-**	**578,935**

4. Raising funds

	Unrestricted 2022	Restricted 2022	Total 2022
Year to 31 March 2022	**£**	**£**	**£**
Support Costs	4,357	-	4,357
	4,357	**-**	**4,357**

	Unrestricted 2021	Restricted 2021	Total 2021
Year to 31 March 2021	**£**	**£**	**£**
Staff costs	38,476	-	38,476
Support costs	2,795	-	2,795
	41,271	**-**	**41,271**

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

Year to 31 March 2022	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2022
	£	£	£	£	£	£
	3,750	543,901	550,230	-	179,273	1,277,154
	3,750	**543,901**	**550,230**	**-**	**179,273**	**1,277,154**

Year to 31 March 2021	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2021
	£	£	£	£	£	£
	3,750	314,886	427,775	2,224	163,547	912,182

3,750	**314,886**	**427,775**	**2,224**	**163,547**	**912,182**

6. Support costs

Year to 31 March 2022	**Unrestricted 2022 £**	**Restricted 2022 £**	**Total 2022 £**
Staff costs	82,420	25,871	108,291
Office running costs	54,761	113	54,874
Governance costs	7,458	-	7,458
Other	8,650	-	8,650
	153,289	**25,984**	**179,273**

Year to 31 March 2021	**Unrestricted 2021 £**	**Restricted 2021 £**	**Total 2021 £**
Staff costs	81,723	26,652	108,375
Office running costs	34,636	11,296	45,932
Governance costs	153	50	203
Other	6,815	2,222	9,037
	123,327	**40,220**	**163,547**

7. Net incoming resources

Net incoming resources are stated after charging:

	2022	2021
	£	£
Auditor's remuneration	9,150	8,900
Independent examiner's remuneration	-	-
Depreciation on tangible assets	446	2,159
Amortisation of intangible assets	-	-

8. Trustees' remuneration and related parties

Trustees received no reimbursement (2021: £NIL) in relation to travel expenses in the financial year and no trustees received any remuneration.

Unrestricted donations from trustees were £NIL (2021: £120).

There were no other related parties that required disclosure for the year (2021- None).

□□u□□□□□v□□p□□□□□

10. Taxation

As a registered charity Freshwater Habitats Trust benefits from exemptions on income and gains falling within Sections 466-493 of the Corporation Tax Act 2010 to the extent they derived from charitable activities.

11. Intangible fixed assets

	Software £	Total £
Cost		
At 01/04/22	8,677	8,677
Additions	-	-
At 31/03/22	8,677	8,677
Amortisation		
At 01/04/22	8,677	8,677
Annual charge	-	-
At 31/03/22	8,677	8,677
At 31/03/22	-	-
At 31/03/21	-	-

12. Tangible fixed assets

	Leasehold costs £	Computers £	Total £
Cost			
At 01/04/21	1,600	16,268	17,868
Additions	-	1,928	1,928
Disposals	-	-	-
At 31/03/22	1,600	18,196	19,796
Depreciation			
At 01/04/21	458	16,146	16,604
Charge for the year	228	218	446
Release on disposal	-	-	-
At 31/03/22	686	16,364	17,050
Net book value			
At 31/03/22	914	1,831	2,745
At 31/03/21	1,142	122	1,264

13. Stocks

	2022	2021
	£	£
Books	1,240	670
Kits for use and resale	6,037	5,533
	7,277	6,203

14. Debtors

	2022	2021
	£	£
Project debtors	285,424	70,607
Prepayments and accrued income	10,305	86,091
Other debtors	174,754	1,737
	470,483	158,435

15. Creditors falling due within one year

	2022	2021
	£	£
Project creditors	119,368	83,687
Deferred income < one year	569,697	119,148
Accruals	34,811	34,965
Taxation and social security costs	103,073	32,016
Other creditors	1,250	1,250
	828,199	271,066

16. Analysis of funds	At 1-Apr-21 £	Incoming Resources £	Resources expended £	Balance of the Project 31.03.2022 £
Restricted Funds				
Bartley Water & Fletchwood WEIF (RR)	-	74,960	74,718	242
Brecks (RR)	-	32,362	23,796	8,566
CPAF New Forest hosting (RR)	9,622	27,000	24,351	12,271
CPAF Ock Hosting (RR)	2,068	7,500	9,810	(242)
CPAF Thame hosting (RR)	-	7,500	6,362	1,138
GRCF NF (RR)	-	-	23,034	(23,034)
NF Blue Horizon (Halo)(RR)	-	3,730	8,384	(4,654)
NF Wilder for Water (Recreaton) (RR)	-	10,452	27,415	(16,963)
Green Recovery Fund HLF Oxford (RR)	-	116,971	117,292	(321)
Med. Leech (RR)	20,923	-	4,747	16,176
MPP Pond Fund (RR)	28,031	-	18	28,013
NF catchments (RR)	2,789	3,889	279	6,399
Nidderdale (RR)	-	300	13,795	(13,495)
Ock Arable (III) WEIF (RR)	-	39,903	30,489	9,414
Policy Officer (RR)	-	-	3,698	(3,698)
Ponderful H2020 (RR)	168,264	(95,000)	66,405	6,859
River Irfon (RR)	-	31,237	31,237	-
Saving Oxford Wetland Wildlife (RR)	31,414	41,430	39,124	33,720
Harcourt Hill, Oxfordshire Fens, TOE2 (RR)	-	4,384	7,132	(2,748)
WEG Hatchett (RR)	-	-	354	(354)
Mid Thame Development Funding (RTCT) – Manor Farm	-	9,450	189	9,261
Total Restricted funds:	**263,112**	**316,068**	**512,623**	**66,556**

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

Analysis of funds (*continued)*

Unrestricted funds	At 01 Apr 2021	Incoming Resources	Expenditure	Balance of the Project 31.03.2022
	£	£	£	£
eDNA Network Rail (Southern)		609	609	-
EWR - North Bucks FRP(UU)		139,846	121,335	18,511
Grove, Childrey & Lower Ock (UU)		12,551	11,424	1,127
Leck Catchment NFM		12,852	17,105	(4,253)
Wooton Brook (EA Anglian)		53,025	30,616	22,409
NECA	2,849	11,725	2,814	11,760
NSP Berks/Bucks e DNA		21,469	16,856	4,613
NSP Hampshire e DNA		16,192	13,739	2,453
NSP Network Rail East		137,614	123,276	14,338
NSP South Midlands e DNA		53,434	41,369	12,065
Pondnet e DNA	4,015	21,886	21,886	4,015
Pitsford		130,475	97,167	33,308
NE Agri Ponds		40,056	38,035	2,021
WFF 21-25 (UU)		65,012	26,080	38,932
Newt Conservation Monitoring		20,017	20,034	(17)
Newt Conservation Practical Projects		135,863	130,566	5,297
Newt Conservation Admin		93,991	77,693	16,298
Publications		4,044	-	4,044
Thames Water Hinksey		-	1,218	(1,218)
Misc contracts	6,205	18,589	31,474	(6,680)
Total unrestricted funds:	**13,069**	**989,250**	**823,296**	**179,023**

Core - Thame Dev Fund		7,228	-	1,683	5,545
Core - Project Dev			-	11,514	(11,514)
Core - Comms & Website			-	11,932	(11,932)
Core- Freshwater Network Proj. Dev			-	338	(338)
Core		307,279	17,495	(79,875)	404,649
	Total Core:	**314,507**	**17,495**	**(54,408)**	**386,410**
Total unrestricted funds + Core		**327,576**	**1,006,745**	**768,888**	**565,433**
	Total:	**590,687**	**1,322,813**	**1,281,511**	**631,989**

17. Analysis of net assets by funds

	Unrestricted	Restricted	Total Funds
	£	£	£
Year to 31 March 2022			
Fixed assets	2,745	-	2,745
Current assets	1,390,887	66,556	1,457,443
Current liabilities	(828,199)	-	(828,199)
Net assets	565,443	66,556	631,989

	Unrestricted	Restricted	Total Funds
	£	£	£
Year to 31 March 2021			
Fixed assets	1,264	-	1,264
Current assets	597,377	263,112	860,489
Current liabilities	(271,066)	-	(271,066)
Net assets	327,575	263,112	590,687

18. Operating lease commitments

As of 31 March 2022, the charity had the following commitments under non-cancellable operating leases.

	Land and buildings 2022	Land and buildings 2021
	£	£
Expire within one year:	31,000	31,000
Expiry within two to five years:	93,764	849
	124,764	31,849

□□u□□□□□v□□p□□□□□

□□u□□□□□v□□p□□□□□

□□u□□□□□□v□□p□□□□□□

□□u□□□□□v□□p□□□□□

Our activities in 2021/22

People, Ponds, and Water project – Legacy work

From 2015-2018 the National Lottery Heritage Fund (NLHF) supported the **People, Ponds, and Water project** which allowed us to develop three strands of work which continue to play a central role in the organisation's activity.

The three main project aims of the People, Ponds and Water project were:

- Gathering evidence on status and trends in freshwater habitats and species
- Protecting the best freshwater habitats
- Championing freshwater biodiversity, particularly by encouraging people to assess the extent of water pollution, and conversely the occurrence of clean water, with a special focus on smaller waters which often go un-monitored.

To achieve these aims the People, Ponds and Water project had **three overlapping project elements**:

- PondNet
- Flagship Ponds
- Clean Water for Wildlife.
- Since 2018 our work on these three elements has continued to build on the legacy of the original NLHF-funded project.

PondNet – The aim of PondNet was to create a volunteer survey network to collect statistically robust data to identify trends in pond quality and pond species, including uncommon plants and animals. Survey methodologies were standardised and included environmental metrics; giving information to help explain the reasons for changes in biological quality, and ultimately help to guide the direction of freshwater policy and practice. As part of this project, over the last 5 years, working with Defra, Natural England and Amphibian and Reptile Conservation Trust; Freshwater Habitats Trust has established the world's first national, volunteer-based, eDNA monitoring programme for a protected species, the Great Crested Newt. 2021/22 saw the completion of a seventh year of survey, visiting the same ponds annually, to build a picture of status and change of this species in terms of 1 km square and pond occupancy. Whilst this is still a relatively short timescale, we can already begin to report with greater certainty on the status of Great Crested Newts in England; and consider the opportunities and constraints of this new citizen science approach for longer term monitoring of Great Crested Newts and other aquatic species and habitats. At the same time, we have continued to develop the design and funding mechanism for a national freshwater monitoring network building on the PondNet framework.

Flagship Ponds – This element of the People, Ponds and Water project saw the creation of a network of some of the most important, and highest quality, pond sites in England and Wales, known to support populations of species under threat. We helped local communities develop sustainable plans for these sites enabling them to undertake monitoring, management, and pond creation to help species recovery. 2021/22 has seen us to continue to support Flagship Ponds at various sites in the New Forest, on National Trust properties around England and Wales and in Oxfordshire. We began preparatory work to expand numbers of ponds at the Pinkhill Meadow Flagship site, continued work

in The Brecks including the Stow Bedon Flagship site and monitoring at the Strensall Common Flagship site in Yorkshire.

