

ARUN & ROTHER RIVERS TRUST ANNUAL REPORT 18 NOVEMBER 2011 – 31 MARCH 2013



Photos: Lucy Brooks & Steve Simmonds

REGISTERED COMPANY NUMBER: 07853698 (England and Wales)
REGISTERED CHARITY NUMBER: 1147477

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013
FOR
THE ARUN AND ROTHER RIVERS TRUST

Martin and Company
25 St Thomas Street
Winchester
Hampshire
SO23 9HJ

THE ARUN AND ROTHER RIVERS TRUST

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FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

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THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013**

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 18 November 2011 to 31 March 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

The First Annual Report of any new organisation is an important milestone. For a new Charity dedicated to environmental works largely funded by public money it has a double importance, as we look back to remind ourselves of the road we have travelled so far, and forwards to tell the public why we are here, what we aim to achieve, and why we hope for their continuing support.

The Arun & Rother Rivers Trust (ARRT) www.arrrt.org.uk is one of the newest members of the Rivers Trust network in England and Wales, helped and supported by the national umbrella body The Rivers Trust www.theriverstrust.org. ARRT covers the whole catchment of the "Arun and Western Streams" – the Rivers Arun and Rother and the coastal streams which feed Pagham and Chichester Harbours. ARRT works with farmers and landowners, statutory agencies, anglers and other recreational users, community groups and NGOs. By applying for funding, working in partnership and offering advice and practical support we help promote local action to look after and to improve the rivers within our catchment.

ARRT was formally launched at a public event in Pulborough, West Sussex, on 15th June 2011 when the original 12 Trustees signed a Memorandum of Understanding and Articles of Association. ARRT was registered in England & Wales as a Company Limited by Guarantee as defined by the Companies Act 2006 on 18th November 2011, Company Registration No: 7853698. It became a Charity when it registered with the Charity Commission for England and Wales, entered on the Register of Charities on 28th May 2012 as Registered Charity No: 1147477. ARRT's Registered Office is c/o The Barlavington Estate Office, Duncton Mill, Dye House Lane, Duncton, Petworth, West Sussex GU28 0LF.

The Articles of Association set out the Objects for which the Charity is established:

(1) To conserve, protect, restore and improve the rivers, streams, and other waterbodies of the Arun and Western Rother catchments and other rivers and tributaries in Sussex and elsewhere in the Environment Agency's South East region as may be deemed appropriate, for the advancement of environmental protection or improvement for the benefit of the public.

(2) To advance the education of the public, or any association, institution, voluntary organisation, company, local authority, administrative or governmental agency or public body or representative body in: -

(a) The understanding of rivers, river corridors and river catchments, including their fauna, flora, biodiversity, economic or social activity, and river catchment management.

(b) The need for, and benefits of, conservation, protection, rehabilitation and improvement of aquatic environments.

ARRT is governed by its Trustees, who are Directors of the Company and constitute the Board of Trustees of the Charity. During the period the Trustees of ARRT were:

Sebastian Anstruther – Chairman
Charlie Baker
Dave Brown
Richard Hammond – Vice Chairman
Tim Lock
Roger Poole
Alistair Smith
Andrew Thompson
Tony Whitbread
John Whiting
Martin Willing
John Benfield (resigned 16.11.12)
Mark Elliott (resigned 16.11.12)
Phillip Ellis (resigned 16.11.12)
Ben Gilbert (resigned 28.11.12)
Helen Martin (resigned 20.3.13)

THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013**

All Trustees must retire from office and (if they wish) seek re-election at the first General Meeting at which the Accounts are laid, and thereafter by rotation as set out in the Articles of Association. The Trustees are all volunteers.

ARRT is very fortunate in its Trustees, who have a wide range of professional knowledge and experience. Brief CVs for all the Trustees can be found on the website at www.arrt.org.uk/trustees/.

ARRT is not a membership organisation: it has no members apart from its Trustees. It hopes to recruit non-voting "supporters" in due course to carry out practical volunteer tasks in river restoration and other activities in furtherance of its Charitable Objects.

