

REGISTERED COMPANY NUMBER: 06822819 (England and Wales)
REGISTERED CHARITY NUMBER: 1130991

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
PERIOD 1 MARCH 2010 TO 30 JUNE 2011
FOR
WESSEX CHALK STREAM AND RIVERS TRUST

D. Velida & Co.
Chartered Accountants
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Central Way
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SP10 5AN

WESSEX CHALK STREAM AND RIVERS TRUST

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FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011

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WESSEX CHALK STREAM AND RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 1 March 2010 to 30 June 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

INCORPORATION

The charitable company was incorporated on 18 February 2009 and commenced trading on 14 May 2010.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06822819 (England and Wales)

Registered Charity number

1130991

Registered office

Test And Itchen Association Office
Kimbridge Lane
Kimbridge
Romsey
Hampshire
SO51 0LE

Trustees

M W Anderson

R D Borrás

Dr R M Crabtree

J G Glasspool

P J Hayes

- resigned 8.8.11

R T Lalonde

J E Levell

The Hon Lo J H R Manners

Dr G J Mantle MBE

B G Marshall

- resigned 14.8.11

The Hon P J Pleydell-Bouverie

P L Reading

Mrs D J Tann

Company Secretary

J E Levell

Independent Examiner

D. Velida & Co.

Chartered Accountants

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WESSEX CHALK STREAM AND RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trust is supported by approximately 150 ordinary life supporters and founders. Ordinary supporters pay an annual amount towards the work of the Trust, plus in some cases extra donations are received.

Overall responsibility for the running of the Wessex Chalk Stream and Rivers Trust rests with the Board of Trustees which is limited to twenty Trustees. Trustees are elected and appointed by the Board. The Trustees appoint their own chairman from within their ranks.

Sub committees and working groups have been established consisting mainly of individual Trustees and the part time Chief Executive covering specific issues e.g. fund raising, governance, education, research etc.

The Trust has a part time Chief Executive dealing with day to day matters.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims and Public Benefit

The Wessex Chalk Stream and Rivers Trust is dedicated to the guardianship, protection, enhancement and maintenance of healthy, functioning ecosystems within the river catchments and corridors of the Wessex region.

Its vision is of healthy rivers within the Wessex region which are valued and nurtured by the community and which exhibit:-

- Sustainable and natural abundant wildlife
- High water quality and sustainable natural flows
- Fully functioning ecosystems which link the rivers and their valleys
- Resilience to climate change and future stresses associated with social and economic development

WESSEX CHALK STREAM AND RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Education

The Trout in Schools Project initiated under the Wessex Salmon Rivers Trust continued successfully during 2010/11. Two new locations were added to 11 which have so far participated in the scheme at Wimborne and Swanmore. Use of the tanks has in some cases been extended beyond the time of release of the trout to create mini-rivers populated with invertebrates and other small fish species and extending the use of the tanks to the end of the summer term. Expansion of the scheme eastwards has been constrained by a shortage of volunteer help.

Plans for Know Your Local River teaching aids have been subsumed by an exciting new development for an online resource on chalk streams being developed in conjunction with the Wiltshire Wildlife Trust.

Conservation and Habitat Enhancement

The Director and Scientific Officer have served on the steering group for the development of the Strategic Framework of the River Avon and now sit on the Project Board overseeing priority restoration projects. Within this four projects have been identified for execution by the Trust with funding allocated by the EA/DEFRA, three of which are planned for implementation during 2012.

As part of its commitment to addressing problems associated with run-off from agricultural land the Trust has participated as a key stakeholder in the Avon Demonstration Catchment initiative aimed at demonstrating and quantifying the value of land management techniques to reduce diffuse pollution in headwaters. Alongside this we are exploring the opportunity to extend this work beyond the current priority sub-catchments including the funding of an officer within the Trust to co-ordinate and deliver it.