Clean Water for Wildlife – The aim of this element of the original People, Ponds and Water project was to create a citizen science survey to raise awareness of the true extent of nutrient pollution, and identify clean water habitats in England and Wales, with the aim of helping to protect biodiversity. Nutrient pollution is invisible, so often doesn't seem 'real' to people. Using quick kits made it possible for people to easily 'see' pollution for the first time and we have continued to apply this approach in a range of our projects. In 2021/22 we have continued to apply the Clean Water for Wildlife concept running the Testing the Water project as part of the Brecks and Fen Edge Landscape Project funded by the National Heritage Lottery Fund. We also applied this approach working with local citizens in Oxford as part of the Saving Oxford's Wetland Wildlife Project and on the R. Irfon in Wales. In many of our project we also use the Clean Water for Wildlife test kits to assess levels of nutrient pollution as part of preparatory work to develop new practical projects, such as the R. Ock Arable Farmers project.

People, Ponds, and Water-Species Project: Medicinal Leech - Work during the NLHF funded People, Ponds and Water project identified the need for a specific project focussed on Medicinal Leech. Because of their severe declines, Medicinal Leeches are a global conservation priority and listed under a raft of international legislation as needing protection. Preparation for this project began in 2019-20 and we successfully fundraised to provide the resources needed for this work. Work on this project is now in progress and includes: (1) data collation to document and understand the decline of England's Medicinal Leeches; (2) development of an eDNA monitoring tool to allow wide volunteer engagement through surveys at sites across England; (3) collaboration with zoos to secure three populations through 'Ark collections' to provide a living gene bank in case of wild extinctions; (4) raising the profile of medicinal leeches through displays at three zoos and six events that engage 5000 people in their conservation; and (5) convening a collaborative workshop to define and initiate a suite of long-term conservation actions, engaging 30 partners, land managers and key volunteers.

Working with the National Trust

Work with the National Trust was slowed by the Covid-19 crisis, so some work originally planned for 2021-22 was postponed. The National Trust's 10-year strategy includes several ambitious targets for the ways in which it manages its land and delivers a healthy, beautiful, natural environment, particularly for the water environment. To measure and track progress with this strategy a range of metrics and monitoring approaches are being developed – including the need to develop a monitoring strategy for the status of freshwaters across the National Trust estate.

Working with the Trust we have undertaken a range of activities to help protect freshwaters, focusing especially on small water bodies: ponds and small streams. This has included:

- ***Volunteer Clean Water surveys:*** In the previous financial year (2020-21) ten training sessions were completed with National Trust staff and volunteers at National Trust properties around the country with 50 attendees. In the course of this work each of the properties used as a training centre was supplied with 50 clean water sample kits for ponds, lakes, rivers, streams, and ditches within the property. Covid-19 slowed this work and, but Trust staff are now aware of the role of clean water testing and are using the approach on an *ad hoc* basis.

- ***Baseline surveys of National Trust freshwaters:*** In the previous financial year, 2020-21, the second year of the five-year planned programme of survey work was undertaken so that, by the end of the year, a total of 40 pond PSYM assessments and 40 river LEAFPACs surveys had been completed by Penny Williams and external expert Richard Lansdown. Results in Year 2 were in-line with the first year of survey with the main conclusions being that: (1) there are a small number of high quality sites on National Trust properties – notable during the year was the rediscovery of Starfruit at its only remaining native pond site (recovery achieved as part of our management work during the Flagship Ponds project); (2) the majority of freshwaters on National Trust properties are no better than the wider countryside, with degradation due to poor water quality and dominance by secondary scrub. An annual summary report is available on the Freshwater Habitats Trust website. Work originally planned for 2021-22 could not be undertaken because of Covid-19 and we are now discussing with National Trust the options for re-starting this programme.

Environmental DNA

We continued developing and testing the use of environmental DNA in several contexts during the year. New projects using eDNA were set up for Pitsford Water Friendly Farming, and were used in summer 2021, and in the PONDERFUL project where a standard set of eDNA samples have been taken from a network of ponds in 11 European states. We expect also to use eDNA sampling in the R. Irfon in Wales and with the Medicinal Leech. During the year we began developing plans for a national monitoring network, focussing on smaller waters, capitalising on the use of eDNA in combination with traditional monitoring methods.

Catchment Management work

We have continued a range of work as the hosts of three catchments in the Catchment-based Approach (CaBA) programme:

New Forest catchment (in partnership with the New Forest Park Authority)

River Ock catchment

River Thame catchment (in partnership with the River Thame Conservation Trust)

New Forest catchment

Work on the New Forest Catchment Partnership (enabled by WEIF CaBA funding) has been focussed on a range of engagement and practical projects including:

- ***Engagement:*** We continued work to encourage collaborative working to protect freshwaters in the New Forest having previously (in 2020-21) established with the Environment Agency catchment coordinator two sub-groups to improve the partnership approach when addressing New Forest water issues (1) an Agricultural sub-group and (2) a Protected sites sub-group. The annual New Forest Water Forum was held in March 2022 and the approximately twice-yearly Waternews – the newsletter of the New Forest Catchment Partnership – was produced.

- ***Practical management:*** In 2021-22 we started the **Woodlands and Wetlands** and **Blue Horizons** projects with support from the Government's Green Recovery Challenge Fund, facilitating opportunities to expand the outstanding habitats and species of the New Forest's freshwater landscape. Woodlands and Wetlands is one of several projects to put into practice Freshwater Habitats Trust's new approach to the protection of freshwater biodiversity - The Freshwater Network - which aims to create a national network of healthy, unpolluted, and interconnected freshwater landscapes made up of Important Freshwater Areas (IFAs), Historic floodplains, and Wetland Opportunity Areas. The approach focuses on the small freshwater and wetland habitats that make up most of the water environment, which are critical for maintaining landscapes rich in freshwater biodiversity and are the easiest to manage, create and restore successfully. Additionally in the New Forest in the **Wilder for Water** project we continued an element of our previously funded HLF project **Our Past, Our Future: Living Waters Project**. This project is addressing and managing the threat of deterioration of Water Framework Directive (WFD) waterbodies and protected areas caused by recreation and camping activities in the New Forest.

River Ock catchment

A range of activities were undertaken in the R. Ock catchment further laying the groundwork for a large-scale habitat restoration and management programme working with farmers and landowners.

The first stage of SSSI fen restoration work at the Barrow Farm Fen SSSI, in the Ock catchment, was completed along with work on the Hinksey Heights Fen, a Local Wildlife site on the edge of Oxford where long-term scrub and woodland development has led to considerable degradation of one of Oxfordshire's largest remaining valley peat deposits. This work was continued in 2021-22 as part of the Green Recovery Challenge Fund project 'Building Oxfordshire's Freshwater Network'.

We completed further site visits to farmers with support from the Environment Agency WEIF funding and began initial project designs for practical works the first of which we expect to undertake in 2022-23 following Covid-19 delays.

River Thame catchment

We continued joint catchment management activities with the River Thame Conservation Trust of which the most important work has been to create a new wetland complex on the Waddesdon Estate and complete the identification of the Important Freshwater Areas (IFAs) in the R. Thame catchment.

Waddesdon Estate: The Waddesdon Estate wetland comprises a fish refuge and a complex of ponds and pools covering about 1.5 ha. It is the first floodplain wetland habitat creation of that scale in the catchment and is being used as a demonstration site to develop further floodplain restoration projects. It was a two-phased project, led and coordinated by our partners the River Thame Conservation Trust, with Frehswater Habitats Trust providing technical expertise and leading the wetland design. Further joint work in the Thame catchment is now being undertaken as part of the Green Recovery Challenge Fund project 'Building Oxfordshire's Freshwater Network'.

Saving Oxfords Wetland Wildlife

The overall aims of the Saving Oxford's Wetland Wildlife project are: (1) increasing people's awareness of Oxford's exceptional freshwater environment; which contributes to Oxford, and it surrounds being

recognised as a nationally significant Important Freshwater Landscape, (2) maximising the benefits of the Oxford Flood Alleviation Scheme for freshwater biodiversity; and (3) engaging people in practical conservation of freshwater habitats and species.

Increasing people's awareness of the importance of freshwater biodiversity in the Oxford area: The area centred on Oxford is a nationally critical region for freshwater biodiversity, but most Oxford residents are unaware of this, although the city's meadows and river are much loved by residents and visitors. The Oxford Flood Alleviation Scheme site, on the west side of the city, has around 160,000 people living within 5 km so present a tremendous opportunity for introducing people to the water environment. In 2021-22 we engaged with schools, community groups and individuals by involving them in eDNA and water quality testing and undertaking walks and talks to inform and raise public and local interest in the city's special freshwater wildlife. We also completed detailed surveys of the Oxford Flood Alleviation Scheme area's wetland plant communities.

Creation and management of freshwater habitats for protected species: Work continued in 2021-22 working restoring water levels in fens which have been drained and bringing sites back into good condition through selective removal of scrub growth and management of wetland vegetation. This work is directly benefitting protected species and wetland habitats in the Oxford area which are nationally threatened. We are providing detailed management plans for these sites to ensure sustainable management in the long term. During 2021 we undertook survey work at Cutteslowe Meadows to evaluate the condition of floodplain ponds we created previously, and which now supports introduced 'rescue' populations of four nationally endangered and threatened water plants: Fen Violet, Creeping Marsh wort, Greater Water-parsnip, and Tubular Water-dropwort.

Restoring Oxfordshire's SSSI Fens

Started in 2020, we have continued work to restore Oxfordshire SSSI fens during 2021-22 with funding from the Government's Green Recovery Challenge Fund as part of the Building Oxfordshire's Freshwater Network project. This project aims to restore important alkaline fen habitats at four Oxfordshire SSSI fens which are currently in poor condition due to lack of management and water pollution. During 2021-22 the project undertook four main activities:

- ***Volunteer work parties***: With the help of monthly volunteer work parties, at Hinksey Heights, we managed stands of Common Reed, which threaten to dominate the restoration areas.
- ***Baseline surveys***: We undertook repeat surveys of water quality, invertebrates, and plants to provide the basis for assessing the success of the restoration work.
- ***Practical management:*** Management work was undertaken at three sites including Spartum and Middle Barton Fens SSSI - predominately scrub removal and tree felling.
- ***Species translocation***: Seeds of Parsley Water-dropwort and Marsh Lousewort were translocated to the first of four sites as part of the restoration effort.