In order to bring ARRT's financial administration into line with common practice the Trustees have resolved to run a long first accounting year of just over 16 months, from 18th November 2011 to the end of March 2013. The Accounts to 31st March 2013 will be presented at the first General Meeting of ARRT on Friday 18th October 2013.

The independent examiner for the Trust is J A Burnett (ACA CTA), Martin and Company, 25 St Thomas Street, Winchester, Hampshire SO23 9HJ.

Since June 2011 the Trustees' first concern has been to set up the new organisation: registering the Company, opening bank accounts, gaining Charitable Status, and then establishing the Charity's proper policies and procedures. In this they have been greatly assisted by ARRT's Administrators – Georgie Trappen until her retirement in February 2013, and now Tracy Thurlow – and by the Finance & Administration Committee chaired by Richard Hammond. ARRT now has the required Data Protection registration, Trustees & Professional Indemnity insurance and Public & Employer Liability insurance. A Health & Safety Statement and Risk Management Procedures have been approved by the Board, and a business Risk Register including business continuity and disaster recovery procedures is well developed. Proper financial record-keeping and administration are demonstrated in our first Annual Accounts. I should like to record here my personal thanks to Georgie, Tracy and Richard for their unflagging hard work and attention to detail in making all this possible.

Solid administration is the essential "back office" support for the grant-funded river restoration and catchment management projects which the public sees and which are the reason we as a Rivers Trust exist. In the period covered by this Annual Report we have secured project funding of £100,633 allowing us to carry out the exciting projects which you can read about below. All these projects have been driven with quiet determination and unflagging energy by our Project Officer Ses Wright, who has been with us from the beginning, initially on a shared basis with our sister Trust to the east, the Ouse and Adur Rivers Trust (OART). Ses's knowledge of rivers and Rivers Trusts is a huge asset to ARRT – Thank You, Ses!

The Ouse and Adur Rivers Trust has been ARRT's inspiration and guide throughout the early months of our development, and this continues today. We copied our Charitable Objects directly from them so that we could work together on projects, and indeed our first project, on Costers Mill, was developed and funded by them for our catchment. As well as our Project Officer Ses, we share two Trustees with OART – Dave Brown and John Whiting. ARRT looks forward to continuing this close and fruitful working relationship with OART in the coming year.

OART was one of the first of Defra's pilots for developing a Catchment Plan, and here too ARRT has followed their lead. Although unsuccessful in the second round of catchment pilot bids, ARRT was granted £5,000 by Defra to take the lead in stakeholder engagement and producing the Catchment Management Plan. We used this funding, matched by contributions from the Arun & Rother Connections Project (ARC)(see below) and the South Downs National Park Authority (SDNPA), to hold a very successful joint public engagement event in December 2012. Far more important than the grant, however, has been the secondment from the Environment Agency of our Catchment Coordinator Sara Denton to work with us directly by bringing together the partnership group which is developing the Catchment Plan. Sara won an award from the EA for her work on our December stakeholder engagement workshop, and she is continuing to drive our Plan forward, whilst at the same time developing ARRT's bid to the SDNPA's Major Partnership's Fund. In short, Sara has become an essential member of the ARRT team, and we are very lucky to have her! You can read her reports on the Catchment Plan and the National Park funding bid below.

ARRT's success is built on strong partnerships with other groups and organisations. This begins with the family of Rivers Trusts and the Environment Agency, who together suggested the formation of a Rivers Trust in our catchment and have strongly supported us from the start.

THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013**

Our earliest stakeholder events and projects were developed and delivered with the Wild Trout Trust and we continue to work with them, and to strengthen our relationships with angling clubs, coarse and fly, and with the Angling Trust in particular. You can read more about our work with fishing clubs in Roger Poole's report below.

