



Financial Statements for the year ended 31 March 2023

Action for the River Kennet

TRUSTEES ANNUAL REPORT

FOR THE YEAR TO 31 MARCH 2023

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: Rob Starr
Sam Marshall

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.

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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.
- creates, manages and raises funding for river improvement projects.
- organises and runs activities for schools to help students learn about the river environment and ecology.
- organises visits to and walks along the River Kennet.
- engages with schools, communities and policy makers to encourage the sustainable use of water.
- 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.
- provides opportunities for people to carry out volunteer work in and by the river and trains citizen scientists to collect and record data.
- meets regularly with members, stakeholders and environmental bodies to brief them on the river catchment and responds to consultations about fresh water and chalkstreams.
- publishes regular newsletters informing its members about activities and river health.
- 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.
- works with and advises farmers, land managers and homeowners on ways to minimise their impact on rivers.

Achievements and Performance

ARK has retained two out of three of the temporary posts created through government's Green Recovery Challenge fund, this has enabled the charity to undertake more complex and ambitious projects, particularly the design and creation of wetlands.

Unrestricted income, which can be used for general expenditure, was £93,294 (2022 - £75,711), with income from donations and memberships lower at £37,761 (2022 - £53,989). We received £8,000 (2022 - £24,000) of donations from Trusts and Foundations. Total income dropped to £579,391 (2022 - £668,588). We received funding at the end of last year of £250,000 as a voluntary reparation resulting from a pollution incident and we have been working this year on habitat restoration projects in the lower reaches of the catchment. Total funds rose by £71,222 (2022 - £219,838). Restricted funds carried forward increased from £380,143 to £424,193.

In the year we had an increase on general funds of £27,171 (2022 –increase of £23,882). We had an operating gain of £30,236 (2022 - gain of £28,531) and our long term investments lost £3,065 in value (2022 – gain of £4,819) and were worth £68,568 (2022 - £70,434) at the financial year end.

We continue to campaign to ensure that the chalk stream habitat is protected from over-abstraction and pollution.

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. To bolster evidence we have been collecting and reporting water quality data using a combination of our staff and volunteers. In addition, we have begun to design and build wetlands and sustainable drainage projects that will have a positive impact on water quality.

A portion of the Green Recovery Challenge Fund monies were used for feasibility and design for future projects, and using those plans we have been able to secure funds from other sources, including Farming in Protected Landscapes and commercial investment to create change on the ground.

Education remains a key part of our activities and we have had to diversify our funding sources to keep up with demand. There is still a waiting list for 'River School' and we will be putting effort into securing a more reliable funding stream to support this important work.

We are advocates of the Catchment Based Approach and continue to host the Kennet Catchment Partnership and co-host the South Chilterns Catchment Partnership, and both are effective and result in a better understanding of the water environment, which has led to new projects funded by multiple partners.

We are creating more SuDS (Sustainable urban Drainage Systems) projects both in schools and the wider community. Demand for training through Rain Gardens UK exceeds our capacity to provide it.

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 as well as our tireless volunteers. Corporate volunteering is an expanding area of activity and provides vital funds for us to continue to improve the rivers in the catchments we serve.

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 and beyond owe them enormous gratitude.



Charlotte Hitchmough
Director

Action for the River Kennet

Statement of Financial Activities for the year to 31 March 2023

		Unrestricted Funds	Restricted Funds	Total funds	Prior period Total funds
		£	£	£	£
Income from:					
Donations		37,761	-	37,761	73,989
Grants		46,208	486,097	532,305	589,752
Other trading activities		7,345	-	7,345	2,886
Investments	Note 3	1,980	-	1,980	1,961
Total	Note 2, 13	93,294	486,097	579,391	668,588
Expenditure on:					
Raising funds		8,391	-	8,391	7,655
Charitable activities		51,945	442,047	493,992	443,577
Governance		2,464	-	2,464	2,313
Total	Note 4	62,800	442,047	504,847	453,545
Net realised gains/(losses) on investments		(258)	-	(258)	(24)
Net income/(expenditure)		30,236	44,050	74,286	215,019
Gains/(losses) on revaluation of investments		(3,065)	-	(3,065)	4,819
Net Movement in Funds		27,171	44,050	71,221	219,838
Reconciliation of Funds					
Total funds brought forward		270,418	380,143	650,561	430,723
Total funds carried forward	Note 13	297,589	424,193	721,782	650,561

Action for the River Kennet

Balance Sheet as at 31 March 2023

		2023	2022
		£	£
Fixed assets			
Tangible assets	Note 9	94,246	102,612
Investments	Note 10	68,568	70,434
Total fixed assets		162,814	173,046
Current assets			
Debtors	Note 11	126,000	313,176
Cash at bank and in hand		537,650	198,017
Total current assets		663,650	511,193
Creditors: amounts falling due within 1 year	Note 12	(104,682)	(33,678)
Net current assets/(liabilities)		558,968	477,515
Net assets		721,782	650,561
Funds of the charity			
Unrestricted funds	Note 14	297,589	270,418
Restricted funds	Note 13	424,193	380,143
Total funds		721,782	650,561

