



# **Financial Statements for the year ended 31 March 2022**

**Action for the River Kennet**

**TRUSTEES ANNUAL REPORT**

**FOR THE YEAR TO 31 MARCH 2022**

Name: Action for the River Kennet  
Also known as: ARK  
Charity number: 1120725

Address: Avebury  
Elcot Park  
Marlborough SN8 2BG

Director: Charlotte Hitchmough

Patron: Lord Kennet

Trustees: Richard Clarke Chairman  
Martin Gibson Treasurer  
Sean Dempster (resigned 11 October 2022)  
Judy Pitts (appointed 11 October 2022)  
David Hill (appointed 11 October 2022)

Officers: Technical advisor – John Lawson  
Ecological advisor – Peter Marren

Other Committee members: Kevin Light  
Rob Starr

River Habitat advisor: John Hounslow

Investment advisors: Charles Stanley  
55 Bishopsgate  
London EC2N 3AS

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

**Structure and Governance**

The charity is constituted as a trust governed by a constitution. Trustees are elected annually by the members.

**Action for the River Kennet**  
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### **Objectives and Activities**

The objectives of Action for the River Kennet ("ARK") are to conserve, protect, restore, and improve the rivers, streams, watercourses and water impoundments of the catchments comprising the River Kennet and its tributaries including adjacent river catchments, estuarine and coastal areas.

Activities for the public benefit:

- ARK is committed to improving understanding of the Rivers in the Kennet and Pang catchments and increasing opportunities for people to enjoy them, whilst protecting the wildlife to which they are home. The Trustees have regard to the guidance on public benefit issued by the Charity Commission.
- ARK creates, manages and raises funding for river improvement projects.
- ARK organises and runs activities for schools to help students learn about the river environment and ecology.
- ARK organises visits to and walks along the River Kennet.
- ARK engages with schools, communities and policy makers to encourage the sustainable use of water.
- It provides and analyses data to demonstrate the condition of the ecology of the river and brings this to the attention of public and other bodies.
- ARK provides opportunities for people to carry out volunteer work in and by the river and trains citizen scientists to collect and record data.
- ARK meets regularly with members, stakeholders and environmental bodies to brief them on the river catchment and responds to consultations about fresh water and chalkstreams.
- ARK publishes regular newsletters informing its members about activities and river health.
- ARK is part of delivering Water Framework Directive goals, supports the catchment based approach and hosts the Kennet Catchment Partnership and co-hosts the South Chilterns Catchment Partnership.
- ARK works with and advises farmers, land managers and homeowners on ways to minimise their impact on rivers.

### **Response to Covid 19**

The trustees are carefully monitoring the impact of Covid 19 on all aspects of the charity and risks are being proactively managed. COVID has caused some staff absences either due to contracting the virus or being required to self isolate, and volunteering activities and school visits have been adapted or postponed in line with the latest government advice. Funding from Thames Water and support from HMRC for charities has helped to cover loss of income. Membership income is being closely monitored and has not reduced. The trustees anticipate that the charity will be able to maintain its target level of reserves.

The trustees will continue to monitor the level of reserves throughout the year.

### **Achievements and Performance**

Action for the River Kennet ("ARK") has expanded in the last year, employing two new project officers and a part time project manager in addition to the existing team of 3 part time staff. We were successful in two bids to DEFRA's Green Recovery Challenge Fund which has funded the majority of these new posts until March 2022.

Unrestricted income, which can be used for general expenditure, was £75,711 (2021 - £94,926), with income from donations and memberships remaining steady at £53,989 (2021 - £56,588). We received £24,000 (2021 - £10,000) of donations from Trusts and Foundations for which we were very grateful. Total income rose to £671,037 (2021 - £313,285), bolstered by two significant grants from the Green Recovery Challenge Fund. We also received funding at the end of the year from Thames Water of £250,000 as a voluntary reparation resulting from a pollution incident. These funds are to be used to repair damage and improve river habitat around Thatcham. Total funds rose by £222,269 (2021 - rose by £147,227). Restricted funds carried forward increased from £184,188 to £380,143.