As ARRT was starting to form in 2010/2011 the Arun and Rother Connections Project (ARC) was already bringing together established environmental groups and local and statutory authorities in a groundbreaking partnership, led by RSPB and the Sussex Wildlife Trust. ARC is bidding for £1.1 million of Heritage Lottery funding as part of a total project worth almost £2.3 million to be spent on river and wetland improvements and community engagement over a large part of our catchment. ARRT is delighted to be part of this partnership. If the bid is successful it will fund a Project Officer for three years, who's role will be to secure ARRT's capacity to build on the legacy of the partnership at the end of the three year project period.

ARRT's main project delivery responsibility within the ARC partnership will be the Upper Arun River Restoration project. This is a restoration and habit enhancement project designed largely in response to the sewage spill which occurred at Southern Water's sewage treatment works at Broadbridge Heath on the very evening of ARRT's launch in June 2011.

Southern Water were prosecuted by the Environment Agency for the spill, which seriously affected a 10km stretch of river downstream, killing most of the fish and badly affecting the local coarse angling clubs. Southern Water's offer to restock the fisheries was declined, but this was the beginning of a negotiation which we hope will provide a fair level of compensation for the angling clubs and a significant financial contribution from Southern Water towards the Upper Arun River Restoration Project.

Southern Water has in fact shown a good deal of interest in ARRT since our formation. John Spence, their Head of Environment, spoke at our inaugural meeting, and since then we have been talking to them about the benefits of catchment management ("upstream thinking") following the lead set by the national Rivers Trust and now picked up in Government policy. Southern Water is supporting our funding bid to the SDNPA for a Catchment Officer to work in the Rother Valley, and we are also discussing water trading.

Ultimately however no improvement to our rivers and groundwater is possible without the active support of the farmers & land managers in the catchment. In the months leading up to the formation of ARRT much time was spent talking to as many farmers and land managers as possible, as well as seeking the views of the NFU and the CLA. During our first year we have benefited from their strong support.

In conclusion I should like to thank all the individuals and organisations that have helped us make such a strong beginning. We have much to do (we always will have) but by working together I am convinced that even the most complex land management and water resource problems in our catchment can be addressed. ARRT looks forward to the challenge!

Angling – Report by Roger Poole, ARRT's Angling Liaison Trustee

Anglers are the largest group of people who regularly visit both the Arun and Western Rother for recreational purposes. With some twelve coarse and game fishing clubs, plus syndicate stretches, it is estimated that over three thousand anglers fish in our catchment during the designated open seasons.

The Upper Arun is slowly recovering from a major pollution incident two years ago which destroyed a significant number of coarse fish and devastated the angling prospects and finances of three angling clubs. Negotiations with Southern Water for compensation continue and we hope for a satisfactory conclusion in the very near future.

Two of our projects, the Costers Mill project and the Shopham Bridge Riffle and fish refuge scheme, which you can read about below, will improve both fish passage and spawning areas and this should, over time, improve fish stocks which have sadly been in decline on the Rother for many years.

The death of trees due to disease and some exceptional flooding conditions throughout the Rother Valley has led to the loss of bankside shade. As a result the river plants which insects – and therefore fish – depend on have suffered during low water levels in the hot summer months. Fish also need cover from the growing number of Cormorants, so the loss of so many trees is something we are looking at.

THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES

FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

Angling clubs are being encouraged to engage more with our activities and projects on a partnership basis and to do so we are discussing how best to achieve this in co-operation with the Angling Trust, who share our concerns over all aspects of angling and the welfare of our rivers. We intend holding a joint Trusts angling forum and contact meeting to see how best to improve matters.

There is currently a growing debate over river navigation. The question of canoes being allowed access to our non-tidal rivers was discussed at a meeting I had with a representative from Canoe England earlier this year. Canoeing on the larger and wider tidal Arun – where rights of navigation already exist – doesn't cause any real problems for anglers, but canoeing on the upper Arun and the much smaller Rother raises many complex issues. Access would have to be by agreement with angling clubs, as well as with landowners and farmers whose land would need to be crossed. This is a difficult issue: discussions are ongoing.