Water Friendly Farming

Water Friendly Farming is a large research demonstration project where we, and our partners, including the Environment Agency, Game & Wildlife Conservation Trust, University of York, and

University of Sheffield are running one of the largest and longest running trials of the effectiveness of measures to protect the water environment from rural land management. During 2021-22 we began Stage 3 of the project, which runs to 2027, with financing from the Anglian North Regional Flood and Coastal Committee and the Environment Agency. We also started the new Pitsford Water Friendly Farming project in the catchment of Pitsford Reservoir north of Northampton jointly with the Environment Agency and Anglian Water. This project is replicating and extending the results of Water Friendly Farming over the next 5 years.

Water Friendly Farming is providing important evidence of the rapid benefits achieved from making clean water ponds, with very striking landscape wide gains in freshwater biodiversity – much more pronounced than is usually seen in catchment management projects. During 2021-22 we completed analysis of catchment flood management models and began work to produce the first papers on catchment modelling results, with the work being led by University of York. In December 2020, the site also became a Demonstration Site for the EU Horizon 2020 funded PONDERFUL project.

Newt Conservation Partnership

The Newt Conservation Partnership (formerly the South Midlands Newt Conservation Partnership) was established in 2018 to create high quality aquatic and terrestrial habitat for Great Crested Newts as part of the Natural England-led Great Crested Newt District Licensing scheme. In this project we work closely with the NatureSpace Partnership. The Newt Conservation Partnership is currently operating in 8 counties and has created or restored 196 ponds (of which 180 are newly created). The Trust is a key partner in this scheme, working with NatureSpace and Amphibian and Reptile Conservation Trust, as well as many landowning and management organization and individuals. Monitoring undertaken in 2020-21 recorded great crested newts in 36% of. A further full survey of the new ponds is planned for 2022-23.

European Pond Conservation Network

In May 2021 we participated in the European Pond Conservation Network conference as part of the PONDERFUL project which was hosted by University College London as part of the Hydroscape project. We also made presentation at the 2021 Symposium for European Freshwater Sciences which will be published in the scientific journal Hydrobiologia in 2023.

Our Plans for 2022/23

During 2022/23 we plan to:

- Formally launch the Freshwater Network concept and make partners and landowners widely aware of its aims.
- Continue the major Europe-wide project PONDERFUL project which is led by the University of Vic in Spain and involving a consortium of European pond conservation specialists.
- Continue developing the first practical projects in the Freshwater Network, focussing initially on the catchments of the River Thames, the Oxford – Cambridge Arc, the New Forest and the Yorkshire Lowlands. The Freshwater Network aims to protect and link up freshwater biodiversity hotspots across the country. During the year we also hope to get a major funder on board for this next phase of freshwater biodiversity protection and recovery.

- Develop a new project building a 'halo' of high-quality freshwater habitats around the New Forest, extending the area which has freshwaters of the quality seen in the open Forest at the heart of the National Park.
- Continue developing a new national small water monitoring network, building on the foundations provided by PondNet.
- Complete the 8th year of the Great Crested Newt national eDNA monitoring programme
- Continue catchment projects which deliver benefits for freshwater biodiversity in England and Wales (with a focus on the New Forest, Northamptonshire and the South and East Midlands and R. Irfon in mid-Wales).
- Continue to create new terrestrial and pond habitat for Great Crested Newts in the South Midlands and extend to new counties in the South and the Midlands.
- Continue to promote and practically undertake new pond creation programmes, including planning a new phase of the Million Ponds Project.
- Publish, promote, and make people aware of the long-awaited New Naturalist book 'Ponds, Pools and Puddles' (written by two of the Trusts senior staff), scheduled for publication by HarperCollins in 2022-23. This will help to make more people aware of the value of small waterbodies for freshwater biodiversity.
- Begin practical projects guided by our new 2020-35 strategy.

Reference Details

Board of Trustees:

Professor Lorraine Maltby	Chair of Trustees
Sonia Shah	Treasurer
Keith Lawry	
Dr Edward Sykes	
Dr Mike Jeffries	Appointed 27/07/2021
Debbie Tann	
Dr Mark Downs	Stepped down 01/08/2022

Company Secretary:

Yingli Wei	Appointed 26/10/2021
Natasha Challoner	Resigned 28/10/2021

□□u□□□□□v□□p□□□□□

Structure, governance, and management

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

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

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

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

Public Benefit

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

All employees, including the Chief Executive and the key management personnel are covered by the same remuneration policy which is based on external benchmarking salary bands. The remuneration policy is approved by the board and subject to periodic review.

Objects

- To advance public education in the conservation and ecology of ponds, wetlands, catchment systems and other water habitats.
- To promote for public benefit the conservation and creation of freshwater habitats and their wildlife, and their sustainable enjoyment by the public but not exclusively, through:

(a) Promotion and conduct of active creation and conservation of freshwater habitats and their catchments.

(b) Public education in the conservation and ecology of freshwater habitats and their catchments.

(c) Promotion and conduct of research and the dissemination of useful results.

(d) Advocacy to promote the conservation, creation, sustainable use and enhancement of freshwater habitats.

Mission statement

Our mission to: Reverse the long decline of life in freshwater by creating a national network of healthy, unpolluted, interconnected freshwater landscapes which are wilder, wetter cleaner and connected: the Freshwater Network.

Risk management

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

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

Data Protection

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

□□u□□□□□v□□p□□□□□

Reserves policy

The Charity's policy is to maintain general reserves to reflect the long-term nature of its work. As the temporary custodians of these reserves, trustees feel that it is essential that they leave The Freshwater Habitats Trust in a state where it can continue for as long as freshwater habitats need preserving, and there is no sign of this need diminishing.

Total reserves of £632k (2020/21: £591k) are made up of;

- Restricted reserves, which decreased by 74.7% to £66.5k (2020/21: £263k),
- Unrestricted reserved, which increased 72.6% to £565.4k (2020/21: £327k). This was due to an increase in contractual projects.

The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need for unbudgeted expenditure.

The Trustees have agreed that unrestricted reserves should not fall below £ 299k.

In the opinion of the Trustees, this level of reserves continues to be required to provide working capital having considered the following factors:

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding

The trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats ion the foreseeable future.

DocuSign Envelope ID: E5461B58-334A-42F9-82C2-54C136FFC0C1

Approval

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Small Company Rules

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

Signed on behalf of the Trustees on 5 December 2022

Lorraine Maltby

DocuSigned by:
Lorraine Maltby
E09440F4D3CE4EC...

□□u□□□□□v□□p□□□□□

material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation;
- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance;
- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
-

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 05/12/2022

Statement of Financial Activities for the year ended 31 March 2022

(Incorporating the summary Income and Expenditure account)

	Note	Unrestricted Funds	Restricted Funds	Total Funds ended 31 March 2022	Total Funds ended 31 March 2021
		£	£	£	£
Income from:					
Grants & Donations	2	13,964	316,068	330,032	579,985
Investment		51	-	51	256
Charitable Activities	3	992,730	-	992,730	578,935
Total Income		**1,006,745**	**316,068**	**1,322,813**	**1,159,176**
Expenditure on:					
Raising funds	4	4,357	-	4,357	41,271
Charitable activities	5	764,531	512,623	1,277,154	912,182
Total Expenditure		**768,888**	**512,623**	**1,281,511**	**953,453**
Net Movement in funds		**237,857**	**(196,555)**	**41,302**	**205,723**
Funds balances at 1st April 2021		327,576	263,111	590,687	384,964
Funds balances at 31st March 2022		**565,433**	**66,556**	**631,989**	**590,687**

The notes form part of these financial statements.

All income and expenditure derive from continuing activities.

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

DocuSign Envelope ID: E5461B58-334A-42F9-82C2-54C136FFC0C1

Balance Sheet as at 31 March 2022

	Note	31/03/2022 £	31/03/2022 £	31/03/2021 £	31/03/2021 £
Fixed Asset					
Intangible Assets	**11**	-		-	
Tangible Assets	**12**	2,745		1,264	
			2,745		**1,264**
Current Assets					
Stock	**13**	7,277		6,203	
Debtors	**14**	470,483		158,435	
Cash at bank and in hand		979,683		695,851	
Total current Assets		1,457,443		860,489	
Creditors					
Amounts falling due within one year	**15**	(828,199)		(271,066)	
Net current assets			**629,244**		**589,423**
Net assets			**631,989**		**590,687**
The funds of the charity	**16**				
Restricted Funds			66,556		263,112
Unrestricted Funds			565,433		327,575
Total charity Funds			**631,989**		**590,687**

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. These statements were approved and authorised for issue by the Trustees on 5 December 2022.

And signed on their behalf by Trustee:

Lorraine Maltby

DocuSigned by: Lorraine Maltby E09440F4D3CE4EC...

Company number 5317683

Cash Flow Statement

For the year ended 31st March 2022

	2022	2021
	£	£
Cash flow from operating activities:		
Net cash provided by operating activities	283,780	230,356
Cash flows from investing activities:		
Interest Income	51	256
Net cash used in investing activities	**51**	**256**
Change in cash and cash equivalents in reporting period	283,832	230,612
Cash and cash equivalents at the beginning of the reporting period	**695,851**	**465,239**
Cash and cash equivalents at the end of the reporting period	**979,683**	**695,851**

Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£	£
Net Income (as per the statement of financial activities)	41,302	205,723
Investment income	(51)	(256)
Adjustment for		
Depreciation and amortisation charges	(1,480)	2,159
Increase / decrease in stocks	(1,075)	(5,778)
Increase / decrease in debtors	(312,049)	(55,780)
Increase / decrease in creditors	557,133	84,288
Net Cash provided by operating activities	283,780	230,356

Analysis of cash and cash equivalents and net debt	**2022**	**2021**
cash in hand	£	£
opening balance	695,851	465,239
cash flows	283,832	230,612
closing balance	979,683	695,851

□□u□□□□□v□□p□□□□□

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

d. Incoming resources

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

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

e. Resources expended

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

f. Intangible and tangible fixed assets and depreciation

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

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

g. Stocks

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

h. Pension costs

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

i. Foreign currency

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

□□u□□□□□v□□p□□□□□

□□u□□□□□v□□p□□□□□

Year to 31 March 2021	Unrestricted	Restricted	Total 2021
	£	£	£
Project Activities			
Environment Agency	-	212,232	212,232
New Forest National Park Authority		12,927	12,927
Thames Water	-	66,601	66,601
Rural Payments Agency	-	1,719	1,719
Trust for Oxfordshire's Environment	-	6,230	6,230
Horizon 2020	-	183,800	183,800
HLF	-	13,093	13,093
Natural England	-	33,227	33,227
Other	11,339	1,501	12,840
	11,339	531,330	542,669
Other			
SHMRC –JRS	18,078	-	18,078
Supporter Scheme	10,717	-	10,717
Other	7,351	1,170	
	36,146	1,170	37,316
Total grants and donations:			
	47,485	**532,500**	**579,985**

3. Charitable activities

Year to 31 March 2022	Unrestricted £	Restricted £	Total 2022 £
Project Activities	989,250	-	989,250
Corporate membership & sponsorship	3,480	-	3,480
	992,730	**-**	**992,730**