In the year we had an increase on general funds of £23,883 (2021 - £60,665). We had an operating surplus of £28,531 (2021 - £1,190) and our long term investments gained £4,819 in value (2021 - gain of £7,325) and were worth £70,434 (2021 - £68,254) at the financial year end.

We continue to campaign to ensure that the chalk stream habitat is protected from over-abstraction and pollution, and this year our staff have actively supported the Environment Agency and Thames Water in their investigations into the impacts of abstraction on the upper Kennet by collecting and sharing data with their consultants.

Having made good progress to reduce abstraction, leaving more water in the river to support wildlife in recent years, we have shifted our focus to improving water quality. We have done this by calling for a reduction in the volume of untreated raw sewage tipped into the river, working with Highways authorities to reduce road run off, and supporting further improvements in farming practices. We have highlighted data produced by the Environment Agency and presented by the Rivers Trust showing how much untreated sewage is poured into our rivers each year, and we are working with MPs to get regulations strengthened and enforced in order to protect rivers from pollution in future. To bolster evidence we have been collecting and reporting water quality data using a combination of our staff and volunteers.

The Green Recovery Challenge Fund grants have been game changing for ARK, enabling us take a catchment scale approach to improve more river reaches, create new wetlands, reduce flood risk, improve water quality and connect more people with nature than ever before. The funding has enabled us to employ and train new staff, providing a year's employment for two young people starting environmental careers. 'Sparkling Streams' tackles two of the more ecologically damaged rivers in the catchment where we can make the biggest positive difference, while the 'Thames Catchment Community Eels Project' focusses on eels, which are almost absent from the river nowadays, despite being prolific in the past. Our project officer has been training citizen scientists to map barriers to eel migration and leading school and community outreach to raise understanding and awareness of this threatened species. Both projects will leave a legacy that lays a foundation for future work.

During COVID our Wild River Reserve provided green-blue space, providing a place within easy walking distance of town for people to exercise and enjoy being in nature. We used the Reserve to run organised 'vole strolls' specifically aimed at people struggling with mental health, as well as offering volunteering opportunities for small groups as soon as it was safe to do so. For many people this was a stepping stone towards getting out and about again after the restrictions of lockdown. Despite COVID we worked with more than 1,500 school children, adapting educational material to digital platforms and running more outdoor events and activities to accommodate the changing restrictions.


We are advocates of the Catchment Based Approach and continue to host the Kennet Catchment Partnership and co-host the South Chilterns Catchment Partnership. Our 'Sparkling Streams' project is an embodiment of this approach, by partnering with North Wessex Downs AONB, the Southern Streams Farmer Group and Hungerford Town and Manor, we have built a project that includes elements throughout the Dun and Shalbourne sub-catchments, each of which will contribute to improved river health.

We are creating more SuDS (Sustainable urban Drainage Systems) projects, and now, as well as building rain gardens, we offer rain garden training courses through Rain Gardens UK.

We continue to invest in robust data management so that we can safely store and interrogate the Riverfly and other data that our volunteers collect every month.

ARK continues to be grateful to our diverse and interested membership. We continue to expand this, and are committed to improving the whole river and its tributaries from Avebury to the Thames.

I would like to thank my colleagues and the Executive Committee for their hard work, enthusiasm and support. I would also like to thank the many volunteers who have made ARK so effective. All of our members have contributed in a variety of ways and we and the animals, plants, fish and invertebrates of the Kennet owe them enormous gratitude.