Roger Poole

Projects – Report by Ses Wright ARRT's Project Officer

- Costers Brook Fish Passage – completed September 2012
- Hammer Stream Catchment Sensitive Farming Workshops – November 2012 – January 2013
- River Rother Sedimentation Traps – in progress
- Shopham Bridge River Restoration – in progress
- Arun & Rother Connections Project (ARC) & Upper Arun River Restoration – awaiting outcome of HLF bid

ARRT has committed itself to working with a wide range of organisations and individuals to help deliver on the ground improvements for the Arun & Western Rother catchment. This includes improving fish passage; aiding the migration of eels moving up our rivers and streams; enhancing riverine (including floodplain) habitat; removing invasive non-native species (both flora and fauna) whilst encouraging rare and targeted species to thrive; working with water companies, the EA and other stakeholders to help secure sustainable water supplies and improve water quality; and helping to educate and inspire future generations about the water environment. ARRT is already involved in a number of projects that help to achieve the above aims.

Costers Brook

The Costers Brook project involved improving fish passage over two man-made obstructions, a stone weir and concrete culverted bridge, opening up several kilometres of stream with good spawning habitat available. The tributaries of the Rother are particularly important for providing key spawning and nursery areas for fish and other wildlife that have been pushed to the margins in the main river channel. This project was successfully delivered in September 2012 in partnership with the Wild Trout Trust and a final Project Report is available on the ARRT website.

Hammer Stream

The Hammer Stream project focused on how farming has changed significantly over recent decades and how this impacts upon the local rivers. The Western Rother valley now supports large areas of intensively managed vegetable/cereal crops that during the winter months and following heavy rainfall discharge large quantities of soil-water runoff into the river, to the extent that it clogs the river's natural flow and destroys fish spawning grounds. Agriculture is not the sole cause of such diffuse pollution but it does contribute to approximately 60% of nitrates, 25% of phosphorus and 70% of sediments (Defra). Tackling these issues involves working closely with the farmers and landowners and for this reason ARRT was keen to link up with our local Catchment Sensitive Farming officer to run a Land Drainage Workshop at Milland Valley Memorial Hall in November 2012. This resulted in a number of farmers/landowners monitoring their field drainage water quality for suspended solids and nitrates over a three month period. The aim of this project was as much about obtaining metrics on agricultural runoff as fostering a belief that by all working together locally we can achieve more for the catchment as a whole. The final report is available on the ARRT website.

Rother Sediment Traps

ARRT has received funding from the EA to design and construct a number of silt traps along the Western Rother valley and to manage their effective operation. Two sites have been identified at present with the aim of trapping sediment in ditches to reduce downstream water pollution. Sediment traps are being increasingly researched in the UK to provide a practical means of reducing nitrate, phosphorus and suspended sediment concentrations from entering rivers. This project involves working alongside landowners/farmers to resolve the practicalities of managing sediment traps effectively. Any farmers interested in getting involved with this project are invited to get in touch!

THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013**

Shopham Bridge River Restoration

Last year ARRT successfully bid for just over £100,000 of government funding from the Catchment Restoration Fund to undertake fishery habitat enhancement works along the Western Rother at Shopham Bridge, south of Petworth. The great strength of our bid, and of actual project delivery, is the close partnership working between ARRT, the Wild Trout Trust and the local Petworth and Bognor Angling Club.

The project includes the construction of an ~ 60m stone and gravel riffle glide, effectively raising the river bed of a long, wide and comparatively deep reach section of the main Rother that currently lacks any good opportunities for fish recruitment. The new habitat will be designed and constructed as a long shallow glide over a gravel bed, gradually rising to a broken riffle at the tail; access to clean gravel glides are extremely limited along this stretch of the Rother.

