

Charity Number: 1073152

# Mersey Rivers Trust

Report and financial statements  
For the period ended 20 June 2022

Mersey Rivers Trust  
Reference and administrative information  
for the period ended 20 June 2022

**Charity number** 1073152

**Registered office and operational address** Riverview A17 Embankment Business Park Heaton  
Mersey Stockport SK3 3GN

**Trustees** Trustees who served during the year and up to the date of this report were as follows:

Dr Keith Hendry	Chair
Professor Peter Batey	Trustee
Mr David Henry Crawshaw	Trustee
Mr Christopher Findley	Trustee
Mr Terence Clive Gaskell	Trustee
Mr Nicolas Carter	Trustee
Mrs Sarah Jenner	Trustee
Mr David Thompson	Trustee
Dr Stephen Boulton	Trustee
Mr Alex Clegg	Trustee (Appointed 09/03/22)
Ms Francesca Sullivan	Trustee (Appointed 09/03/22)

<b>Key management</b>	Name	Paul Henbrey	Operations and Delivery Director
<b>personnel</b>	Name	John Sanders	Strategic Planning and Development Director

<b>Bankers</b>	Name	Triodos
	Address	Deanery Road, Bristol, BS1 5A

<b>Solicitors</b>	Name	Slater Heelis
	Address	86 Deansgate, Manchester, M3 2ER DX 14310 Manchester 1

<b>Independent</b>	Jennifer Daniel FCCA, DChA Slade & Cooper Limited
Examiner	Beehive Mill, Jersey Street, Manchester, M4 6JG

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Trustees' annual report  
for the period ended 20 June 2022

The Mersey Rivers Trust (MRT) trustees present their report and the unaudited financial statements for the year ended 20 June 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

The charity was created in 1998 to work in Greater Manchester, Merseyside, Cheshire and Lancashire and has the following objectives:

- To promote, encourage and where applicable deliver projects for the preservation, restoration, and development of urban and rural waterways and their environs, including adjacent estuarine and coastal areas as defined in the area of benefit, for the benefit of the public environment and its wildlife.
- To advance education by raising public awareness of the issues relating to securing, improving and maintaining such urban and rural waterways and their environs.
- To promote the use of and access to waterways and waterside in the interests of social welfare for recreation and other leisure-time activities with the object of improving the conditions of life for the public

The trustees have reviewed the objectives of the Trust and agreed they are still valid.

Since September 2014, the charity became a Rivers Trust joining a national network of Rivers Trusts. The charity pays an annual fee and gains the support of the regional and national directors in carrying out Trust activities including employment of staff. Staff are entitled to a Rivers Trust pension scheme.

As in recent years the charity has focused on research into water quality and identification and implementation of improvement and engagement projects. It has also been a valuable forum for discussion between local authorities and water professionals. The charity has engaged with local communities as well as professional networks.

In June 2017 the Healthy Waterways Trust (operating under the name of the Healthy Rivers Trust) merged with the Mersey Basin Rivers Trust with a consequential change of name to the Mersey Rivers Trust. The charity will continue to operate as a member of the Rivers Trust and will benefit from a wider volunteer base and the utilisation of the skills and experience of its staff and Trustees. The Trust converted to a Charitable Incorporated Organisation on 20 June 2022.

The trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

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*Statement of Public Benefit*

In meeting these objectives, the charity's public benefit aim is to maintain, complete and apply for funding that supports projects as detailed previously. The charity has met its objectives by sticking to the guidelines of the grants applied for.

In setting out policy and planning these activities the trustees have given consideration to the Charity Commission's general guidance on public benefit.

The Charities Act identifies thirteen charitable purposes as being for the public benefit. The Mersey Rivers Trust meets the public benefit principles by focusing on three of those charitable purposes:

- the advancement of environmental protection or improvement.
- the advancement of education.
- the advancement of health.

## **Achievements and performance**

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the rivers, waterbodies and their environs in the Mersey Catchment and are undertaken to further Frs102 charity's charitable purposes for the public benefit.

The impact of Covid 19 continued to restrict the activities of the Trust during the early part of the reporting period. The number of volunteer events were reduced, and numbers limited. Most staff continued to work from home however some staff returned to working from 'hosted' office space.