The Trust was successful in being allocated funding for three projects under Phase 2 of the DEFRA River Improvement Fund. One of these at Ibsley on the River Avon is being undertaken in collaboration with the EA. The first stage of survey work has been completed and we are about to commission a study of restoration options for implementation during 2012. At Sadler's mill on the Test support has been obtained from the owners for planned improvement to the fish pass. This will be subject to planning consent. The third project is a feasibility study for improving fish passage at Brambridge on the Itchen.

In December 2010 an 'Investigative Stocking' project was initiated for salmon on the Avon catchment, in partnership with Trafalgar Fisheries. The aim has been to rear and release young wild salmon in sufficient numbers to monitor their short-term survival and confirm the holding capacity along river reaches with apparently good habitat, but yielding very low numbers of naturally spawned young salmon in EA fish surveys. Currently the background to this project is the knowledge that there is very poor egg survival in the river and the question is whether a further constraint on later survivors is operating in the river. If holding capacities of young fish reared in the hatchery can be shown to be maintained after release, then the main in-river 'bottleneck' to salmon stock recovery remains the poor egg incubation conditions, which can be addressed by reductions in fine sediment inputs between December and April.

Limited progress was made in 2011. Eggs from three salmon were successfully fertilised, incubated and hatched, with a very high level of survival. At the end of the yolk-absorption period the young fish failed to start feeding properly and a high proportion died. The remaining fish became stunted and incapable of surviving in the wild. Following advice from the SW Hatchery Group and with appropriate adjustments to the design and conditions in fry holding facilities, a better outcome is anticipated in 2012.

WESSEX CHALK STREAM AND RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Discussions are in an advanced stage for the EA to fund a Projects Officer within the Trust under a collaborative agreement for an initial period of one year. The role will be principally management and delivery of habitat enhancement projects including identification of funding opportunities and preparation of bids. The scope of this work will not be restricted to the river channels and may include work in the river catchments more broadly, for example in addressing diffuse pollution.

Research

The first phase of the Ranunculus project, aimed at building a better understanding of the factors which influence success of Ranunculus, was completed. This involved a desk review of relevant research work undertaken over the last decade since the last such review by the EA. The report highlighted the following areas of focus for future work

- Clarification of the taxonomy of the subspecies
- Examination and improvement of macrophyte survey techniques
- Studies into the effects of cutting and its use as a management tool
- More focused work on the influence of flow, sediment dynamics and swan grazing

The Trust has developed a research proposal to establish the potential for manipulation of in-river self-cleaning processes that trap and process nutrients and suspended sediments. The aim being to measure beneficial influences of river reaches with enhanced natural habitat features and high invertebrate abundance. Funding options and candidate sites are currently under discussion.

The programme initiated under Wessex Salmon Rivers Trust to measure river temperature has continued. WCSRT loggers are deployed to record river temperature, extending the coverage of monitoring by the Environment Agency, Wessex Water, Southampton University and Forest Research. In 2010 and 2011 WCSRT had loggers on the Avon (6), Test (2) and, starting in 2011, on the Allen (2). These loggers record every fifteen minutes throughout the summer months and their data will inform the future influences of particular river restoration outcomes and our scope for ameliorating the effects of climate change.

In 2011 three temperature loggers were also deployed within the river bed adjacent to salmon redds on the Lower Avon, Nadder and Wylfe. These confirmed average water temperatures between Christmas and mid-April were quite similar to the overlying water, but displayed much smaller daily fluctuations within the river gravel. Where trout and salmon were observed spawning it was possible to predict the timing of fry emergence from the gravel, this informed keepers when wading would no longer risk damage to vulnerable fry in the redds.

A three year investigation into phosphorus in chalkstream headwaters has been initiated in collaboration with Southampton University and the Vitacress Conservation Trust. The EA have supported the project in kind with equipment and the Test and Itchen Association has put up £12000 purchase of field equipment. The focus is on building an understanding of the relative importance of different phosphorus sources including establishment of mass balance models for the headwater catchments of the Itchen and the Test.