Year to 31 March 2021	Unrestricted £	Restricted £	Total 2021 £
Project Activities	575,215	-	575,215
Corporate membership & sponsorship	3,720	-	3,720
	578,935	**-**	**578,935**

4. Raising funds

	Unrestricted 2022	Restricted 2022	Total 2022
Year to 31 March 2022	**£**	**£**	**£**
Support Costs	4,357	-	4,357
	4,357	**-**	**4,357**

	Unrestricted 2021	Restricted 2021	Total 2021
Year to 31 March 2021	**£**	**£**	**£**
Staff costs	38,476	-	38,476
Support costs	2,795	-	2,795
	41,271	**-**	**41,271**

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

Year to 31 March 2022	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2022
	£	£	£	£	£	£
	3,750	543,901	550,230	-	179,273	1,277,154
	3,750	**543,901**	**550,230**	**-**	**179,273**	**1,277,154**

Year to 31 March 2021	Grants payable	Staff costs	Project activities	Other costs	Support costs	Total 2021
	£	£	£	£	£	£
	3,750	314,886	427,775	2,224	163,547	912,182

3,750	**314,886**	**427,775**	**2,224**	**163,547**	**912,182**

6. Support costs

Year to 31 March 2022	**Unrestricted 2022 £**	**Restricted 2022 £**	**Total 2022 £**
Staff costs	82,420	25,871	108,291
Office running costs	54,761	113	54,874
Governance costs	7,458	-	7,458
Other	8,650	-	8,650
	153,289	**25,984**	**179,273**

Year to 31 March 2021	**Unrestricted 2021 £**	**Restricted 2021 £**	**Total 2021 £**
Staff costs	81,723	26,652	108,375
Office running costs	34,636	11,296	45,932
Governance costs	153	50	203
Other	6,815	2,222	9,037
	123,327	**40,220**	**163,547**

7. Net incoming resources

Net incoming resources are stated after charging:

	2022	2021
	£	£
Auditor's remuneration	9,150	8,900
Independent examiner's remuneration	-	-
Depreciation on tangible assets	446	2,159
Amortisation of intangible assets	-	-

8. Trustees' remuneration and related parties

Trustees received no reimbursement (2021: £NIL) in relation to travel expenses in the financial year and no trustees received any remuneration.

Unrestricted donations from trustees were £NIL (2021: £120).

There were no other related parties that required disclosure for the year (2021- None).

□□u□□□□□v□□p□□□□□

10. Taxation

As a registered charity Freshwater Habitats Trust benefits from exemptions on income and gains falling within Sections 466-493 of the Corporation Tax Act 2010 to the extent they derived from charitable activities.

11. Intangible fixed assets

	Software £	Total £
Cost		
At 01/04/22	8,677	8,677
Additions	-	-
At 31/03/22	8,677	8,677
Amortisation		
At 01/04/22	8,677	8,677
Annual charge	-	-
At 31/03/22	8,677	8,677
At 31/03/22	-	-
At 31/03/21	-	-

12. Tangible fixed assets

	Leasehold costs £	Computers £	Total £
Cost			
At 01/04/21	1,600	16,268	17,868
Additions	-	1,928	1,928
Disposals	-	-	-
At 31/03/22	1,600	18,196	19,796
Depreciation			
At 01/04/21	458	16,146	16,604
Charge for the year	228	218	446
Release on disposal	-	-	-
At 31/03/22	686	16,364	17,050
Net book value			
At 31/03/22	914	1,831	2,745
At 31/03/21	1,142	122	1,264

13. Stocks

	2022	2021
	£	£
Books	1,240	670
Kits for use and resale	6,037	5,533
	7,277	6,203

14. Debtors

	2022	2021
	£	£
Project debtors	285,424	70,607
Prepayments and accrued income	10,305	86,091
Other debtors	174,754	1,737
	470,483	158,435

15. Creditors falling due within one year

	2022	2021
	£	£
Project creditors	119,368	83,687
Deferred income < one year	569,697	119,148
Accruals	34,811	34,965
Taxation and social security costs	103,073	32,016
Other creditors	1,250	1,250
	828,199	271,066

16. Analysis of funds	At 1-Apr-21 £	Incoming Resources £	Resources expended £	Balance of the Project 31.03.2022 £
Restricted Funds				
Bartley Water & Fletchwood WEIF (RR)	-	74,960	74,718	242
Brecks (RR)	-	32,362	23,796	8,566
CPAF New Forest hosting (RR)	9,622	27,000	24,351	12,271
CPAF Ock Hosting (RR)	2,068	7,500	9,810	(242)
CPAF Thame hosting (RR)	-	7,500	6,362	1,138
GRCF NF (RR)	-	-	23,034	(23,034)
NF Blue Horizon (Halo)(RR)	-	3,730	8,384	(4,654)
NF Wilder for Water (Recreaton) (RR)	-	10,452	27,415	(16,963)
Green Recovery Fund HLF Oxford (RR)	-	116,971	117,292	(321)
Med. Leech (RR)	20,923	-	4,747	16,176
MPP Pond Fund (RR)	28,031	-	18	28,013
NF catchments (RR)	2,789	3,889	279	6,399
Nidderdale (RR)	-	300	13,795	(13,495)
Ock Arable (III) WEIF (RR)	-	39,903	30,489	9,414
Policy Officer (RR)	-	-	3,698	(3,698)
Ponderful H2020 (RR)	168,264	(95,000)	66,405	6,859
River Irfon (RR)	-	31,237	31,237	-
Saving Oxford Wetland Wildlife (RR)	31,414	41,430	39,124	33,720
Harcourt Hill, Oxfordshire Fens, TOE2 (RR)	-	4,384	7,132	(2,748)
WEG Hatchett (RR)	-	-	354	(354)
Mid Thame Development Funding (RTCT) – Manor Farm	-	9,450	189	9,261
Total Restricted funds:	**263,112**	**316,068**	**512,623**	**66,556**

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

Analysis of funds (*continued)*

Unrestricted funds	At 01 Apr 2021	Incoming Resources	Expenditure	Balance of the Project 31.03.2022
	£	£	£	£
eDNA Network Rail (Southern)		609	609	-
EWR - North Bucks FRP(UU)		139,846	121,335	18,511
Grove, Childrey & Lower Ock (UU)		12,551	11,424	1,127
Leck Catchment NFM		12,852	17,105	(4,253)
Wooton Brook (EA Anglian)		53,025	30,616	22,409
NECA	2,849	11,725	2,814	11,760
NSP Berks/Bucks e DNA		21,469	16,856	4,613
NSP Hampshire e DNA		16,192	13,739	2,453
NSP Network Rail East		137,614	123,276	14,338
NSP South Midlands e DNA		53,434	41,369	12,065
Pondnet e DNA	4,015	21,886	21,886	4,015
Pitsford		130,475	97,167	33,308
NE Agri Ponds		40,056	38,035	2,021
WFF 21-25 (UU)		65,012	26,080	38,932
Newt Conservation Monitoring		20,017	20,034	(17)
Newt Conservation Practical Projects		135,863	130,566	5,297
Newt Conservation Admin		93,991	77,693	16,298
Publications		4,044	-	4,044
Thames Water Hinksey		-	1,218	(1,218)
Misc contracts	6,205	18,589	31,474	(6,680)
Total unrestricted funds:	**13,069**	**989,250**	**823,296**	**179,023**

Core - Thame Dev Fund		7,228	-	1,683	5,545
Core - Project Dev			-	11,514	(11,514)
Core - Comms & Website			-	11,932	(11,932)
Core- Freshwater Network Proj. Dev			-	338	(338)
Core		307,279	17,495	(79,875)	404,649
	Total Core:	**314,507**	**17,495**	**(54,408)**	**386,410**
Total unrestricted funds + Core		**327,576**	**1,006,745**	**768,888**	**565,433**
	Total:	**590,687**	**1,322,813**	**1,281,511**	**631,989**

17. Analysis of net assets by funds

	Unrestricted	Restricted	Total Funds
	£	£	£
Year to 31 March 2022			
Fixed assets	2,745	-	2,745
Current assets	1,390,887	66,556	1,457,443
Current liabilities	(828,199)	-	(828,199)
Net assets	565,443	66,556	631,989

	Unrestricted	Restricted	Total Funds
	£	£	£
Year to 31 March 2021			
Fixed assets	1,264	-	1,264
Current assets	597,377	263,112	860,489
Current liabilities	(271,066)	-	(271,066)
Net assets	327,575	263,112	590,687

18. Operating lease commitments

As of 31 March 2022, the charity had the following commitments under non-cancellable operating leases.

	Land and buildings 2022	Land and buildings 2021
	£	£
Expire within one year:	31,000	31,000
Expiry within two to five years:	93,764	849
	124,764	31,849

FRESHWATER HABITATS TRUST

England & Wales - Charity number 1107708

Accounts

Freshwater Habitats Trust

Annual Report and Accounts 2020/2021



Protecting freshwater life for everyone to enjoy

Contents

Freshwater Habitats Trust - Protecting freshwater life for everyone to enjoy	3
Overview	4
Our activities in 2020/21	5
Our plans for 2021/22	12
Reference details	13
Structure, governance and management	14
Financial review	16
Independent auditors report	19
Statement of Financial Activities	23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Financial Statements	26

The front cover of our report shows new clean water ponds created in the Water Friendly Farming project which research, published during the year, shows have unprecedented benefits for freshwater biodiversity at landscape scale, with ponds a lynch-pin habitat for freshwater life.

Freshwater Habitats Trust - Protecting freshwater life for everyone

Freshwater Habitats Trust (FHT) began life in 1988 as Pond Action with the aim of ensuring the future of our freshwater wildlife.
Over the last 30 years we may have changed our name but our commitment to protecting freshwater habitats has gone from strength to strength, as seen in our activities and achievements during 2020.
We continue to work with a wide range of organisations and people to protect life in freshwater habitats. We've made new discoveries about what makes freshwater habitats special, how best to protect them and, above all, tried to make a practical difference on the ground. Our long-term projects are producing meaningful and tangible results, freshwater habitats we created 25 years ago are thriving, endangered species are spreading in habitats we've made, or encouraged others to make, and concern about the protection of life in freshwater has never been greater.



The Club-tailed Dragonfly is a striking yellow and black nationally rare dragonfly with a stronghold on the Thames in Oxfordshire.

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

During 2020-21 we began the review of our organisation's Strategic Vision which covered the years 2013-20.

Freshwater Habitats Trusts aims for those years focused on three primary goals for freshwater:

- **Species** - All threatened freshwater plants and animals have recovered and developed sustainable populations.
- **Habitats** - The UK has a functioning network of freshwater habitats: The Freshwater Network.
- **People** - People value freshwater habitats and their wildlife.