The Trust has continued to develop and grow to meet the extensive water quality issues in the Mersey Catchment and has a significant portfolio of approved and funded projects. To deliver the expanding portfolio of environmental improvement projects the Trust appointed an additional full time Project Manager in January 2021. In addition two members of staff left the Trust and were replaced on a like for like basis.

The Trust continued to host three "Catchment Based Approach" (CaBA) catchment partnerships funded by DEFRA via the Environment Agency (£15k per partnership). The hosting of partnership meetings was mainly carried out using video conferencing and webinars however some "live" meetings were introduced towards the end of the financial year. All three partnerships delivered the Environment Agency's "National Success Measures"

The Trust is delivering multiyear river-based improvement projects funded from donations via Enforcement Undertakings to in the Norbury and Micker Brook sub-catchments. Both projects involved working with partners and action groups to identify and deliver local actions such as river clean ups, tree planting and habitat improvements.

Working in partnership with other organisations has been a key feature of the work carried out in the Mersey Catchment. Projects such as the delivery of 60 farm management plans and farm interventions in the Upper Weaver with Severn Rivers Trust and United Utilities will help to reduce the risk of diffuse agricultural pollution. The successful completion of this project led to the award of further funding from the Environment Agency for similar work in the River Bollin catchment.

In partnership with and funded by Highways England the Trust worked with landowners to identify and deliver opportunities to reduce the risk of flooding along major road corridors in the Irwell and Etherow Catchments. MRT provided initial identification and engagement of landowners and farmers and agreed

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interventions which were then wholly or partly funded by the Trust using advanced fund supplied by Highways England.

The Trust focussed on three river systems River Tame, River Irk and the River Bollin, activities included working with schools and colleges in socially deprived areas to educate and raise awareness of local rivers, control of invasive species and working with volunteers and action groups to clean up rivers through local litter picks along riverbanks.

Several bids to the UK Governments Green Recovery programme were submitted and funding awarded for work on the Rivers Tame and River Bollin. In addition funding was also received to run a trainee project aimed at young people aged between 18-25 resulting in the appointment of a trainee for a period of one year. The trainee has benefitted from significant training and work experience which will prepare them to seek full time employment.

The Trust has tried to maintain contact with our volunteer base and local communities with regular newsletters, updates on our website and social media. The impact of Covid with a focus on engagement and encouraging volunteer work on local rivers.

### Beneficiaries of our services

The Trust aims to improve the aquatic environment in the Greater Manchester, Cheshire and Merseyside areas for the benefit of local communities, anglers, environmental action groups and other organisations with similar objectives. Improvements to the environment will benefit the public through cleaner and healthier looking rivers with improved access, education and awareness through public events and volunteer activities.

## Financial review

The Trust continues to be run on a sound and improving financial basis resulting from significant donations and grants to deliver environmental projects.

The total income received was £936,662 (£535,239: 2021) and expenditure of £1,130,897 (£547,037: 2021). The net income/expenditure of -£197,235 resulted from the delivery of projects where funding had been received in previous years and expenditure for work done on 2022/23 'in year' projects where funding will be paid retrospectively in April 2023.

The significant increase in income is largely due to advanced funding of projects which will be delivered over the next two years and the extended accounting period because of the switch to a Charitable Incorporated Organisation. However, the Trust has been successful in winning an increased number of funding bids to deliver a range of diverse projects.

The key expenditure areas associated with charitable activities such as partnership hosting and project delivery. Staff costs increased significantly to £503,866 (£310,998:2021) due to the appointment of additional staff including a new Project Manager and trainee, rising employment costs and the extended accounting period.

The Trust is almost wholly funded by grants and awards to complete environmental projects and Initiatives. The principal source of funding is the Environment Agency through its Water and Environment Improvement Fund, Natural Flood Management Fund, Water Environment Grant and Catchment Based Approach. However, the Trust has actively tried to find alternative funding sources to reduce the reliance on Environment Agency funding. The funding is used to deliver projects using Mersey Rivers Trust staff (staff costs recovery) and the use of contractors and consultants (project management). A small number of directly contracted works were carried out on behalf of our partners.

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The Trust's unrestricted funds have decreased to £221,761 (£494,326: 2021) reflecting the expenditure on projects targeted by the Trust funded in advance in previous years by donations. The Trust has also identified additional projects which it will fund from unrestricted funds to be delivered in 2022/23.