Charlotte Hitchmough  
**Director**

## Action for the River Kennet

### Statement of Financial Activities for the year to 31 March 2022

		Unrestricted Funds	Restricted Funds	Total funds	Prior period Total funds
		£	£	£	£
<b>Income from:</b>					
Donations		53,989	20,000	73,989	56,588
Grants		16,875	572,877	589,752	253,444
Other trading activities		2,886	-	2,886	1,475
Investments	Note 3	1,961	-	1,961	1,778
<b>Total</b>	Note 2, 13	<b>75,711</b>	<b>592,877</b>	<b>668,588</b>	<b>313,285</b>
<b>Expenditure on:</b>					
Raising funds		7,655	-	7,655	5,353
Charitable activities		37,188	406,389	443,577	170,489
Governance		2,313	-	2,313	2,587
<b>Total</b>	Note 4	<b>47,156</b>	<b>406,389</b>	<b>453,545</b>	<b>178,429</b>
Net realised gains/(losses) on investments		(24)	-	(24)	847
<b>Net income/(expenditure)</b>		<b>28,531</b>	<b>186,488</b>	<b>215,019</b>	<b>135,703</b>
<b>Transfer</b>	Note 13	<b>(9,467)</b>	<b>9,467</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>					
Gains/(losses) on revaluation of investments		4,819	-	4,819	11,524
<b>Net Movement in Funds</b>		<b>23,883</b>	<b>195,955</b>	<b>219,838</b>	<b>147,227</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward		246,535	184,188	430,723	283,496
<b>Total funds carried forward</b>	Note 13	<b>270,418</b>	<b>380,143</b>	<b>650,561</b>	<b>430,723</b>

# Action for the River Kennet

## Balance Sheet as at 31 March 2022

		2022	2021
		£	£
<b>Fixed assets</b>			
Tangible assets	Note 9	102,612	105,147
Investments	Note 10	70,434	68,254
<b>Total fixed assets</b>		<b>173,046</b>	<b>173,401</b>
<b>Current assets</b>			
Debtors	Note 11	313,176	151,021
Cash at bank and in hand		198,017	135,868
<b>Total current assets</b>		<b>511,193</b>	<b>286,889</b>
Creditors: amounts falling due within 1 year	Note 12	(33,678)	(29,567)
<b>Net current assets/(liabilities)</b>		<b>477,515</b>	<b>257,322</b>
<b>Net assets</b>		<b>650,561</b>	<b>430,723</b>
<b>Funds of the charity</b>			
Unrestricted funds	Note 14	270,418	246,535
Restricted funds	Note 13	380,143	184,188
<b>Total funds</b>		<b>650,561</b>	<b>430,723</b>

Signed by two trustees on behalf of all the trustees



Richard Clarke



Martin Gibson

Date: 15 November 2022

## **Action for the River Kennet**

### **Notes to the Accounts**

#### **1 Accounting policies**

##### **(a) Accounting convention**

These financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards, the Charities Act 2011, the Charities SORP and the Financial Reporting Standard (FRS 102). The principal accounting policies adopted in the preparation of the financial statements are set out below.

The company has taken advantage of the exemption in FRS 102 from the requirement to produce a cash flow statement on the grounds that it is a small entity.

The charity meets the definition of a public benefit entity under FRS 102.

The trustees have considered the financial position, forecasts and cash flows of the organisation and are satisfied that it is appropriate to prepare the accounts on a going concern basis.

##### **(b) Depreciation**

Equipment is depreciated at 10%-25% per annum on a straight-line basis in order to write off the cost of the assets over their estimated useful lives.

##### **(c) Fund accounting**

Unrestricted funds 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 funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Restricted fund are set out in note 13 to the financial statements.

##### **(d) Incoming resources**

Voluntary income including donations, gifts and legacies and grants that provide core financing or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Such income is only restricted when the donor specifies that the grant or donation must only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

(e) **Resources expended**

Expenditure is recognised when a liability is incurred.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with restoration and improvement of the River Kennet including research, education and vocational training and the dissemination of information.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

(f) **Grants awarded**

Grants are awarded to other conservation organisations, who have agreed a partnership in order to undertake direct, on the ground conservation projects, that achieve the objectives of ARK.

(g) **Pension costs**

The charity operates a defined contribution pension scheme. Contributions are charged to the unrestricted fund as they become payable in accordance with the rules of the scheme.