The steps we took to get there were:

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

Our work in all areas from policy, practical projects, partnership and outreach, to monitoring and research is always focused on helping us achieve this vision, and we have made good progress in achieving those steps over the first seven years of FHTs work. Now, in 2021, we will launch a new strategy which builds on and refines these concepts as we plan for the next 15 years of the organisation's work.

Overview

2020/21 saw us involved in a range of practical projects, both existing and new, important applied research and a continuing role in policy development. Our work featured in the public media and, both in Britain and internationally, the critical role of small waters - like ponds and small streams - gained increasing attention. With the award of the European Union funded **PONDERFUL** project we have been able to reinvigorate long-established contacts with freshwater scientists and practitioners in continental Europe which had stalled post-Brexit.



A pond on the floodplain of the Biebrza River helping to make this one of the most important wetlands in Europe.

Highlights of the year included the continued support for the **Newt Conservation Partnership**, to which we second five members of FHT staff. The partnership has now created 90 new high quality ponds for Great Crested Newts in its first three year's work across the South Midlands as part of the government's District Level Licensing scheme. A further 21 neglected ponds were also restored or managed. Monitoring results show that almost two-thirds of compensation sites and 36% of ponds are already occupied by Great Crested Newt. This year also saw preparations for substantial expansion of the area covered by the Newt Conservation Partnership. We continue to work closely with the scheme's managers, NatureSpace Partnership, and our colleagues in Amphibian and Reptile Conservation who co-direct the Newt Conservation Partnership. In 2021 and 2022 we will be extending the project to include Berkshire, all of Buckinghamshire, East Sussex, Surrey, Staffordshire and Hampshire.

Practically we continued work focused on the national **Important Freshwater Areas,** particularly the New Forest and Dorset Heaths IFA, the Oxford IFA, The Thames Basin IFA, The Brecks IFA and the Yorkshire Lowlands IFA. Our wide-ranging work in the New Forest National Park, one of the UKs most important landscapes for freshwater biodiversity continued and is providing a model for how to protect high quality freshwater habitats, especially the smaller waters which are a vital but often neglected part of water management. 2020-21 also saw important foundations for future large-scale projects in the New Forest established where our projects are undertaken in a close working partnership with the Environment Agency and New Forest National Park Authority.

Our research led to the first major scientific publications from the **Water Friendly Farming** project demonstrating clearly the importance of clean water pond creation for the protection of freshwater biodiversity. The work showed that clean water ponds provided one of the most effective measures so far developed for increasing freshwater biodiversity in farmed landscapes. The importance of the project's multiple outcomes was reflected in its extension to 2027 with funding from the Environment Agency and Anglian North Regional Flood and Coastal Committee, which oversees flood protection funding. Further research papers using our and others' pond data were also published with collaborators in various Universities, led by Dr Matt Hill of the University of Huddersfield.

Building on the Water Friendly Farming, we continued working on landscape level projects in a number of catchments with a particular focus on the New Forest, Oxfordshire and in the South Midlands from Buckinghamshire to Northamptonshire and Bedfordshire. With Anglian Water we began the Pitsford Water Friendly Farming project, a 5-year programme to replicate and extend the results of Water Friendly Farming in the catchment of Anglian Water's Pitsford Reservoir in Northamptonshire, one of their major water supply sources. We also had a busy year setting up new large projects including the EU funded **PONDERFUL** research project, the **East-West Rail landscape freshwater biodiversity project** and further development of the **Freshwater Network programme**. We worked with a range of colleagues interested in small waters to establish the foundations for a new research programme on small waters in association with Defra and other government agencies.

2020-21 was dominated by the COVID-19 crisis and delayed some of our practical and volunteer engagement projects. Fortunately, the pandemic has so far had relatively little impact on our work and we finished 2020-21 in a stronger position both financially and in the range and quality of work we are doing than any time previously.

Our activities in 2020/21

People, Ponds and Water project - Legacy work

From 2015-2018 the National Lottery Heritage Fund (NLHF) supported the **People, Ponds and Water project** which allowed us to develop three strands of work which continue to play a central role in the organisation's activity.

The three main project aims of the People, Ponds and Water project were:

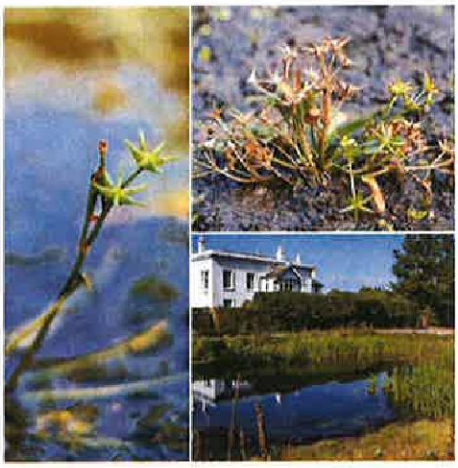
- Gathering evidence on status and trends in freshwater habitats and species
- Protecting the best freshwater habitats
- Championing freshwater biodiversity, particularly by encouraging people to assess the extent of water pollution, and conversely the occurrence of clean water, with a special focus on smaller waters which often go un-monitored.

In order to achieve these aims the People Ponds and Water project had **three overlapping project elements**:

- PondNet
- Flagship Ponds
- Clean Water for Wildlife.

Since 2018 our work on these three elements has continued to build on the legacy of the original NLHF-funded project.

PondNet - The aim of PondNet was to create a volunteer survey network to collect statistically robust data to identify trends in pond quality and pond species, including uncommon plants and animals. Survey methodologies were standardised and included environmental metrics; giving information to help explain the reasons for changes in biological quality, and ultimately help to guide the direction of freshwater policy and practice. As part of this project, over the last 5 years, working with Defra, Natural England and Amphibian and Reptile Conservation Trust; Freshwater Habitats Trust has established the world's first national, volunteer-based, eDNA monitoring programme for a protected species, the Great Crested Newt.
2020/21 saw the completion of a sixth year of survey, visiting the same ponds annually to build a picture of status and change of this species in terms of 1 km square and pond occupancy. Whilst this is still a relatively short timescale, we can already begin to report with greater certainty on the current status of Great Crested Newts in England; and consider the opportunities and constraints of this new citizen science approach for longer term monitoring of Great Crested Newts and other aquatic species and habitats. At the same time, we have continued to develop the design and funding mechanism for a national freshwater monitoring network building on the PondNet framework.



Summer Starfruit, one of Britain's most distinctive and endangered water plants, at a flagship pond site, Headley Heath (a National Trust property in Surrey).

Flagship Ponds - This element of the People, Ponds and Water project saw the creation of a network of some of the most important, and highest quality, pond sites in England and Wales, known to support populations of species under threat. We helped local communities develop sustainable plans for these sites enabling them to undertake monitoring, management and pond creation to help species recovery.
2020/21 has seen us to continue to support Flagship Ponds at various sites in the New Forest, on National Trust properties around England and Wales and in Oxfordshire. We began preparatory work to expand numbers of ponds at the Pinkhill Meadow Flagship site and gave advice for a new Management Plan at the Castor Hanglands Flagship site in Cambridgeshire. We continued practical work at the Strensall Common Flagship site in Yorkshire.

Clean Water for Wildlife - The aim of this element of the original People, Ponds and Water project was to create a citizen science survey to raise awareness of the true extent of nutrient pollution, and identify clean water habitats in England and Wales, with the ultimate aim of helping to protect biodiversity. Nutrient pollution is invisible, so often doesn't seem 'real' to people. Using quick kits made it possible for people to easily 'see' pollution for the first time and we have continued to apply this approach in a range of our projects. In 2020/21 we have continued to apply the Clean Water for Wildlife concept running the Testing the Water project as part of the Brecks and Fen Edge Landscape Project funded by the National Heritage Lottery Fund. We also applied this approach working with local citizens in Oxford as part of the Saving Oxford's Wetland Wildlife Project. In many of our project we also use the Clean Water for Wildlife test kits to assess levels of nutrient pollution as part of preparatory work to develop new practical projects, such as the R. Ock Arable Farmers project.

People, Ponds and Water-Species Project: Medicinal Leech - Work during the NLHF funded People, Ponds and Water project identified the need for a specific project focussed on Medicinal Leech. Because of their severe declines, Medicinal Leeches are a global conservation priority and listed under a raft of international legislation as needing protection. Preparation for this project began in 2019-20 and we successfully fundraised to provide the resources needed for this work. The project started in October 2020 and in the next few years the project will see: (1) data collation to document and understand the decline of England's Medicinal Leeches; (2) development of an eDNA monitoring tool to allow wide volunteer engagement through surveys at sites across England; (3) collaboration with zoos to secure three populations through 'Ark collections' to provide a living gene bank in case of wild extinctions; (4) raising the profile of medicinal leeches through displays at three zoos and six events that engage 5000 people in their conservation; and (5) convening a collaborative workshop to define and initiate a suite of long-term conservation actions, engaging 30 partners, land managers and key volunteers.

Work with the National Trust

During 2020-21 we continued to develop our joint working with the National Trust. Covid 19 limited our ability to carry out practical projects in partnership with the National Trust but we envisage these resuming once pandemic restrictions lift. In the meantime, this year we have actively engaged with NT in order to develop our future plans for collaborative working.

Environmental DNA

We continued developing and testing the use of environmental DNA in a number of contexts during the year. New projects using eDNA were set up for Pitsford Water Friendly Farming, which will be used in summer 2021 and beyond, and also in the PONDERFUL project where a standard set of eDNA samples will be taken from a network of ponds in 11 European states. We expect also to use eDNA sampling in the R. Irfon in Wales and with the Medicinal Leech.

During the year we began developing plans for a national monitoring network, focussing on smaller waters, capitalising on the use of eDNA in combination with traditional monitoring methods.

Catchment Management work

We have continued a range of work as the hosts of three catchments in the Catchment-based Approach (CaBA) programme:

- **New Forest catchment** (in partnership with the New Forest Park Authority)
- **River Ock catchment**
- **River Thame catchment** (in partnership with the River Thame Conservation Trust)



Cotton grass on New Forest wetland

New Forest catchment

Work on the New Forest Catchment Partnership (enabled by Water Environment Improvement Fund (WEIF) CaBA funding) has been focussed on a range of activities:

Engagement: In 2020, the catchment partnership, in its 9th year, continues to engage with a varied audience from across the New Forest and further afield raising awareness of the unique qualities of the freshwater landscape and promoting our work to protect and enhance. This last year our engagement work has included: 1) The 2020 **Water Forum,** with nearly 100 attendees were inspired by our vital work in the catchment from protecting curlew, to amphibians to the rare tadpole shrimp. 2) **Waternews** now in its 4th year with a higher than average engagement rate and with over 60 articles continues to cover current topics, projects and activities from across the catchment. 3) July 2020 marked our first New Forest focused social media page to connect with familiar and new audiences from interest groups to academics delivering key messages and knowledge to a local and national audience interested or working in the freshwater environment. 4) FHT presented at the Integrated Catchment Group (EA local internal group of over 15 members) to showcase the **WEIF** projects completed over the past year – sharing key achievements and lessons learnt working with landowners and industry to reduce diffuse pollution from across the catchment. 5) Funding from **Our Past, Our Future landscape partnership scheme** and WEIF has provided an opportunity to work closely with engagement teams from multiple agencies from across the Forest to establish 6 key messages to disseminate to the visiting public on how best to enjoy and protect wetland (fresh and coastal) habitats and wildlife in the New Forest. These messages come in the form of a leaflet and poster and can be used by partner organisations and businesses across the Forest.

