

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2019
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 2019

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Flow Country Rivers Trust

Reference and Administrative Details
for the Year Ended 31 December 2019

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 (resigned 10.1.19)
Mrs R Andersen (appointed 17.1.19)
Mr R Sweeting (appointed 28.5.19)

TRUST SECRETARY

Mrs E Constable

REGISTERED OFFICE

Skerraboe
North Keiss
Wick
Caithness
KW1 4XF

REGISTERED COMPANY NUMBER SC467897 (Scotland)

REGISTERED CHARITY NUMBER 044673

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 2019

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 2019. 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 2019).

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.

Significant activities

Projects

Temperature Loggers – Thurso River has been part of MSS (Marine Scotland Science) national project to monitor water temperatures and to predict future trends based on computer modelling. The Trust has been downloading the data from 11 loggers installed on the Thurso since 2014 and forwarding it to MSS for analysis. It is a long-term project to see how global climate change and rising temperatures will affect stream ecology and fish populations. Loggers will also be installed in the Naver and Halladale in 2020. An MSS information leaflet explains (see <http://www.gov.scot/Topics/marine/Salmon-Trout-Coarse/Freshwater/Monitoring/temperature/references>).

Water Chemistry - The Langwell/Berriedale SAC has produced some atypical results in the CDSFB Electro-fishing surveys. The Berriedale/ Langwell catchment has a complex underlying geology that may affect water quality. In order to investigate, the Trust collected an extensive set of water samples from rivers and streams throughout the catchment in 2018. The samples have been analysed for multiple hydrochemical components by the MSS Freshwater Laboratory, Pitlochry. Further testing will be carried out in Berriedale/ Langwell and, depending on the results, testing may be extended to other rivers in the Trust area. This project is ongoing and high- water measurements will be taken in 2020.

Pilot biotelemetry study: Wick River - The Trust has been working alongside the Rivers and Lochs Institute (RLI) and the Environmental Research Institute (ERI) of the University of the Highlands and Islands, as well as Durham University in a research project aimed at tagging and monitoring smolts as they migrate to sea through the River Wick. Parallel to the tracking aspect, a panel of genetic markers has been developed and will be used to map the genetic structuring of salmon stocks from two tributaries of the river.

The final stages of the screening of genetic material from 200 smolts caught in the Wick are being analysed and it is hoped their genetic diversity yields some interesting insights into the nature of within-river migration timing. This project is ongoing.

Conductivity - A survey of the conductivity of all the rivers in the Trust's area was carried out in the Spring and Summer of 2018 and readings were obtained at more than 200 locations in the North, ranging from the Kinloch River in the west to Helmsdale in the south. The conductivity values of river water depend on mineral, and particularly calcium, levels and these are determined by local geology factors and these in turn play a part in determining the productivity of streams and rivers.

Conductivity is very high in the north and north-eastern rivers of Caithness but rather low in most parts of Sutherland and in south Caithness. Most of the Caithness catchments run over sedimentary bedrocks with a relatively high content of calcium but further west and south the bedrocks are igneous or metamorphic and of low calcium content. The unusual local pattern of glaciation may also have played a part in the high Caithness values because marine sediments scoured from the bed of the Moray Firth were deposited across the north-eastern landscape between Berriedale and Reay.

In 2019 sites along a transect from Thurso to Dunbeath were measured and the transition zone between the high conductivity areas in north-eastern Caithness and the low conductivity areas in Sutherland and south Caithness was identified.

Future work resulting from the baseline conductivity study will be -

1. Baseline conductivity values were obtained during drought conditions. Measurements will now be made under high flow conditions to see how conductivity fluctuates with river flow, how this affects pH values and how these patterns vary between catchments showing different baseline conductivity values. This work will be done in 2020 depending on river heights.
2. A comparison with the electric fishing data gathered by the Fishery Boards over the past summer to assess the extent to which conductivity affects the density and growth of the juvenile fish.

The report on the baseline conductivity survey is on the Trust's website at www.fcrt.org.