## Reserves policy

Reserves are considered to be that part of the Trust's funds which are freely available for its general purpose after it has met its commitments and covered its other planned expenditure. These unrestricted funds are needed to bridge the gap between the spending and receiving of income and to cover administrative, fundraising and support costs without which the Trust could not function. The trustees consider that due to the expansion and future growth plans for the Trust the ideal level of reserves as at 31st March 2021 would be in the region of £220,000 being 6 months (or 50%) of future annual base operating costs (2022/23) for salaries, insurance, accounting, governance and general admin.

The unrestricted "General Fund" of 221,761 includes MRT planned funding (£56,491) to deliver MRT identified projects. The balance of the General Fund of £165,270 will be regarded as 'MRT Reserves'. Reserves have increased by £11,665 from 2021/22 primarily as a result of donations and the efficiencies made on project delivery

The reserves stand at 38% of base annual operating costs, lower than the stated policy figure. This will be offset in future years by increased fund raising and project efficiencies.

## Plans for the future

We will continue to deliver our short-term plans which are aligned to our long-term objectives (2050 given the scale of the challenges faced in the Mersey Basin).

The 2050 outcomes will guide the shorter-term strategy for the growth and development of the Trust over the next three years. Allied to the longer-term outcomes, we have developed the following key priorities for the period 2020 to 2023:

- Continue to build robust survey evidence and deliver appropriate measures for river habitat and water quality enhancement in our priority catchments covering:
  - River Irk catchment
  - River Bollin catchment
  - River Alt catchment
  - Norbury Brook (including Micker Brook and Ladybrook) sub-catchment of the Upper Mersey
  - Rivacre Brook catchment (Wirral)
  - "Speke to Spike" northern waterfront of the Mersey Estuary (from the Speke-Garston coastal reserve upstream to Spike Island near Widnes)
- Additionally, we will continue to grow our activities in the Weaver/Gowry and Alt/Crossens catchments which have had a lesser focus historically:
  - Continue to work with EA and Natural England on the Alt/Crossens engagement activities with local farming communities
  - Farm advice and support of interventions to reduce agricultural impact on receiving watercourses in the Bollin and Weaver catchments.
- The basin-wide footprint of the Trust is a key benefit so we can take a holistic approach. We will therefore seek to maintain the balance between activities in the upper Mersey basin (i.e. Greater Manchester) and the lower Mersey basin (i.e. Cheshire and Merseyside).
- Deliver natural flood management solutions targeted in dialogue with flood risk authorities to those communities that will benefit most from these solutions.

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- Expand our education and engagement with local communities in our target catchments, increasing our River Guardian volunteers, volunteer inputs and encouraging local ownership ("Friends" groups).
- Deliver the Trust's fisheries strategy during 2021 to 2025 including agreed priority actions, such as targeted monitoring, addressing migration barriers, physical habitat improvements and improving our engagement with the angling community.
- Develop an access and recreation strategy for the rivers systems in the Mersey catchment.
- Improve access and aesthetic quality of the water environment in our priority catchments to encourage more people to gain benefits from their local waterways. This will particularly involve working with our volunteers and "Friends Groups" (including BEACON) with litter clean-ups and carrying out small-scale works to improve access to waterways and enhance biodiversity and river habitat.
- Enhance and expand our relationships with key delivery partners - principally other Third Sector organisations – to support future funding bids.
- Strengthen our links to academic institutions in the Mersey Basin to identify opportunities for collaboration and encourage research into innovative solutions to the challenges we face in the catchment
- The Trust will also review its operating structure to ensure a fit for purpose organisation designed to meet the significant water quality issue in the Mersey catchment.

## **Structure, governance and management**

Healthy Waterways Trust is constituted by Trust Deed dated 6 October 1998 and deed of variation dated 1st July 1999 and is a registered charity No. 01073152. The Trust was renamed The Mersey Rivers Trust in May 2017.

The Trust has applied to the Charity Commission to convert to a Charitable Incorporated Organisation (CIO). The main driver for this action was to reduce the administrative burden of reporting to the Charity Commission and Companies (as a Limited Company). The Mersey Rivers Trust Limited company will be closed and "struck off" the Companies House register. The application to become a CIO was accepted and registered on 25 November 2021. The Trust has been working with the Charity commission to transfer the assets and business of the original Trust to the new CIO which was completed on 20 June 2022.