The project will also comprise the construction of an on-line fish refuge adjacent to and connected with the main channel. Fish refuges can provide both a nursery habitat for juvenile fish during the summer months and a winter refuge where fish of all sizes can escape the force of spate flows. Initial survey work has already indicated that there is a paucity of suitable habitats for juvenile fish in the main Rother channel which are needed to avoid young fish fry being swept out to sea during floods and to improve in-channel biodiversity.

In addition to improving stretches of the main channel, two tributaries around their confluences with the main Western Rother (the Burton Mill Stream, and the Sutton End Stream) will also be enhanced via gravel augmentation and habitat improvement works.

It is anticipated that this approach (as well as improving fish populations via creating spawning areas) will address the apparent imbalance between the higher habitat quality of many of the tributaries of the Western Rother and the relatively poorer quality of the main channel. The re-establishment of gravels (and associated riffle-pool regime) will significantly improve hydromorphological status, the populations of many gravel loving and spawning fish species, and will also afford a significant habitat for elvers and juvenile eels. Gravel introduction will also have the associated benefit of bed-raising thus improving stream – floodplain connectivity.

Arun & Rother Connections Project (ARC) & Upper Arun River Restoration

ARRT is one of seven partners of an important local Heritage Lottery Fund (HLF) bid called the Arun & Rother Connections Project (ARC) managed by the Royal Society for the Protection of Birds (RSPB), together with Sussex Wildlife Trust (SWT), the South Downs National Park (SDNP), Natural England (NE), the EA, and West Sussex County Council (WSCC). The overall project aims are to: (a) promote a rich and thriving river system where wildlife flourishes and where people value and enjoy the landscape, natural and cultural heritage; (b) work with landowners to protect, restore and reconnect wildlife habitats; (c) improve water quality and eliminate non-native invasive species; and (d) better connect the community to the catchment, through access improvements, engagement opportunities and interpretation of the natural and cultural heritage of the project area.

ARRT have been involved in helping to deliver the ‘development’ phase of this HLF bid over the last 12-18 months. This has involved identifying and assessing a proposed ~13km river enhancement project along the upper River Arun which was subject to a major pollution incident in 2011 involving a large fish kill that resulted in many angling clubs having to cease operation. The development stage (and report) of the proposed ARC project was recently submitted to the HLF and a decision will be issued in mid-June; we all hope this bid will be successful!

Finally, ARRT has co-delivered a number of workshops with partners since our inception. We look forward to continuing these in the coming year.

Looking forward, there are several other projects which ARRT is interested in exploring, such as improving eel passage and encouraging volunteers to help monitor eel migration over the spring and summer months; looking into the environmental economic value of the water environment; improving tree cover along the Western Rother. There is much to be done – we have made a good start, if you would like to know more please get in touch.