Signed by two trustees on behalf of all the trustees



Richard Clarke



Martin Gibson

Date: 10 October 2023

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

	2023	2023	2023	2022	2022	2022
	Unrestricted	Restricted	Total Funds	Unrestricted	Restricted	Total Funds
	Funds	Funds		Funds	Funds	
	£	£	£	£	£	£
Grants received	46,208	486,097	532,305	16,875	572,877	589,752
Membership and donations	37,761	-	37,761	53,989	20,000	73,989
Sundry income	9,325	-	9,325	4,847	-	4,847
	<u>93,294</u>	<u>486,097</u>	<u>579,391</u>	<u>75,711</u>	<u>592,877</u>	<u>668,588</u>

Of the unrestricted income of £93,294 (2022 - £75,711), £37,000 (2022 - £16,875) was a grant from the Environment Agency (EA) to fund the charity's Catchment Management hosting role.

3 Investment income

Of the investment income of £1,980 (2022 - £1,961), all of it arose from investments held with our Investment Advisor. £2,252 (2022 - £61) of sundry 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	2023	2022
	£	£	£	£	£	£
Staff costs	8,215	120,515	13,858	2,464	145,052	158,359
Projects and activities	176	329,566	-	-	329,742	267,435
Administration costs	-	-	21,687	-	21,687	19,385
Depreciation	-	6,498	1,868	-	8,366	8,366
Reallocation of support costs	-	37,413	(37,413)	-	-	-
	<u>8,391</u>	<u>493,992</u>	<u>-</u>	<u>2,464</u>	<u>504,847</u>	<u>453,545</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:

	2023 £	2022 £
Depreciation	8,366	8,366
Independent Accountants fees	400	400

7 Staff costs

	2023 £	2022 £
Total remuneration:		
Salaries	127,769	141,289
Social security costs	10,262	8,156
Pension costs	7,021	8,914
	<u>145,052</u>	<u>158,359</u>

The average number of persons employed by the company was:

	2023 Number	2022 Number
Management	1	1
Project Officer	3	4
Administration	1	1

The emoluments of highest paid member of staff were in the range £30,000- £40,000 (2022 - £30,000 - £40,000): pension contributions of £3,128 (2022 - £3,189) 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 (2022 – £nil), save as below.

Martin Gibson is a trustee of the GC Gibson Charitable Trust which has given an unrestricted donation of £5,000 (2022 - £5,000) 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 2022	76,563	18,887	24,105	119,555
At 31 March 2023	76,563	18,887	24,105	119,555
Depreciation:				
At 31 March 2022	-	10,415	6,528	16,943
Charge for the year	-	2,340	6,026	8,366
At 31 March 2023	-	12,755	12,554	25,309
Net book value:				
At 31 March 2023	76,563	6,132	11,551	94,246
At 31 March 2022	76,563	8,472	17,577	102,612

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

	2023 £	2022 £
Investments at valuation 1 April	70,434	68,254
Acquired at cost in year	5,486	5,965
Disposals at original cost in year	(4,287)	(5,202)
Revaluation gain/(loss) in year	(3,065)	1,417
Investments at valuation 31 March	68,568	70,434

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

11 Debtors

	2023 £	2022 £
Amounts due within one year:		
Grants, invoices, subscriptions and donations	74,549	310,183
Prepayments and other debtors	51,451	2,993
	126,000	313,176

12 Creditors

	2023 £	2022 £
Amounts falling due within one year:		
Salaries and social security costs	8,037	4,780
Trade creditors	73,497	5,750
Accruals and other creditors	23,148	23,148
	104,682	33,678

Action for the River Kennet

Notes to the Accounts

13 Analysis of funding

Restricted Income in year to 31 March 2023	Balance b/f £	Income £	Expenditure £	Transfers £	Balance c/f £
Environment Agency	54,198	99,552	(73,350)	-	80,400
Amazon Web Services	-	173,527	(118,873)	-	54,654
North Wessex Down AONB	-	3,000	-	-	3,000
Defra, FIPL Fund, NWAONB	-	124,244	(119,879)	-	4,365
Natural England	944	4,277	(997)	-	4,224
Wiltshire Council, AONB, Lottery	31,650	-	(322)	-	31,328
Wiltshire Council and Patsy Wood Trust	5,822	-	(5,822)	-	-
Thames 21 Rivers Trust	-	2,000	(32)	-	1,968
Thames Water	34,199	27,740	(10,554)	-	51,385
Thames Water Environmental Reparation Fine	250,000	-	(65,221)	-	184,779
Thames Water DWMP Fund	-	9,000	(7,775)	-	1,225
Other organisations and individuals	(7,045)	42,756	(35,891)	7,045	6,865
Thames Rivers Trust - "Community Eel"	(2,422)	-	-	2,422	-
Co-op Community	3,331	-	(3,331)	-	-
Transfer from unrestricted funds to cover project losses	9,467	-	-	(9,467)	-
	380,143	486,096	(442,047)	-	424,193

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
	184,189	592,877	(406,389)	9,467	380,143

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.

14 Reserves

Of our total unrestricted funds of £297,589 (2022 - £270,417) we retain £100,000 (2022 - £100,000) as a reserve in cash, cash equivalents or readily realisable investments, 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 2023 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: 10 October 2023