Sub-groups: With our Environment Agency catchment coordinator the two sub-groups have continued to work closely together to improve the partnership approach when addressing New Forest water issues (1) an Agricultural sub-group and (2) a Protected sites sub-group. FHT also sit on the Mitigation Measures sub-group working closely with a local Environment Agency Colleagues.

Practical management: Work during the year took place on four practical projects: (1) New Forest nurseries (WEIF funding) – The soft fruit and horticulture industry across the New Forest have received funding and expert advice from water management specialists to reduce nutrient and sediment run off into local waterbodies. A total of four sites have benefitted from rainwater capture and integration into existing irrigation systems increasing the storage capacity across the catchment from 120,000l to 570,000l reducing nutrient input, flood alleviation and adaptation to climate change, building relationships and raising awareness of issues and opportunities within the sector. This project has seen over £20k investment from the industry to contribute to these on-site measures. (2) Bartley and Fletchwood sub-catchments (WEIF funding) – Farms and small holding including recreational horse keeping have received funding and expert advice to reduce nutrient and sediment run off from land management and recreational activities. A total of 14 sites have been provided with advice and of these six sites have received funding to support better management practices and the capture of rainwater for livestock drinking water. All contributing to the reduction of nutrient input, supporting adaptation to climate change and building strong relationships within the farming and small holding communities across the catchment to encourage and more sustainable approach to protecting local waterbodies. (3) Beaulieu Estate (WEIF funding) – capital works to install rainwater harvesting to further work started in the National Lottery Heritage Fund supported 'Our Present, Our Future' project, and (4) Hatchet Pond (WEG funding) – working with our partners Forestry England and Natural England, activities to reduce the impact of recreation and misconnect issues on a Special Area of Conservation (SAC) lake. This year has seen the removal of a run-down toilet block which was impacting on the water quality of the SAC and now proposals and plans are in place to remove the car park from the edge of the lake to minimise recreational impact, sediment and nutrient run off.



Grazing cattle in the New Forest, attracted to wetland floodplains, help create ecosystems which include rare plants such as pillwort

Strategy: Southern Water Drainage and Wastewater Management Plans (DWMPs) – FHT and National Park Authority as Catchment Hosts are feeding in the partnerships local knowledge into the DWMPs to help shape their long-term strategy for the future management of their resource in the New Forest as part of a two year consultation process.

River Ock catchment

A range of activities were undertaken in the R. Ock catchment further laying the groundwork for a large-scale habitat restoration and management programme working with farmers and landowners.

The first stage of SSSI fen restoration work at the Barrow Farm Fen SSSI, in the Ock catchment, was undertaken along with work on the Hinksey Heights Fen, a Local Wildlife site on the edge of Oxford where long-term scrub and woodland development has led to considerable degradation of one of Oxfordshire's largest remaining valley peat deposits.

We completed further site visits to farmers with support from the Environment Agency WEIF funding and began initial project designs for practical works the first of which we expect to undertake in 2021-22.


The Waddesdon wetland project

River Thame catchment

We continued joint catchment management activities with the River Thame Conservation Trust of which the most important was to work to create a new floodplain wetland complex on the Waddesdon Estate and complete the Important Freshwater Area (IFA) for the R. Thame catchment.

Waddesdon Estate: The Waddesdon Estate wetland comprises a fish refuge and a complex of ponds and pools covering about 2 hectares ha. It is the first floodplain wetland habitat creation of that scale in the catchment and will be used as a demonstration site to develop further floodplain restoration projects. This is a two-phased project, which is being led and coordinated by our partners the River Thame Conservation Trust, with FHT as a subcontractor providing technical expertise and leading on the wetland design. In 2019, Phase 1 of the project part-dug the site, including trial holes to monitor hydrology. Phase 2 construction was completed in summer 2020.

Saving Oxfords Wetland Wildlife

The overall aims of the Saving Oxford's Wetland Wildlife project are:

1) increasing people's awareness of Oxford's exceptional freshwater environment; which contributes to Oxford and its surrounds being recognised as a nationally significant Important Freshwater Area
2) maximising the benefits of the Oxford Flood Alleviation Scheme for freshwater biodiversity; and
3) engaging people in practical conservation of freshwater habitats and species.

Increasing people's awareness of the importance of freshwater biodiversity in the Oxford area: The area centred on Oxford is a nationally critical region for freshwater biodiversity but most Oxford residents are unaware of this, although the city's meadows and river are much loved by residents and visitors. The Oxford Flood Alleviation Scheme site, on the west side of the city, has around 160,000 people living within 5 km so present a tremendous opportunity for introducing people to the water environment. We have engaged with schools, community groups and individuals by involving them in eDNA and water quality testing and undertaking walks and talks to inform and raise public and local interest in the city's special freshwater wildlife. This year we have engaged with over 1,900 Oxford residents through surveys, volunteering practical work, public talks, guided walks and social media. Over 380 people attended guided walks and public talks about the project over the last year. So far throughout the project we have:


1,300 water testing kits were distributed to members of the public so they could take part in our WaterBlitz survey



- Distributed over 1,300 water quality testing kits to Oxford residents who have taken part in our Oxford WaterBlitz survey, helping to map waste pollution around the city.
- Engaged with over 1,300 people from 18 local community groups and 11 schools.
- Over 70 people have undertaken practical management work at some of Oxford's most valuable wetland sites.

Creation and management of freshwater habitats for protected species: We have been working to restore water levels in fens which have been drained, create new clean water ponds, and bring sites back into good condition through selective removal of scrub growth and management of wetland vegetation. This work is directly benefitting the protected species, and wetland habitats which are nationally threatened. We are

providing detailed management plans for these sites to ensure sustainable management in the long term. During 2020 we undertook further work at Cutteslowe Meadows - which now supports introduced 'rescue' populations of four nationally endangered and threatened water plants: Fen Violet, Creeping Marshwort, Greater Water-parsnip and Tubular Water-dropwort.

Survey and ex-situ conservation work for priority species, assessing water pollution and raising awareness of the importance of the Oxford area for these species: The project is helping to protect and increase populations of extremely rare and threatened water plants, including Biodiversity Action Plan aquatic plants. They are being cultivated by volunteers for introduction into new areas, enhancing the number and distribution of these vulnerable wetland plants and securing their future in Oxford.



FHT volunteer and partnership projects in Oxford have resulted in significant improvements in local freshwater habitats such as at Cutteslowe Meadows.

Restoring Oxfordshire's SSSI Fens

This project aims to restore important alkaline fen habitats at four Oxfordshire SSSI fens which are currently in poor condition due to lack of management and water pollution. During the year the project undertook four main activities:

Volunteer work parties: With the help of monthly volunteer work parties, at Hinksey Heights, we managed stands of Common Reed, which threaten to dominate the restoration areas.

Baseline surveys: We undertook repeat surveys of water quality, invertebrates, and plants to provide the basis for assessing the success of the restoration work.

Practical management: Management work was undertaken at three sites including Spartum and Middle Barton Fens SSSI - predominately scrub removal and tree felling.

Species translocation: Seeds of Parsley Water-dropwort and Marsh Lousewort were translocated to the first of four sites as part of the restoration effort.

Water Friendly Farming

Water Friendly Farming is a large research demonstration project where we, and our partners, including the Environment Agency, Game & Wildlife Conservation Trust, University of York and University of Sheffield, are running one of the largest and longest running trials of the effectiveness of measures to protect the water environment from rural land management. During 2020 the first main scientific paper from the project was published, an important step in understanding just how critical ponds are for freshwater biodiversity. We continued field work to assess the effectiveness of the range of nature-based measures that have been introduced to protect and enhance freshwater in the landscape, especially focusing on streams. We also started the new Pitsford Water Friendly Farming project in the catchment of Pitsford Reservoir north of Northampton jointly with the Environment Agency and Anglian Water. This project is replicating and extending the results of Water Friendly Farming over the next 5 years.

Water Friendly Farming is providing important evidence of the rapid benefits achieved from making clean water ponds, with very striking landscape wide gains in freshwater biodiversity - much more pronounced than is usually seen in catchment management projects. During 2020 we completed analysis of catchment flood management models and began work to produce the first papers on catchment modelling results, with the work being led by University of York. We published an analysis of alternative approaches to controlling pesticide runoff using



Newt Conservation Partnership created two ponds and planted two hectares of trees at a farm in West Oxfordshire. One of these ponds has already been colonised by great crested newts!

information from the project. In December 2020, the site also became a Demonstration Site for the EU Horizon 2020 funded PONDERFUL project.

Newt Conservation Partnership

The Newt Conservation Partnership (formerly the South Midlands Newt Conservation Partnership) was established to create high quality aquatic and terrestrial habitat for Great Crested Newts as part of the Natural England-led Great Crested Newt District Licensing scheme. In this project we work closely with the NatureSpace Partnership. The Newt Conservation Partnership is currently operating in 18 local planning authorities across the Midlands and 120 ponds in total have been created or restored. FHT is a key partner in this scheme, working with NatureSpace and Amphibian and Reptile Conservation Trust, as well as many landowning and management organization and individuals. In 2020 we surveyed all compensation sites that have been created under the scheme using environmental DNA to assess the presence of Great Crested Newts. The results confirmed that Great Crested Newts had already colonised new ponds in 60% of sites. The scheme is not only benefiting Great Crested Newts, but also other freshwater and pond-associated wildlife, including priority species for conservation like the Common Toad. We have ambitious plans for larger-scale, multi-phase habitat creation projects to begin in 2021.

European Pond Conservation Network

During 2020 we helped plan the next European Pond Conservation Network conference which is now running in May 2021. It is being hosted by University College London as part of the Hydroscape project and is providing a valuable early start up activity for the PONDERFUL project. We are on the organising committee of the conference.