(h) **Foreign currency**

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities at the year end are converted into sterling at the year end rate. Any loss or gain on foreign currency conversion is charged to overhead expenses as incurred.

(i) **Volunteers and donated services and facilities**

The value of services provided by volunteers is not incorporated into these financial statements.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

(j) **Taxation**

As a registered charity, the company is exempt from liability to corporation tax on its charitable activities.

(k) **Leasing arrangements**

Rentals payable under operating leases are charged to the unrestricted reserves on a straight-line basis over the lease term.



## Action for the River Kennet

### Notes to the Accounts

#### 2 Income from charitable activities

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Grants received	16,875	572,877	589,752	35,085	218,359	253,444
Membership and donations	53,989	20,000	73,989	56,588	-	56,588
Sundry income	4,847	-	4,847	3,253	-	3,253
	<u>75,711</u>	<u>592,877</u>	<u>668,588</u>	<u>94,926</u>	<u>218,359</u>	<u>313,285</u>

Of the unrestricted income of £75,711 (2021 - £94,926), £16,875 (2021 - £20,075) was a grant from the Environment Agency (EA) to fund the charity's Catchment Management hosting role, £nil (2021 - £9,846) was claimed from HMRC under the Coronavirus Job Retention Scheme, and £nil (2021 - £15,000) was a grant from Thames Water for Covid related support.

#### 3 Investment income

Of the investment income of £1,961 (2021 - £1,778), all of it arose from investments held with our Investment Advisor. £61 (2021 - £70) of income was interest received from bank deposits.

#### 4 Analysis of expenditure on charitable activities and costs of generating funds

	Costs of generating funds £	Charitable activities £	Support costs £	Governance costs £	2022 £	2021 £
Staff costs	7,563	135,353	13,130	2,313	158,359	77,698
Projects and activities	92	267,343	-	-	267,435	77,674
Administration costs	-	-	19,385	-	19,385	21,453
Depreciation	-	6,498	1,868	-	8,366	1,604
Reallocation of support costs	-	34,383	(34,383)	-	-	-
	<u>7,655</u>	<u>443,577</u>	<u>-</u>	<u>2,313</u>	<u>453,545</u>	<u>178,429</u>

#### 5 Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are allocated to the costs of the charitable activities. Allocations of costs, in particularly staff costs, are based on time records but the charity does not have a detailed time recording system as this would be too onerous, so estimates are made.

## Action for the River Kennet

### Notes to the Accounts

#### 6 Net expenditure for the year

Net expenditure for the year is stated after charging:

	2022 £	2021 £
Depreciation	8,366	1,604
Independent Accountants fees	400	300

#### 7 Staff costs

	2022 £	2021 £
Total remuneration:		
Salaries	141,289	71,484
Social security costs	8,156	2,135
Pension costs	8,914	4,079
	<u>158,359</u>	<u>77,698</u>

The average number of persons employed by the company was:

	2022 Number	2021 Number
Management	1	1
Project Officer	4	1
Administration	1	1

The emoluments of highest paid member of staff were in the range £30,000- £40,000 (2021 - £30,000 - £40,000 ): pension contributions of £3,189 (2021 - £3,017) were made for this person.

#### 8 Trustee remuneration and related party transactions

No remuneration or expenses were paid to the trustees or committee during the year, except as detailed below.

No director or trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2021 – £nil), save as below.

Martin Gibson is a trustee of the GC Gibson Charitable Trust which has given an unrestricted donation of £5,000 (2021 - £7,000) to the charity.

## Action for the River Kennet

### Notes to the Accounts

#### 9 Tangible fixed assets

	Land £	Computer and plant equipment £	Vehicles	Total £
Cost:				
At 31 March 2021	76,563	13,056	24,105	113,724
Additions in the year	-	5,831	-	5,831
At 31 March 2022	76,563	18,887	24,105	119,555
Depreciation:				
At 31 March 2021	-	8,075	502	8,577
Charge for the year	-	2,340	6,026	8,366
At 31 March 2022	-	10,415	6,528	16,943
Net book value:				
At 31 March 2022	76,563	8,472	17,577	102,612
At 31 March 2021	76,563	4,981	23,603	105,147

The land was acquired in 2012 and has not been revalued. The land is owned jointly with Marlborough Town Council. It is not considered relevant or beneficial to revalue the land except to provide for any diminution of value.