The trust constituted itself as a "Foundation CIO" whose only voting members are its charity trustees. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

### *Appointment of Trustees*

The first and current trustees were appointed (and may be removed) by its board of trustees. There should be one third of the trustees or two trustees, whichever is the greater, of those attending a meeting to be quorate.

The charitable objectives of the trust are such that the trustees believe that it is essential to ensure that the management of the charity is effective and in line with good practice in the charitable sector. In addition, the areas of activity require experience, knowledge and expertise in river basin management, water resources, environmental management and protection, local government and the voluntary sector. The trustees annually review the membership of the trust to ensure an appropriate balance of management and more specialist expertise is available. New trustees are appointed following consideration by the existing trustees collectively. Trustees may serve for a maximum period of three years before standing down or seeking re-election.

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All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

### Related parties and relationships with other organisations

None of the trustees receive remuneration or other benefit for their work with the charity. Any contractual relationship with a related party must be disclosed: in the current or previous year, no such related party transactions were reported

### Remuneration policy for key management personnel

Remuneration for key staff (Operations and Delivery Director and the Strategic Planning and Development Director) is aligned to the National Rivers Trust guidance "Pay Guide for Rivers Trust October 2021"

The post of Director is designated as Grade 6 – "Director of a small to medium sized Trust". The appointment of the Director (Paul Henbrey was made in November 2016 and John Sanders July 2019). Remuneration will be reviewed annually by the Trustees.

### Risk management

The monitoring and management of risk is a dynamic process, and the charity faces some level of risk in the activities, events and contracts that it engages in. The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity may face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures, designed to minimise or manage any potential impact the charity should those risks materialise.
  - Governance risks - eg inappropriate organisational structure, difficulties recruiting trustees with relevant skills, conflict of interest;
  - Financial risks - eg accuracy and timeliness of financial information, adequacy of reserves and cash flow, diversity of income sources;
  - External risks - eg public perception and adverse publicity, demographic changes, government policy;

Compliance with law and regulation - eg breach of trust law and regulatory requirements of particular activities such as fund-raising

The charity's review of its risk management will continue to help ensure:

- the charity's aims are achieved more effectively;
- significant risks are known and monitored enabling trustees to make a more effective contribution;
- there is improved forward planning



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Fundraising

The Trust does not carry out direct fundraising activities.

**Funds held as custodian trustee on behalf of others**

The Trust does not hold funds or other assets on behalf of other individuals or organisations.

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Statement of responsibilities of the trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- 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 and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' annual report has been approved by the trustees on 18/01/2023 and signed on their behalf by

Name Dr Keith Hendry

Title Mersey Rivers Trust Chair

Independent examiner's report  
to the members of  
Mersey Rivers Trust

I report to the charity trustees on my examination of the accounts of the charity for the period ended 20 June 2022 which are set out on pages 11 to 23.

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Jennifer Daniel FCCA DChA

Slade & Cooper Limited, Chartered Certified Accountants  
Beehive Mill, Jersey Street  
Manchester, M4 6JG

Date 22/03/2023

Mersey Rivers Trust  
Statement of Financial Activities  
(including Income and Expenditure account)  
for the period ended 20 June 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Charitable activities	3	437,105	499,025	936,130	534,475
Investments	4	532	-	532	764
<b>Total income</b>		<b>437,637</b>	<b>499,025</b>	<b>936,662</b>	<b>535,239</b>
<b>Expenditure on:</b>					
Charitable activities:	5	710,202	420,695	1,130,897	547,037
<b>Total expenditure</b>		<b>710,202</b>	<b>420,695</b>	<b>1,130,897</b>	<b>547,037</b>
<b>Net income/(expenditure) for the year</b>	6	<b>(272,565)</b>	<b>78,330</b>	<b>(194,235)</b>	<b>(11,798)</b>
Transfer between funds		-	-	-	-
<b>Net movement in funds for the year</b>		<b>(272,565)</b>	<b>78,330</b>	<b>(194,235)</b>	<b>(11,798)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		494,326	56,341	550,667	562,465
<b>Total funds carried forward</b>		<b>221,761</b>	<b>134,671</b>	<b>356,432</b>	<b>550,667</b>

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

# Mersey Rivers Trust

## Balance sheet as at 20 June 2022

	Note	2022	2021
		£	£
<b>Current assets</b>			
Debtors	10	22,762	65,676
Cash at bank and in hand		817,629	499,512
<b>Total current assets</b>		<b>840,391</b>	<b>565,188</b>
<b>Liabilities</b>			
Creditors: amounts falling due in less than one year	11	(483,959)	(14,521)
<b>Net current assets</b>		<b>356,432</b>	<b>550,667</b>
<b>Net assets</b>		<b>356,432</b>	<b>550,667</b>
<b>The funds of the charity:</b>			
Restricted income funds	12	134,671	56,341
Unrestricted income funds	13	221,761	494,326
<b>Total charity funds</b>		<b>356,432</b>	<b>550,667</b>

The notes on pages 14 to 23 form part of these accounts.