Ses Wright

THE ARUN AND ROTHER RIVERS TRUST

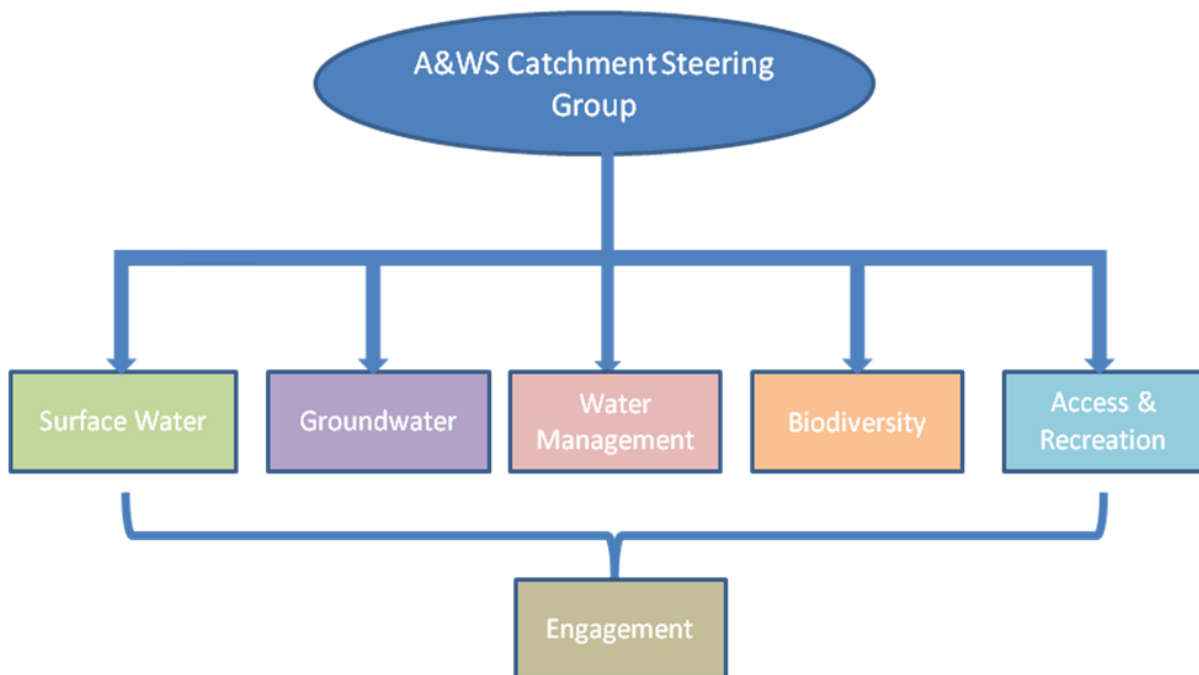
REPORT OF THE TRUSTEES
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

The Catchment Plan, and ARRT’s South Downs National Park Major Partnerships Fund Bid – Reports by Sara Denton ARRT’s Catchment Coordinator

Arun and Western Streams (A&WS) Steering Group

Building on the catchment stakeholder workshop held in December 2012 the first Arun and Western Streams Catchment Steering Group meeting took place on the 26th April in Arundel Town Hall. The meeting was very well attended with a really good mix of organisations from across the catchment.

The aim of the initial meeting was to map out what initiatives and projects are already being undertaken within the catchment and in partnership to decide what approach would be appropriate to develop a Catchment Plan and drive delivery of actions on the ground. Following much debate it was decided that initially a thematic approach (as was undertaken in the Adur & Ouse Catchment) would work better for the catchment but gradually over time we would move towards a more geographical approach with regards engagement and delivery of actions. It was decided that initially there would be 6 sub groups that would report into the Steering Group. Each subgroup will be made up of individuals from across the catchment with the relevant expertise (see structure below).



As this Annual Report goes to press the subgroups are currently in the process of being set up and the next Steering Group meeting is scheduled to take place on Wednesday 10th July at Pulborough Village Hall.

South Downs National Park (SDNPA) Major Partnerships Fund Bid

We are continuing to develop our relationship with Southern Water and as part of this are working closely to agree a partnership bid to the South Downs National Park Major Partnerships Fund. This project aims to address the lack of strategic overview that currently exists in the approach taken to tackling the issues contributing to the poor water quality and WFD failures within the Western Rother Catchment. Our aim is to bid for £150k over 3 years that will fund a Project Officer focusing on the Western Rother. A Project Officer will be employed to develop a long-term (25 year) strategy for the Western Rother catchment. Underpinning this work with robust evidence and research will be a key component ensuring that the strategy and associated measures deliver and we are therefore seeking to develop strategic partnerships with universities. The outcomes of such research will be incorporated into the strategy and enable the Project Officer to develop targeted measures.

Portsmouth University have expressed an interest in being involved with the development of the bid and we are currently settling up a meeting to discuss how we can utilise their support and potentially leverage additional funding. Our aim is to have the expression of interest approved by the SDNPA Senior Management Team and ready to present at their next Major Partnerships Funding Board in September 2013.

THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES **FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013**

The role out of the Catchment Based Approach

Richard Benyon launched the Catchment Based Approach policy framework on 3 June. As part of this he announced the availability of £1.6m new funding. £1.4m will be administered by the Environment Agency as a one year fund under Section 70(1) of the Charities Act 2006. £1m is to encourage and support existing and new hosts from the third sector from September 2013, and £0.4m will be used to develop new visualisation tools. Defra will use the remainder to support the hosts with training.

