

REGISTERED COMPANY NUMBER: SC467897 (Scotland)
REGISTERED CHARITY NUMBER: SC044673

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2017
for
Flow Country Rivers Trust
(A Company Limited by Guarantee)

Victor T Fraser & Co Limited
Chartered Accountants
3-4 Market Place
Wick
Caithness
KW1 4LP

Flow Country Rivers Trust

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for the Year Ended 31 December 2017

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Flow Country Rivers Trust

Reference and Administrative Details
for the Year Ended 31 December 2017

TRUSTEES

Mr J Fleming
Mr A C W MacAuslan
Lord J M Joicey
Mr J Mackay
Mr V Hackel
Mr S Laird
Mrs S Lopes
Mr S Gibb

TRUST SECRETARY

Mrs E Constable

REGISTERED OFFICE

Skerraboe
North Keiss
Wick
Caithness
KW1 4XF

REGISTERED COMPANY NUMBER

SC467897 (Scotland)

REGISTERED CHARITY NUMBER

SC044673

INDEPENDENT EXAMINER

Victor T Fraser & Co Limited
Chartered Accountants
3-4 Market Place
Wick
Caithness
KW1 4LP

Flow Country Rivers Trust
Report of the Trustees
for the Year Ended 31 December 2017

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 year ended 31 December 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity aims to promote and support initiatives, including research and education, that seek to further conservation of all freshwater species of fish, migratory and otherwise, within the Flow Country of Caithness and eastern Sutherland, together with the flora and fauna associated with the rivers and still waters.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This is the Trust's fourth Annual Report and during the year the Board held two formal meetings and conducted other business by email.

The Trust website is at <http://fcrt.org> and contains copies of the annual Newsletters and reports on the work and administration of the Trust.

During the year the Trust received donations totalling £2,060 including donations from Thurso River Ltd and three Trust members.

James Fleming resigned as Chair on 30 September 2017 and John Mackay was elected as his replacement. James will continue as a Trustee on the Board with a special interest in the publication of the annual newsletter.

Projects

The Trust is currently working on five projects. The Smolt Tracking and Fishermen's Knowledge come under the Pentland Salmon Initiative, which is an ERI umbrella project on the study of salmon in northern coastal waters.

Smolt Tracking

Phase 2 in collaboration with ERI, Thurso was scheduled for the River Wester and Sinclair Bay in Spring 2017, but project funding was not forthcoming.

Fishermen's Knowledge

The project is now complete and the report is posted on the website.

Temperature Loggers

Thurso River has been part of by MSS (Marine Scotland Science) national project to predict water temperatures based on computer modelling. The Trust has been curating 11 loggers installed on the Thurso since 2014, downloading the data and forwarding it to Marine Scotland Science for analysis. The various reports compiled in connection with the project are available at <http://www.gov.scot/Topics/marine/Salmon-Trout-Coarse/Freshwater/Monitoring/temperature/references>

Wester Fishery Regeneration Project

Based on the data requirements and management options in the 2016 survey report. We applied for funding to two local community funds. Unfortunately, our very time-consuming efforts were unsuccessful, and the project is on hold meantime.

Moray Firth Smolt Tracking 2019

The Atlantic Salmon Trust is proposing to carry out a smolt tracking project in the Moray Firth in 2019 and they are seeking funding and in-kind support. FCRT were invited to the first project meeting on the 25th October and three members of the Trust attended at the UHI in Inverness. In collaboration with the ERI we are considering the form and scope of the contribution we could make and currently our focus is to see if an extension of the 2016 Wick Smolt Tracking Project will fit in with the organisers' plans.

Meetings attended

The Trust attended a meeting on World Heritage status for the peatlands in Golspie in March 2017.

SEPA invited the Trust to a full day workshop session in the Dingwall office in November 2017. The aim was to discuss how River Basin Management Planning and the data held by SEPA aligns with our priorities.

FINANCIAL REVIEW

Financial position

Overall the charity recorded net expenditure of £6,653 during the year (2016 net income £3,336), resulting in total charitable funds of £25,238 (2016 £31,891).

FINANCIAL REVIEW

Reserves policy

The trustees have examined the reserve requirements with due consideration of the charity's main operational risks. The present level of reserves will allow the charity to continue with its current activities.

FUTURE PLANS

Water Chemistry

The Langwell/Berriedale SAC has produced some atypical results in the CDSFB Electro-fishing surveys and MSS has downgraded it to Grade 3 in the 2018 River Grading exercise. The catchments have complex underlying geology that may affect water quality. In order to investigate, the Trust has undertaken to obtain an extensive set of water samples from rivers and streams throughout the catchment. This work has so far been delayed by poor river conditions over the autumn and winter months. The samples will be analysed for multiple factors by the MSS Freshwater Laboratory, Pitlochry. Depending on the results, the testing may be carried out on other rivers in the Trust area.

Pilot biotelemetry study: Wick River

The Rivers and Lochs Institute UHI are planning a pilot project on Wick River in 2018 which will integrate genetics and smolt tracking.

The aims are:

1. To investigate the differences in timing of seaward migration of smolts.
2. To investigate related spatial differences in smolt movement with spatial genetic population structure of salmon.
3. To assess population structure within and among rivers in Caithness and Sutherland using existing collections of juvenile scales.
4. To estimate the number of breeders in N Scotland rivers and combine this information with existing information on cohort growth, biomass, etc.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

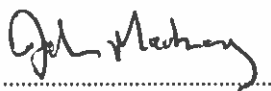
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 20 January 2014. It is registered as a charity with OSCR. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

Due to the nature of the charity's work the trustees seek to ensure that the membership of the Trust reflects the range of skills required to operate successfully.