Plans for 2021-21

During 2021-22 we plan to:



We will continue with new pond creation projects such as the work happening at Raleigh Park in Oxford as part of our Saving Oxford's Wetland Wildlife project. We're busy restoring alkaline fen habitat and creating new pools which will benefit freshwater wildlife, including some rare plants and invertebrates

- Continue the major Europe-wide project **PONDERFUL** project led by the University of Vic in Spain and involving a consortium of European pond conservation specialists.
- Develop the first practical projects in the **Freshwater Network,** focussing initially on the catchments of the River Thames, the Oxford - Cambridge Arc, the New Forest and the Yorkshire Lowlands. The Freshwater Network aims to protect and link up freshwater biodiversity hotspots across the country. During the year we also hope to get a major funder on board for this next phase of freshwater biodiversity protection and recovery.
- Develop a new project building a 'halo' of high-quality freshwater habitats around the New Forest, extending the area which has freshwaters of the quality seen in the open Forest at the heart of the National Park.
- Continue developing a new national small water monitoring network, building on the foundations provided by PondNet.
- Complete the 7th year of the Great Crested Newt national eDNA monitoring programme
- Continue catchment projects which deliver benefits for freshwater biodiversity in England and Wales (with a focus on the New Forest, Northamptonshire and the South Midlands, R. Irfon in mid-Wales).



NCP will continue to work in partnership to create habitats for Great Crested Newts

- Continue to create new terrestrial and pond habitat for Great Crested Newts as part of the NatureSpace Partnership District Licensing scheme and extend to new counties in the South and the Midlands.
- Continue to promote and practically undertake new pond creation programmes, including planning a new phase of the Million Ponds Project.
- Publish, promote and make people aware of our work; now scheduled for publication in 2022, the long-awaited New Naturalist book 'Ponds, Pools and Puddles' (written by two of the Trusts senior staff) will help to make more people aware of the value of small waterbodies for freshwater biodiversity.
- We will launch a new strategy for the next 10 years, updating the 2013-20 strategy that has guided the first eight years of the work of Freshwater Habitats Trust.

Reference details

Patron:

The Earl of Selborne KBE FRS (Deceased Feb20)

Board of Trustees:

Roger Thomas	Chair of Trustees
Brian Abbott	Treasurer
Baroness Hilton of Eggardon	
Professor Lorraine Maltby	
Keith Lawrey	Resigned Jul20
Dr Mark Downs	
Dr Edward Sykes	
Debbie Tann	

Company Secretary:

Natasha Challoner

Senior Management Team:

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

Registered Office:

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

Auditors:

Moore Kingston Smith
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers:

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

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

Structure, governance and management

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

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

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

The Trust is administered by a Board of Trustees, currently consisting of eight members. The Senior Management Team (SMT) reports to the Trustee Board, and manages staff and activities of the Trust under delegated authority from the Trustee Board.
The financial management and fundraising strategy of the Trust are supervised by Trustees and SMT, reporting and making recommendations to the full board for implementation.

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

Public Benefit

The Board of Trustees is satisfied that they have complied with the duty in of the 2011 Charities Act to have due regard to public benefit guidance issued by the Charity Commission, and that the mission, aims and activities of Freshwater Habitats Trust meet with these criteria.
All employees, including the Chief Executive and the key management personnel, are covered by the same remuneration policy which is based on externally benchmarked salary bands. The remuneration policy is approved by the board and subject to periodic review.

Objects

- To advance public education in the conservation and ecology of ponds, wetlands, catchment systems and other water habitats;
- To promote for public benefit the conservation and creation of freshwater habitats and their wildlife, and their sustainable enjoyment by the public, in particular, but not exclusively, through:

  (a) Promotion and conduct of active creation and conservation of freshwater habitats and their catchments.

  (b) Public education in the conservation and ecology of freshwater habitats and their catchments.

  (c) Promotion and conduct of research and the dissemination of useful results.

  (d) Advocacy to promote the conservation, creation, sustainable use and enhancement of freshwater habitats.

Mission statement

To protect freshwater life for everyone to enjoy.

Risk management

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

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

Data Protection

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

Financial review

The Statement of Financial Activities for the year ended 31 March 2021 is set out on page 23 of this report.

Income

Freshwater Habitats Trust's total income increased in 2020/21 to £1,1591k (2019/20: £701k).

Voluntary income of £580k (2019/20: £232k) in now similar to Charitable activities. Continuing grants include, Water Friendly Farming research funding (£24k), Environment Agency (212k), New Forest National Park (£12k), Natural England (£33k) and Thames Water (£66k). New funding was received from EU Horizon 2020 (184k)

Charitable activities income of £579k is higher than the prior year (2019-20: £468k). This included Environment Agency, Water Friendly Farming project (£45k), Wootton Brook project (£111k), Newt Conservation Partnership (£178k), and eDNA Great Crested Newt monitoring (£126k).

Expenditure

Total expenditure for 2020/21 is higher by 39% at £953k (2019/20: £688k) following the additional income. The fundraising costs of the organisation remain low at 4.3% of total expenditure (2019/20: 1.1%), with a dedicated fundraiser employed part way through the year and core staff time now being allocated to fundraising.

Reserves position

Closing reserves of £591k are 53% higher than 2019/20 (£385k).

Restricted reserves increased 246% to £263k (2019/20: £76k) due to the receipt of The Horizon 2020 grant prior to commencement of the project.

Unrestricted reserves increased 6% to £327k (2019/20: £309k). This was due to an increase in contractual projects and funds held over relating to on ongoing projects at £33k (2019/20: £14k).

Reserves policy

The Charity's policy is to maintain general reserves to reflect the long-term nature of its work. As the temporary custodians of these reserves, trustees feel that it is essential that they leave The Freshwater Habitats Trust in a state where it can continue for as long as freshwater habitats need preserving, and there is no sign of this need diminishing.
Total reserves of £591k (2020: £385k) are made up of;
Designated reserves £22k (2020: £0) which are not available for general purposes. (See note 16)
Restricted reserves £263k (2020: £76k) (see note 16)
General reserves £307k (2020: £309k)
The level of the unrestricted general reserves has provided some protection to the Charity and allows time to adjust to changing financial circumstances. This has limited the risk to service provision from operating deficits or an unexpected need for unbudgeted expenditure.
The Trustees have agreed that unrestricted reserves should not fall below £ 299k.
In the opinion of the Trustees , this level of reserves continues to be required to provide working capital having taken into account the following factors:-

- The Charity seeks to operate in a proactive manner, to make commitments in manpower (paid and voluntary) to support long term projects.
- To support restricted projects where final funding is not received until the project is complete.
- To support unfunded overhead costs not covered by funding

The trustees consider that it is appropriate for the Financial Statements to be prepared on a going concern basis as they believe that the current level of reserves at the date of signing will enable the Charity to survive any exceptional and unexpected circumstances. They will also ensure that the Charity can continue to be able to advise and support the preservation of Freshwater Habitats ion the foreseeable future.

Approval

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

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

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

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

Signed on behalf of the Trustees on 27 July 2021

Roger Thomas
Chair

Brian Abbott
Treasurer

Independent Auditors' report to the members of Freshwater Habitats Trust

Opinion

We have audited the financial statements of Freshwater Habitats Trust ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and 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, including its income and expenditure, 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 financial statements section of our report. We are independent of the charitable company 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 charitable company'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 matter

In the previous accounting period the directors of the company took advantage of audit exemption under s477 of the Companies Act 2006. Therefore the prior period financial statements were not subject to audit and are unaudited.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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

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 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation;
- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance;
- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may

cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 16/09/2021

Statement of financial activities for the year ended 31 March 2021

(Incorporating the summary Income and Expenditure account)

	Note	Unrestricted funds	Restricted funds	Total funds year ended 31-Mar-21	Total funds year ended 31-Mar-20
		£	£	£	£
Income from:					
Grants and donations	2	47,485	532,500	579,985	232,340
Investments		256	-	256	937
Charitable activities	3	578,935	-	578,935	467,887
Total income		**626,676**	**532,500**	**1,159,176**	**701,164**
Expenditure on:					
Raising funds	4	41,271	-	41,271	7,253
Charitable activities	5	557,083	355,099	912,182	681,124
Total expenditure		**598,354**	**355,099**	**953,453**	**688,377**
Transfers between funds		**(9,451)**	9,451	-	-
Net movement in funds		**18,871**	**186,852**	**205,723**	**12,787**
Fund balances at 1st April 2020		308,704	76,260	**384,964**	**372,177**
Fund balances at 31st March 2021		**327,575**	**263,112**	**590,687**	**384,964**

All income and expenditure derive from continuing activities.

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

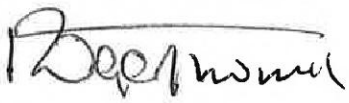
The notes on pages 26 to 37 form part of these financial statements

Balance sheet as at 31 March 2021

	Note	31-Mar-21	31-Mar-21	31-Mar-20	31-Mar-20
		£	£	£	£
Fixed assets:					
Intangible assets	11	-		-	
Tangible assets	12	1,264		3,423	
			1,264		3,423
Current assets:					
Stock	13	6,203		425	
Debtors	14	158,435		102,655	
Cash at bank and in hand		695,851		465,239	
Total current assets:		860,489		568,319	
Creditors:					
Amounts falling due within one year	15	(271,066)		(186,778)	
Net current assets:			589,423		381,541
Net assets:			590,687		384,964
The funds of the charity:					
Restricted funds			263,112		76,260
Unrestricted funds			327,575		308,704
Total charity funds	16		590,687		384,964

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

These statements were approved and authorised for issue by the Trustees on 27 July 2021 and signed on their behalf by:





Roger Thomas
Chair

Brian Abbott
Treasurer

Company Number 5317683

Cash flow statement

For the year ended 31st March 2021

	Notes	2021	2020
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	see below	230,356	135,471
Cash flows from investing activities:			
Interest income		256	937
Purchase of Leasehold, plant and equipment	12	-	(1,600)
Net cash used in investing activities		256	(663)
Change in cash and cash equivalents in the reporting period		230,612	134,808
Cash and cash equivalents at the beginning of the reporting period		465,239	330,431
Cash and cash equivalents at the end of the reporting period		695,851	465,239

Reconciliation of net income to net cash flow from operating activities

		2021	2020
		£	£
Net Income (as per the statement of financial activities)		205,723	12,787
Adjustments for:			
Depreciation and amortisation charges	11,12	2,159	2,998
Investment income		(256)	(937)
(Increase)/decrease in stocks	13	(5,778)	100
(Increase)/decrease in debtors	14	(55,780)	77,837
Increase in creditors	15	84,288	42,686
Net cash provided by operating activities		230,356	135,471

Analysis of cash and cash equivalents and net debt

	2021	2020
Cash in hand	£	£
Opening balance	465,239	134,808
Cash flows	230,612	330,431
Closing balance	695,851	465,239

Notes to the financial statements for the year ended 31 March 2021

General information

Freshwater Habitats Trust is a public benefit entity, a charity registered in England and Wales (registered charity number 5317683) and a company limited by guarantee (company number 1091708), registered in England.
The registered office and its principal place of business is Bury Knowle House, North Place, Headington, Oxford, OX3 9HY.