Advocacy

The principle focus of the Trust's advocacy work in 2010/11 has been to establish the Trust's position in the regional environmental arena as the representative stakeholder for riparian and river habitat interests and to position ourselves to take advantage of the coalition governments increasing involvement of the third sector in securing protection of river habitats.

WESSEX CHALK STREAM AND RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

A detailed response was made to the Nature of England consultation ahead of the Environment White paper.

The Trust participated in the consultation process for the new Good Practice Guidance for small scale hydropower projects. Recognising the potential value of hydropower in reducing GHG emissions, the Trust has supported the principle of hydropower but not where this involves negative impact on river habitat and fish. We have supported the call for a more strategic approach to planning the exploitation of hydropower and assessment of the cumulative impact of multiple schemes. We have also raised the need for exit strategies to be incorporated into the planning process to address negative legacies of redundant schemes at the end of their life. We have reviewed and commented on a total of eight proposals within the Trust region so far.

We have represented fisheries and the rivers trust movement on the South East and South West River Basin Liaison Panels where we have encouraged the group to make an active contribution to the River Basin Planning process and the delivery of WFD objectives.

Members of the Trust participated in the Regional Fisheries Environment and Recreation Committees until their disbanding of these committees in March 2011.

We are currently in discussion with the Environment Agency about the establishment of Catchments Groups for the delivery of WFD requirements and other river improvements. This has focused initially in the Hampshire catchments.

The Trust has taken an active role in Salmon Groups on the Itchen and Avon and more recently the re-establishment of the Test Salmon Group with a key focus on improving access for migrating salmon and sea trout. Recently the Trust has been involved with the EA and riparian owners in planning a net buy-out on the River Avon.

Representatives of the Trust have participated in broader initiatives aimed at improving continuity of wildlife habitat including the establishment of an Integrated Biodiversity Delivery Area across the southern chalk uplands and more a Local Nature Partnership proposal in Hampshire led by the Wildlife Trust.

FINANCIAL REVIEW

Reserves policy

It is the aim of the trustees to maintain reserves at a level that would permit the Trust to cover business overheads for a period of at least three months in the case of unforeseen events.

Wessex Chalk Stream and Rivers Trust was incorporated in February 2009 but was not formally launched until June 2010. The Board decided upon a 30 June year end.

Total income in the trust's fifteen month period to 30 June 2011 covering both restricted use and unrestricted use funds was £60,508 and expenditure was £32,236. Income therefore exceeded expenditure by £28,272; split £18,933 unrestricted use funds and £9,339 restricted use funds.

The Wessex Salmon and Rivers Trust closed in March 2011 and kindly donated £10,104 to the trust to be used for the continuation of WRST nominated projects. These funds are held as restricted use for the purpose for which they were donated. During the period to 30 June 2011 £765 was spent on the Salmon Hatchery project and Trout in Schools project.

Net assets of the trust as at 30 June 2011 was £28,272 which consisted solely of cash.

WESSEX CHALK STREAM AND RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Wessex Chalk Stream and Rivers 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 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the 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.

The Trustees confirm that they have complied with the duties in Section 4 of the 2006 Charities Act.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD :

J E Levell - Secretary

30 January 2012

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WESSEX CHALK STREAM AND RIVERS TRUST

I report on the accounts for the period 1 March 2010 to 30 June 2011 set out on pages nine to fourteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period (under Section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 43 of the 1993 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 43(7)(b) of the 1993 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the 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 you as 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 statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
WESSEX CHALK STREAM AND RIVERS TRUST**

D.R.W. Velida
D. Velida & Co.
Chartered Accountants
Centurion House
Central Way
Andover
Hampshire
SP10 5AN

1 February 2012

WESSEX CHALK STREAM AND RIVERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income		50,404	10,104	60,508
RESOURCES EXPENDED				
Costs of generating funds				
Costs of generating voluntary income		29,971	765	30,736
Governance costs		1,500	-	1,500
Total resources expended		31,471	765	32,236
NET INCOMING RESOURCES		18,933	9,339	28,272
TOTAL FUNDS CARRIED FORWARD		18,933	9,339	28,272