#### 10 Investments

	2022 £	2021 £
Investments at valuation 1 April	68,254	51,062
Acquired at cost in year	5,965	14,048
Disposals at original cost in year	(5,202)	(4,388)
Revaluation gain/(loss)	1,417	7,532
Investments at valuation 31 March	70,434	68,254

All investments are quoted equities and debt instruments held at our stockbroker's nominee accounts.

#### 11 Debtors

	2022 £	2021 £
Amounts due within one year:		
Grants, invoices, subscriptions and donations	310,183	80,109
Prepayments and other debtors	2,993	70,912
	313,176	151,021

#### 12 Creditors

	2022 £	2021 £
Amounts falling due within one year:		
Salaries and social security costs	4,780	6,868
Trade creditors	5,750	-
Accruals and other creditors	23,148	22,699
	33,678	29,567

## Action for the River Kennet

## Notes to the Accounts

### 13 Analysis of funding

Restricted Income in year to 31 March 2022	Balance b/f £	Income £	Expenditure £	Transfers £	Balance c/f £
Environment Agency	101,951	60,286	(108,039)	-	54,198
Natural England	27	2,600	(1,683)	-	944
Defra - Green Recovery Fund	(499)	248,765	(216,616)	-	31,650
Wiltshire Council and Patsy Wood Trust	11,432	-	(5,610)	-	5,822
Thames Water	19,340	277,829	(12,970)	-	284,199
Thames Rivers Trust - "Community Eel"	38,271	3,148	(43,841)	-	(2,422)
Co-op Community	3,331	-	-	-	3,331
Other organisations	10,336	249	(17,630)	-	(7,045)
Transfer from unrestricted funds to cover project losses	-	-	-	9,467	9,467
	<u>184,189</u>	<u>592,877</u>	<u>(406,389)</u>	<u>9,467</u>	<u>380,143</u>

There were several restricted projects during the year with minor overruns. The charity transfers funds from unrestricted funds to cover these. The amount in 2022 was £9467. The loss making projects have all finished.

Restricted Income in year to 31 March 2021	Balance b/f £	Income £	Expenditure £	Balance c/f £
Environment Agency	62,902	114,353	(75,304)	101,951
Natural England	-	4,225	(4,198)	27
Defra - Green Recovery Challenge Fund - "Sparkling Streams"	-	31,669	(32,168)	(499)
Wiltshire Council and Patsy Wood Trust	11,829	-	(397)	11,432
Thames Water	-	19,340	-	19,340
Thames Rivers Trust - "Community Eel"	-	44,566	(6,295)	38,271
Salisbury Diocesan Schools	1,982	-	(1,982)	-
Co-op Community	6,018	-	(2,687)	3,331
Other organisations	14,896	4,206	(8,766)	10,336
	<u>97,627</u>	<u>218,359</u>	<u>(131,797)</u>	<u>184,189</u>

### 14 Reserves

Of our total unrestricted funds of £270,417 (2021 - £246,534) we retain £100,000 (2021 - £80,000) as a reserve in cash or cash equivalents, which is approximately 9 months costs. It is intended that this would be used to wind the charity down should there no longer be a purpose which can or should be funded.

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF  
ACTION FOR THE RIVER KENNET**

I report on the accounts of the Charity for the year ended 31 March 2022 which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The Charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act
- follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act, and
- state whether

Basis of independent

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect, the requirements to keep accounting records in accordance with section 41 of the 1993 Act, and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act have not been met, or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Vivien Bayne-Jardine FCA

Independent Examiner

Date: 15 November 2022