1. Accounting policies

a. Accounting convention

Basis and preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable United Kingdom and Republic of Ireland (FRS 102).
The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP including Update Bulletin 2), the Companies Act 2006 and the Charities Act 2011.
The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b. Going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Trust to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. After making enquiries the trustees have concluded that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements and there are no material uncertainties at the date of signing.
The Trustees have given due consideration to the impact of the Covid-19 pandemic, which has remained an issue in the period between the year end and the signing of the financial statements.
The charity's income continues to be largely sheltered from the impact of Covid-19 due to a number of long term grants and contracts, as well as its donors who have continued to support the charity in the current global pandemic. Having reviewed forecasts prepared by management the Trustees are confident that the charity will continue to meet its obligations as they fall due and that therefore the going concern basis continues to be appropriate.

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

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

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

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

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

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

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

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

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

i. Foreign currency

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

j. Financial instruments

Cash and cash equivalents

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

Debtors and creditors

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

k. Critical accounting estimates and areas of judgement

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

2. Grants and donations

Year to 31 March 2021	Unrestricted	Restricted	Total 2021
	£	£	£
Project Activities			
Environment Agency	-	212,232	212,232
New Forest National Park Authority		12,927	12,927
Thames Water	-	66,601	66,601
Rural Payments Agency	-	1,719	1,719
Trust for Oxfordshire's Environment	-	6,230	6,230
Horizon 2020	-	183,800	183,800
HLF	-	13,093	13,093
Natural England	-	33,227	33,227
Other	11,339	1,501	12,840
	11,339	531,330	542,669
Other			
HMRC -JRS	18,078	-	18,078
Supporter Scheme	10,717	-	10,717
Other	7,351	1,170	8,521
	36,146	1,170	37,316
Total grants and donations:			
	47,485	**532,500**	**579,985**

Year to 31 March 2020	Unrestricted	Restricted	Total 2020
	£	£	£
Project Activities			
Environment Agency	-	97,796	97,796
New Forest National Park Authority		19,129	19,129
Thames Water	-	36,126	36,126
Rural Payments Agency	-	28,400	28,400
Trust for Oxfordshire's Environment	-	12,917	12,917
Other	-	23,000	23,000
	-	217,368	217,368
Other			
Supporter Scheme			
Other	10,765	-	10,765
	1,907	2,300	4,207
	12,672	2,300	14,972
Total grants and donations:			
	12,672	**219,668**	**232,340**

3. Charitable activities

Year to 31 March 2021	Unrestricted £	Restricted £	Total 2021 £
Project Activities	575,215	-	575,215
Corporate membership & sponsorship	3,720	-	3,720
	578,935	**-**	**578,935**

Year to 31 March 2020	Unrestricted £	Restricted £	Total 2020 £
Project Activities	463,787	-	463,787
Corporate membership & sponsorship	4,100	-	4,100
	467,887	**-**	**467,887**

4. Raising funds

Year to 31 March 2021	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Staff costs	38,476	-	38,476
Support costs	2,795	-	2,795
	41,271	**-**	**41,271**

Year to 31 March 2020	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Staff costs	4,200	-	4,200
Support costs	3,053	-	3,053
	7,253	**-**	**7,253**

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

Year to 31 March 2021	Grants payable £	Staff costs £	Project activities £	Other costs £	Support costs £	Total 2021 £
Project Activities	3,750	314,886	427,775	2,224	163,547	912,182
	3,750	**314,886**	**427,775**	**2,224**	**163,547**	**912,182**

Year to 31 March 2020	Grants payable £	Staff costs £	Project activities £	Other costs £	Support costs £	Total 2020 £
Project Activities	-	281,203	252,281	1,975	145,665	681,124
	-	**281,203**	**252,281**	**1,975**	**145,665**	**681,124**

6. Support costs

Year to 31 March 2021	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Staff costs	81,723	26,652	108,375
Office running costs	34,636	11,296	45,932
Governance costs	153	50	203
Other	6,815	2,222	9,037
	123,327	**40,220**	**163,547**

Year to 31 March 2020	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Staff costs	59,650	23,136	82,786
Office running costs	38,957	15,110	54,067
Governance costs	3,128	1,213	4,341
Other	3,222	1,249	4,471
	104,957	**40,708**	**145,665**

7. Net incoming resources

Net incoming resources are stated after charging:

	2021	2020
	£	£
Auditor's remuneration	8,900	-
Independent examiner's remuneration	-	3,846
Depreciation on tangible assets	2,159	2,515
Amortisation of intangible assets	-	483

8. Trustees' remuneration and related parties

Trustees received no reimbursement (2020: £604) in relation to travel expenses in the financial year and no trustees received any remuneration.
Unrestricted donations from trustees were £120 (2020: £195)

There were no other related parties that required disclosure for the year (2020- None)

9. Employees remuneration

The aggregate payroll costs of employees were:

	2021	2020
	£	£
Wages and salaries	391,551	314,916
Social security	36,762	27,335
Pension costs	22,202	17,359
	450,515	359,610

No employee received emoluments of more than £60,000 during the year (2020 – no. 0)

Average number of employees:

	2021	2020
Project activities	8	7
Support	3	3
	11	10

Key management personnel includes the Trustees and senior management. The total employee benefits, including pension costs, of the charity's key management personnel were £217,027 (2020: £210,316)

10. Taxation

As a registered charity Freshwater Habitats Trust benefits from exemptions on income and gains falling within Sections 466-493 of the Corporation Tax Act 2010 to the extent they derived from charitable activities.

11. Intangible fixed assets

	Software	Total
	£	£
Cost		
At 01/04/20	8,677	8,677
Additions	-	-
At 31/03/21	8,677	8,677
Amortisation		
At 01/04/20	8,677	8,677
Annual charge	-	-
At 31/03/21	8,677	8,677
At 31/03/21	-	-
At 31/03/20	-	-

12. Tangible fixed assets

	Leasehold costs	Computers	Total
	£	£	£
Cost			
At 01/04/20	1,600	16,268	17,868
Additions	-	-	-
Disposals	-	-	-
At 31/03/21	1,600	16,268	17,868
Depreciation			
At 01/04/20	229	14,216	14,445
Annual Charge	229	1,930	2,159
Release on disposal	-	-	-
At 31/03/21	458	16,146	16,604
Net book value			
At 31/03/21	**1,142**	**122**	**1,264**
At 31/03/20	**1,371**	**2,052**	**3,423**

13. Stocks

	2021	2020
	£	£
Books for resale	670	425
Kits for use and resale	5,533	-
	6,203	425

14. Debtors

	2021	2020
	£	£
Project debtors	70,607	40,013
Prepayments and accrued income	86,091	60,606
Other debtors	1,737	2,036
	158,435	102,655

15. Creditors falling due within one year

	2021	2020
	£	£
Project creditors	83,687	2,823
Deferred income < one year	119,148	34,059
Accruals	34,965	102,335
Taxation and social security costs	32,016	46,311
Other creditors	1,250	1,250
	271,066	186,778

16. Analysis of funds

	At 1-Apr-20 £	Incoming resources £	Resources expended £	Fund transfers £	Balance 31-Mar-21 £
Restricted Funds					
Catchment Partnership Funds: Ock, Thame & New Forest	11,210	42,000	42,877	1,358	11,691
WEIF New Forest Projects	-	138,834	138,834	-	-
Important Freshwater Areas Oxfordshire	2,885	-	3,496	611	-
Million Ponds Digging Fund	28,031	-	-	-	28,031
New Forest Catchments	3,109	-	320	-	2,789
New Forest HLF Beaulieu	-	2,274	2,274	-	-
River Irfon	8,554	1,719	10,273	-	-
Arable Farming (Ock & Thame)	-	18,052	18,651	599	-
Saving Oxfordshire wetland wildlife	-	69,946	38,532	-	31,414
Horizon H2020	-	183,800	15,536	-	168,264
HLF Brecks	-	13,093	15,917	2,824	-
Water Friendly Farming Research	-	24,000	24,000	-	-
Other small projects	-	4,055	8,114	4,059	-
Water Environment Grants (Hatchett & Oxfordshire Fens)	-	33,227	33,227	-	-
Medicinal Leech	22,471	1,500	3,048	-	20,923
Total restricted funds:	**76,260**	**532,500**	**355,099**	**9,451**	**263,112**
Unrestricted funds					
Designated Pond Creation Fund	-	-	-	22,000	22,000
General funds	308,704	626,676	598,354	(31,451)	305,575
Total unrestricted funds:	**308,704**	**626,676**	**598,354**	**(9,451)**	**327,575**
TOTAL FUNDS	**384,964**	**1,159,176**	**953,453**	**-**	**590,687**

16. Analysis of funds *(continued)*

	At 1-Apr-19 £	Incoming resources £	Resources expended £	Fund transfers £	Balance 31-Mar-20 £
Restricted Funds					
Catchment Partnership Funds: Ock, Thame & New Forest	9,869	42,000	40,659	-	11,210
WEIF New Forest Projects	-	34,875	34,875	-	-
Important Freshwater Areas Oxfordshire	7,565	-	4,680	-	2,885
Million Ponds Digging Fund	28,116	-	85	-	28,031
New Forest Catchments	3,109	-	-	-	3,109
New Forest HLF Beaulieu	-	7,129	7,129	-	-
River Irfon	22,394	-	13,840	-	8,554
Arable Farming (Ock & Thame)	487	8,921	9,350	(58)	-
Saving Oxfordshire wetland wildlife	1,684	48,005	49,689	-	-
Biffa Award, Stow Common	92	-	92	-	-
Anglian Water	8,875	-	8,875	-	-
Water Friendly Farming Research	-	24,000	24,000	-	-
Other small projects	56	3,338	7,924	4,530	-
Water Environment Grants	-	28,400	28,780	380	-
Medicinal Leech	-	23,000	529	-	22,471
Total restricted funds:	**82,247**	**219,668**	**230,507**	**4,852**	**76,260**
Unrestricted funds					
General funds	289,930	481,496	457,870	(4,852)	308,704
Total unrestricted funds:	**289,930**	**481,496**	**457,870**	**(4,852)**	**308,704**
TOTAL FUNDS	**372,177**	**701,164**	**688,377**	**-**	**384,964**

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

17. Analysis of net assets by funds

Year to 31 March 2021	Unrestricted £	Restricted £	Total Funds £
Fixed assets	1,264	-	1,264
Current assets	597,377	263,112	860,489
Current liabilities	(271,066)	-	(271,066)
Net assets	327,575	263,112	590,687

Year to 31 March 2020	Unrestricted £	Restricted £	Total Funds £
Fixed assets	3,423	-	3,423
Current assets	489,236	79,083	568,319
Current liabilities	(183,955)	(2,823)	(186,778)
Net assets	308,704	76,260	384,964

18. Operating lease commitments

As of 31 March 2021 the charity had the following commitments under non-cancellable operating leases.

	Land and buildings 2021 £	Land and buildings 2020 £
Expire within one year:	31,000	31,000
Expiry within two to five years:	849	31,849
	31,849	62,849