The notes form part of these financial statements

WESSEX CHALK STREAM AND RIVERS TRUST

BALANCE SHEET
AT 30 JUNE 2011

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
CURRENT ASSETS				
Cash at bank		33,495	9,339	42,834
CREDITORS				
Amounts falling due within one year	4	(14,562)	-	(14,562)
NET CURRENT ASSETS				
		<u>18,933</u>	<u>9,339</u>	<u>28,272</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
		<u>18,933</u>	<u>9,339</u>	<u>28,272</u>
NET ASSETS				
		<u>18,933</u>	<u>9,339</u>	<u>28,272</u>
FUNDS				
Unrestricted funds	5			18,933
Restricted funds				<u>9,339</u>
TOTAL FUNDS				
				<u>28,272</u>

The notes form part of these financial statements

WESSEX CHALK STREAM AND RIVERS TRUST

BALANCE SHEET - CONTINUED

AT 30 JUNE 2011

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 June 2011.

The members have not required the charitable company to obtain an audit of its financial statements for the period ended 30 June 2011 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 30 January 2012 and were signed on its behalf by:

J E Levell -Trustee

P L Reading -Trustee

WESSEX CHALK STREAM AND RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Membership income, including life membership, is included on a receipts basis and all other income is included on an accruals basis.

Donated services and facilities are included at the value to the charity where this can be quantified.

Resources expended

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered, and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Cost of generating funds

Costs of generating funds comprise the costs associated with attracting voluntary income.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees.

Taxation

The tax status of the scheme is pending.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

WESSEX CHALK STREAM AND RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 30 June 2011.

Trustees' Expenses

Travel costs amounting to £296 were reimbursed to 2 trustees.

3. DONATED SERVICES AND FACILITIES

During the period, fees for the following services and facilities were waived:-

Chief executives fee £2,500

Office administrators fee £750

Office facilities £751

The amounts above have been included in the Statement Of Financial Activities as donations received and within the costs of generating voluntary income.

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	£ 14,562
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5. MOVEMENT IN FUNDS

	At 1.3.10 £	Net movement in funds £	At 30.6.11 £
Unrestricted funds			
General fund	-	18,933	18,933
Restricted funds			
Wessex Salmon & Rivers Trust	-	9,339	9,339
TOTAL FUNDS	<u>-</u>	<u>28,272</u>	<u>28,272</u>

WESSEX CHALK STREAM AND RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011**

5. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	50,404	(31,471)	18,933
Restricted funds			
Wessex Salmon & Rivers Trust	10,104	(765)	9,339
TOTAL FUNDS	<u>60,508</u>	<u>(32,236)</u>	<u>28,272</u>

Restricted funds represent donations received from the Wessex Salmon and Rivers Trust, a charity which has been dissolved, which are to be used for the purpose of the continuation of Wessex Salmon and Rivers Trust's projects, namely:-

- Trout in schools
- Salmon hatchery
- Combat invasive species
- Purchase of salmon scales from the Muddiford nets and hold as a salmon scales database
- River temperature project

6. ULTIMATE CONTROLLING PARTY

Wessex Chalk Stream and Rivers Trust is run by the Trustees, who are appointed by the board of directors. No individual director/trustee has overall control.

WESSEX CHALK STREAM AND RIVERS TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 MARCH 2010 TO 30 JUNE 2011

£

INCOMING RESOURCES

Voluntary income

Donations	32,059
Membership income	17,611
ART Launch	10,588
Sundry income	250

60,508

Total incoming resources

60,508

RESOURCES EXPENDED

Costs of generating voluntary income

Postage and stationery	699
Newsletters	579
Logo design	588
Launch expenditure	9,069
Meeting rooms	523
Workshop attendance	230
Affiliation fees	100
Travel	2,447
Chief executives fee	15,000
Administration fee	750
Office facilities	751

30,736

Governance costs

Accountancy	1,500
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Total resources expended

32,236

Net income

28,272