Approved by the trustees on 18/01/2023 and signed on their behalf by:

Dr Keith Hendry (Chair)

Mersey Rivers Trust  
Statement of Cash Flows  
for the period ending 20 June 2022

	Note	2022 £	2021 £
<b>Cash provided by/(used in) operating activities</b>	15	<b>317,585</b>	<b>(55,356)</b>
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		532	764
<b>Cash provided by/(used in) investing activities</b>		<b>532</b>	<b>764</b>
Increase/(decrease) in cash and cash equivalents in the year		318,117	(54,592)
Cash and cash equivalents at the beginning of the year		499,512	554,104
<b>Cash and cash equivalents at the end of the year</b>		<b>817,629</b>	<b>499,512</b>

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# Mersey Rivers Trust

## Notes to the accounts for the period ended 20 June 2022

### **1 Accounting policies**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **a Basis of preparation**

The financial statements have been prepared 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 (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Mersey Rivers Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### **b Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

## Mersey Rivers Trust

### Notes to the accounts for the period ended 20 June 2022 (continued)

#### **c Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

#### **d Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.



Notes to the accounts for the period ended 20 June 2022 (continued)

**e Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations and partnership agreements which the funder has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

**f Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes salary payments, payments to contractors and other administration costs undertaken to further the purposes of
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**h Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**i Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**j Creditors and provisions**

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

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## Notes to the accounts for the period ended 20 June 2022 (continued)

### k Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### l Pensions

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end.

## 2 Legal status of the charity

The charity is an unincorporated charity registered in England and Wales.

## 3 Income from charitable activities

	Unrestricted £	Restricted £	Total 2022 £
Catchment partnership	-	499,025	499,025
Invasive species removal and river restoration	437,105	-	437,105
<b>Total</b>	<b>437,105</b>	<b>499,025</b>	<b>936,130</b>

<i><b>Previous reporting period</b></i>	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2021 £</i>
<i>Catchment partnership</i>	<i>-</i>	<i>368,250</i>	<i>368,250</i>
<i>Invasive species removal and river restoration</i>	<i>166,225</i>	<i>-</i>	<i>166,225</i>
<i>Subtotal for activity 1</i>	<i>166,225</i>	<i>368,250</i>	<i>534,475</i>

## 4 Investment income

	2,022 £	2,021 £
Income from bank deposits	532	764

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

# Mersey Rivers Trust

Notes to the accounts for the period ended 20 June 2022 (continued)

## 5 Analysis of expenditure on charitable activities

	2022 £	2021 £
Staff costs	503,866	310,998
Contractors expenses	456,519	167,250
Travel and subsistence	22,892	11,116
Stationery and telephone	1,226	966
Accountancy fees	4,990	4,484
Meetings	1,247	46
Equipment	36,740	25,301
Training	13,041	2,626
Insurance	2,510	1,830
IT costs	6,125	1,387
Administration	42,151	10,270
Miscellaneous	7,740	8,963
Charitable donations	15,401	-
Legal and professional fees	14,289	-
Governance costs		
Independent examiner's fee	2,160	1,800
	<hr/>	<hr/>
	1,130,897	547,037
	<hr/>	<hr/>
	2022 £	2021 £
Restricted expenditure	420,695	316,310
Unrestricted expenditure	710,202	230,727
	<hr/>	<hr/>
	1,130,897	547,037
	<hr/>	<hr/>

## 6 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2022 £	2021 £
Independent examiner's fee	2,160	1,800
	<hr/>	<hr/>

## Mersey Rivers Trust

### Notes to the accounts for the period ended 20 June 2022 (continued)

#### 7 Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	439,495	307,403
Social security costs	32,289	29,252
Pension costs	32,042	22,081
	<hr/>	<hr/>
	503,826	358,736
	<hr/>	<hr/>

No employees has employee benefits in excess of £60,000 (2021: Nil).