The Arun and Rother Rivers Trust are keen to continue their role as host for the development of the Catchment Plan and associated delivery of actions. We now have the opportunity to bid for a proportion of this money (approximately £10k) to support the partnership with the continued development of our catchment approach for the Arun and Western Streams catchment. The window to apply for this funding is small so it is important we work with our partners to clearly define our expression of interest.

Sara Denton

A note from the Vice Chairman

As I and my fellow Trustees reflect on the first annual report for this new Rivers Trust, we are immensely proud of our achievements in such a relatively short period of time. The Trust owes a great deal to the vision, drive and enthusiasm of our Chairman, Sir Sebastian Anstruther. Sebastian is a tremendous champion of the environment and his knowledge and network has enabled the Trust to establish itself quickly and make a real difference in the catchment. I am confident that we will go from strength to strength under his leadership.

Richard Hammond

Reserves policy

ARRT will maintain the free reserves of the Trust at a level to provide sufficient funds to cover management, administration and support costs. Most grants received are of a restricted nature and held in separate funds. 15% of all restricted income has been transferred to the general fund as the element of the grants relating to the administration of the projects.

THE ARUN AND ROTHER RIVERS TRUST

REPORT OF THE TRUSTEES
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Arun and Rother 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.

ON BEHALF OF THE BOARD:

.....
S P C Anstruther - Trustee

Date:

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ARUN AND ROTHER RIVERS TRUST**

I report on the accounts for the period 18 November 2011 to 31 March 2013 set out on pages five to ten.

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 144(2) of the Charities Act 2011 (the 2011 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 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 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.

J A Burnett
ACA CTA
Martin and Company
25 St Thomas Street
Winchester
Hampshire
SO23 9HJ

Date:

THE ARUN AND ROTHER RIVERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income		16,001	84,633	100,634
Investment income	2	<u>118</u>	<u>-</u>	<u>118</u>
Total incoming resources		16,119	84,633	100,752
 RESOURCES EXPENDED				
Charitable activities				
Non-specific project costs		3,431	-	3,431
Hammer Stream Catchment Farmer Participation Project		-	857	857
Western Rother Sediment Project		-	7,838	7,838
CRF Western Rother Fishery Habitat and Enhancement Project		-	12,825	12,825
Upper Arun River Restoration Project		-	746	746
WFD Catchment Management Plan		-	8,490	8,490
Governance costs		2,177	-	2,177
Administration and support costs		<u>11,516</u>	<u>-</u>	<u>11,516</u>
Total resources expended		17,124	30,756	47,880
 NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS				
		(1,005)	53,877	52,872
Gross transfers between funds	8	<u>12,695</u>	<u>(12,695)</u>	<u>-</u>
Net incoming/(outgoing) resources		11,690	41,182	52,872
 TOTAL FUNDS CARRIED FORWARD		<u>11,690</u>	<u>41,182</u>	<u>52,872</u>

The notes form part of these financial statements

THE ARUN AND ROTHER RIVERS TRUST

BALANCE SHEET
AT 31 MARCH 2013

		Unrestricted funds £	Restricted funds £	Total funds £
FIXED ASSETS	Notes			
Tangible assets	6	562	-	562
CURRENT ASSETS				
Prepayments and accrued income		485	-	485
Cash at bank		<u>12,118</u>	<u>41,182</u>	<u>53,300</u>
		12,603	41,182	53,785
CREDITORS				
Amounts falling due within one year	7	(1,475)	-	(1,475)
		<u>11,128</u>	<u>41,182</u>	<u>52,310</u>
NET CURRENT ASSETS				
		11,690	41,182	52,872
TOTAL ASSETS LESS CURRENT LIABILITIES				
		<u>11,690</u>	<u>41,182</u>	<u>52,872</u>
NET ASSETS				
		<u>11,690</u>	<u>41,182</u>	<u>52,872</u>
FUNDS	8			
Unrestricted funds				11,690
Restricted funds				<u>41,182</u>
TOTAL FUNDS				<u>52,872</u>

The notes form part of these financial statements

THE ARUN AND ROTHER RIVERS TRUST

BALANCE SHEET - CONTINUED
AT 31 MARCH 2013

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2013.