Approved by order of the board of trustees on 13 March 2018 and signed on its behalf by:



.....
Mr J Mackay - Trustee

Independent Examiner's Report to the Trustees of
Flow Country Rivers Trust

I report on the accounts for the year ended 31 December 2017 set out on pages five to eight.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the 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 Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 I do not express an audit opinion on the view given by the accounts.

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 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

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.



John F Cormack
Victor T Fraser & Co Limited
Chartered Accountants
3-4 Market Place
Wick
Caithness
KW1 4LP

Date: 13 March 2018

Flow Country Rivers Trust
Statement of Financial Activities
for the Year Ended 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		<u>2,060</u>	<u>-</u>	<u>2,060</u>	<u>17,005</u>
Total		2,060	-	2,060	17,005
EXPENDITURE ON					
Charitable activities					
Project expenses		37	3,928	3,965	9,724
Running costs of the charity		<u>4,748</u>	<u>-</u>	<u>4,748</u>	<u>3,945</u>
Total		4,785	3,928	8,713	13,669
NET INCOME/(EXPENDITURE)		(2,725)	(3,928)	(6,653)	3,336
RECONCILIATION OF FUNDS					
Total funds brought forward		27,136	4,755	31,891	28,555
TOTAL FUNDS CARRIED FORWARD		<u>24,411</u>	<u>827</u>	<u>25,238</u>	<u>31,891</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Flow Country Rivers Trust

Balance Sheet
At 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
CURRENT ASSETS					
Cash at bank and in hand		26,027	827	26,854	33,487
CREDITORS					
Amounts falling due within one year	4	(1,616)	-	(1,616)	(1,596)
NET CURRENT ASSETS		<u>24,411</u>	<u>827</u>	<u>25,238</u>	<u>31,891</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,411</u>	<u>827</u>	<u>25,238</u>	<u>31,891</u>
NET ASSETS		<u>24,411</u>	<u>827</u>	<u>25,238</u>	<u>31,891</u>
FUNDS	5				
Unrestricted funds				24,411	27,136
Restricted funds				<u>827</u>	<u>4,755</u>
TOTAL FUNDS				<u>25,238</u>	<u>31,891</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

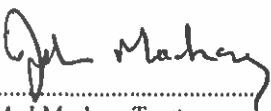
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

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.

The financial statements were approved by the Board of Trustees on 13 March 2018 and were signed on its behalf by:



Mr J Mackay -Trustee

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

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. TRUSTEES' REMUNERATION AND BENEFITS

Mr J Mackay provided scientific services to the charity during the year amounting to £Nil (2016 £600). There were no other trustee remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016.

Trustees' expenses

Mr J Mackay received reimbursement of travel expenses amounting to £74 (2016 £44). There were no other trustee expenses for the year ended 31 December 2017 nor for the year ended 31 December 2016.

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	16,005	1,000	17,005
Total	16,005	1,000	17,005
EXPENDITURE ON			
Charitable activities			
Project expenses	8,674	1,050	9,724
Running costs of the charity	3,945	-	3,945
Total	12,619	1,050	13,669
NET INCOME/(EXPENDITURE)	3,386	(50)	3,336

Flow Country Rivers Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	23,750	4,805	28,555
TOTAL FUNDS CARRIED FORWARD	<u>27,136</u>	<u>4,755</u>	<u>31,891</u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Accruals	<u>1,616</u>	<u>1,596</u>

5. MOVEMENT IN FUNDS

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted funds			
General fund	21,419	(2,688)	18,731
ERI Smolt Tracking	5,179	(37)	5,142
Wester Project	213	-	213
Saturation Stocking	<u>325</u>	<u>-</u>	<u>325</u>
	27,136	(2,725)	24,411
Restricted funds			
Fisherman's Knowledge	4,755	(3,928)	827
TOTAL FUNDS	<u>31,891</u>	<u>(6,653)</u>	<u>25,238</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,060	(4,748)	(2,688)
ERI Smolt Tracking	<u>-</u>	<u>(37)</u>	<u>(37)</u>
	2,060	(4,785)	(2,725)
Restricted funds			
Fisherman's Knowledge	<u>-</u>	<u>(3,928)</u>	<u>(3,928)</u>
TOTAL FUNDS	<u>2,060</u>	<u>(8,713)</u>	<u>(6,653)</u>

6. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2017 other than those disclosed in Note 2.

Flow Country Rivers Trust

Detailed Statement of Financial Activities
for the Year Ended 31 December 2017

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations - private	1,350	5,175
Donations - institutional	500	10,500
Donations - Friends of the Trust	210	330
Grants	<u>-</u>	<u>1,000</u>
	<u>2,060</u>	<u>17,005</u>
Total incoming resources	2,060	17,005
EXPENDITURE		
Charitable activities		
Project expenses	3,965	9,583
Equipment	<u>-</u>	<u>141</u>
	3,965	9,724
Support costs		
Administration		
Fishery Management Scotland subscription	1,000	1,000
Consultancy fees	1,200	1,200
Newsletters, website updates	1,731	1,155
Office expenses	272	34
Sundry expenses	<u>55</u>	<u>104</u>
	4,258	3,493
Governance costs		
Companies House	26	13
Accountancy fees	<u>464</u>	<u>439</u>
	<u>490</u>	<u>452</u>
Total resources expended	8,713	13,669
Net (expenditure)/income	<u><u>(6,653)</u></u>	<u><u>3,336</u></u>