The average number of staff employed during the period was 13.53 (2021: 10.75).

The average full time equivalent number of staff employed during the period was 12.2 (2021: 10.2).

The key management personnel of the charity comprise the trustees and the Executive Director Operations and Delivery and Executive Director Strategy Development. The total employee benefits of the key management personnel of the charity were £101,006 (2021: £76,705).

#### 8 Trustee remuneration and expenses, and related party transactions

No (2021:One) trustee received conference expenses during the year (2021:£262).

Aggregate donations from related parties were £nil (2021: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No other trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2021:nil).

# Mersey Rivers Trust

## Notes to the accounts for the period ended 20 June 2022 (continued)

### 9 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 10 Debtors

	2022 £	2021 £
Trade debtors	19,300	62,313
Prepayments and accrued income	2,878	2,780
Other debtors	584	583
	<hr/>	<hr/>
	22,762	65,676
	<hr/> <hr/>	<hr/> <hr/>

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

	2022 £	2021 £
Other creditors and accruals	8,931	6,046
Deferred income	465,780	-
Taxation and social security costs	9,248	8,475
	<hr/>	<hr/>
	483,959	14,521
	<hr/> <hr/>	<hr/> <hr/>

# Mersey Rivers Trust

## Notes to the accounts for the period ended 20 June 2022 (continued)

### 12 Analysis of movements in restricted funds

<b>Current reporting period</b>	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 20 June 2022 £
Catchment partnership	56,341	499,025	(420,695)	-	134,671
<b>Total</b>	<b>56,341</b>	<b>499,025</b>	<b>(420,695)</b>	<b>-</b>	<b>134,671</b>

<b>Previous reporting period</b>	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Catchment partnership	4,401	368,250	(316,310)	-	56,341
<b>Total</b>	<b>4,401</b>	<b>368,250</b>	<b>(316,310)</b>	<b>-</b>	<b>56,341</b>

<b>Name of restricted fund</b>	<b>Description, nature and purposes of the fund</b>
Catchment partnership	The Catchment Partnerships and associated projects are part of the DEFRA led initiative Catchment Based Approach (CaBA). The Mersey Rivers Trust receives funding from DEFRA (via the Environment Agency) and the European funded Natural Course Project to host three Catchment Partnerships (Alt/Crossens, Lower Mersey and Upper Mersey Catchments). Funding is also received to deliver other environmental projects from the Environment Agency (Water Environment Improvement Fund (WEIF) and Natural Flood Management Fund and Water Environment Grants). Transfer to unrestricted funds represents expenditure that have not been correctly allocated to restricted funds and surpluses achieved through project efficiencies. The associated projects have been delivered satisfactorily and signed off by the funders

# Mersey Rivers Trust

## Notes to the accounts for the period ended 20 June 2022 (continued)

### 13 Analysis of movement in unrestricted funds

<b>Current reporting period</b>	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	As at 20 June 2022 £
General fund	494,326	437,637	(710,202)	-	221,761
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	494,326	437,637	(710,202)	-	221,761
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Previous reporting period</b>	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	As at 31 March 2021 £
General fund	558,064	166,989	(230,727)	-	494,326
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	558,064	166,989	(230,727)	-	494,326
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

<b>Name of unrestricted fund</b>	<b>Description, nature and purposes of the fund</b>
General fund	The free reserves after allowing for all designated funds

### 14 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Net current assets/(liabilities)	221,761	-	134,671	356,432
	<hr/>	<hr/>	<hr/>	<hr/>
Total	221,761	-	134,671	356,432
	<hr/>	<hr/>	<hr/>	<hr/>

# Mersey Rivers Trust

Notes to the accounts for the period ended 20 June 2022 (continued)

## 15 Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
<b>Net income/(expenditure) for the year</b>	(194,235)	(11,798)
<b>Adjustments for:</b>		
Dividends, interest and rents from investments	(532)	(764)
Decrease/(increase) in debtors	42,914	(45,787)
Increase/(decrease) in creditors	469,438	2,993
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operating</b>	317,585	(55,356)
	<hr/> <hr/>	<hr/> <hr/>

## 16 Transfer of assets and liabilities

The assets and liabilities of the unincorporated charity were transferred to a new charitable incorporated organisation on the 20 June 2022.