The members have not required the charitable company to obtain an audit of its financial statements for the period ended 31 March 2013 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 and were signed on its behalf by:

.....
S P C Anstruther -Trustee

.....
R W R Hammond -Trustee

The notes form part of these financial statements

THE ARUN AND ROTHER RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

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.

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.

Resources expended

Expenditure is accounted for on an accruals basis 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

2. INVESTMENT INCOME

Deposit account interest	£ <u>118</u>
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3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

Depreciation - owned assets	£ <u>187</u>
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4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 March 2013.

Trustees' expenses

Expenses amounting to £620 were reimbursed to one trustee in the period to 31st March 2012. These expenses include the costs of attending external meetings for the Trust, travel and subsistence.

THE ARUN AND ROTHER RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

5. STAFF COSTS

There were no staff costs for the period ended 31 March 2013.

6. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
Additions	<u>749</u>
 DEPRECIATION	
Charge for year	<u>187</u>
 NET BOOK VALUE	
At 31 March 2013	<u><u>562</u></u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	£ 35
Accrued expenses	<u>1,440</u>
	<u><u>1,475</u></u>

8. MOVEMENT IN FUNDS

	At 18.11.11 £	Net movement in funds £	Transfers between funds £	At 31.3.13 £
Unrestricted funds				
General fund	-	(1,005)	12,695	11,690
 Restricted funds				
Hammer Stream Catchment Farmer Participation Project	-	1,033	(284)	749
CRF Western Rother Fishery Habitat and Enhancement Project	-	13,976	(4,020)	9,956
WFD Catchment Management Plan	-	1,510	(1,500)	10
Upper Arun River Restoration Project	-	196	(141)	55
Western Rother Sediment Project	-	<u>37,162</u>	<u>(6,750)</u>	<u>30,412</u>
	-	53,877	(12,695)	41,182
 TOTAL FUNDS	<u>-</u>	<u><u>52,872</u></u>	<u>-</u>	<u><u>52,872</u></u>

THE ARUN AND ROTHER RIVERS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

8. 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	16,119	(17,124)	(1,005)
Restricted funds			
Hammer Stream Catchment Farmer Participation Project	1,890	(857)	1,033
CRF Western Rother Fishery Habitat and Enhancement Project	26,801	(12,825)	13,976
WFD Catchment Management Plan	10,000	(8,490)	1,510
Upper Arun River Restoration Project	942	(746)	196
Western Rother Sediment Project	<u>45,000</u>	<u>(7,838)</u>	<u>37,162</u>
	84,633	(30,756)	53,877
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>100,752</u>	<u>(47,880)</u>	<u>52,872</u>

Where grants are received for specific projects those monies are allocated to a restricted fund against which all relevant expenditure is charged.

Transfers between funds

15% of all grants received are transferred to the general fund to cover the administration and overhead costs of the Trust unless specifically identified within the project funding.

THE ARUN AND ROTHER RIVERS TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 18 NOVEMBER 2011 TO 31 MARCH 2013

£

INCOMING RESOURCES

Voluntary income

Grants 100,634

Investment income

Deposit account interest 118

Total incoming resources 100,752

RESOURCES EXPENDED

Charitable activities

Consultancy fees 34,187

Governance costs

Accountancy 1,440

Board meetings 737

2,177

Support costs

Management

Insurance 1,054

Postage and stationery 336

Trustees expenses for external meetings, travel etc 620

Administration support 9,319

Computer equipment 187

11,516

Total resources expended 47,880

Net income 52,872

This page does not form part of the statutory financial statements