From Landscapes to freshwater Invertebrates: understanding the effects of peatland restoration on Atlantic Salmon habitat in the Flow Country

FCRT and RSPB were invited to become partners in a CASE PhD studentship run by the Environmental Research Institute (ERI) in Thurso and the student commenced work in September for three years.

One of the aims of the project is to link variation in salmon habitat quality (hydrochemistry and hydrology) via variation in prey abundance (stream invertebrates) to variation in the performance of local salmon populations (numbers, age and biomass density). The District Salmon Boards and the Trust already have substantial datasets that will greatly expedite the project.

The Trust's and Boards' aims are threefold (1) to better understand variations in the status of young salmon in the rivers of the North, (2) to obtain fuller interpretations of the data by acquiring access to new expertise from the universities and (3) to foster continuity in the scientific aspects of fishery management in the North by encouraging close liaison with local scientists in ERI

Flow Country Rivers Trust
Report of the Trustees
for the Year Ended 31 December 2019

OBJECTIVES AND ACTIVITIES

Significant activities

Smart Rivers Project

Salmon & Trout Conservation published a report on the decline of stream invertebrates in many rivers in the south. These changes are in response to nutrient enrichment, siltation and run-off and in response they designed a new project called Smart Rivers. The Trust has signed up to participate for the project on the Northern rivers.

S&TC will provide -

- expert on-site training from professional specialists
- training in sampling methods
- training in invertebrate species identification
- an authoritative start-up list of invertebrate species shown to be present in the North.

S&TC training will allow us to develop the knowledge and expertise required to carry out local studies by the Boards/ Trust designed to generate invertebrate data sets to match the extensive fish data sets that we already possess.

The Trust in collaboration with the Caithness and Northern Boards will commence the training work on the River Halladale in April 2020.

Contract Work

The Trust carried out electro-fishing, environmental assessments and habitat surveys on wind-farm sites in Caithness.

We also contributed to the MSS National Electro-fishing Programme Scotland (NEPS) in Caithness district and the River Borgie in Sutherland. In all a total of 45 sites were electro-fished in the Trust area, which was a substantial effort that continued throughout the summer and into autumn.

The Wick Smolt Tracking Project paper is being prepared for publication.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This is the Trust's sixth Annual Report and during the year ended 31st December 2019 the Board held one formal meeting and conducted other business by email.

The Trust website is at www.fcrtr.org and contains copies of the tri-annual Newsletters and reports on the work and administration of the Trust.

The bank balance at year end was £23,541. Contract work valued at £7,850, undertaken to further Trust research, was carried out during the year and the Trust received £2k net of expenses. Thanks are due to Friends who contributed £727 to funds and to Welbeck Estates for the loan of a truck, benefitting the Trust by £2,000.

Roxanne Andersen and Reuben Sweeting were elected, and Stuart Gibb resigned as Trustees.

The Trust are members of Fisheries Management Scotland and was consulted on the proposal to put forward the Flow Country as a UNESCO World Heritage Site.

FINANCIAL REVIEW

Financial position

Overall the charity recorded net expenditure of £3,533 during the year (2018 net income £5,014), resulting in total charitable funds of £26,719 (2018 £30,252).

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

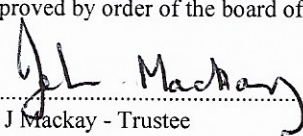
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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 10/6/20 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 2019 set out on pages seven to twelve.

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.

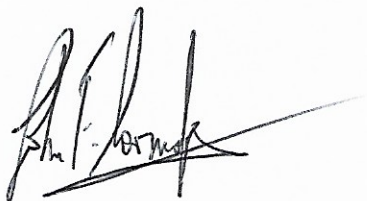
Independent examiner's statement

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: 11th June 2020

Flow Country Rivers Trust

Statement of Financial Activities
for the Year Ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		725	-	725	1,819
Other trading activities	2	<u>12,074</u>	<u>-</u>	<u>12,074</u>	<u>11,410</u>
Total		12,799	-	12,799	13,229
EXPENDITURE ON					
Charitable activities					
Project expenses		13,798	-	13,798	7,712
Running costs of the charity		<u>2,534</u>	<u>-</u>	<u>2,534</u>	<u>503</u>
Total		<u>16,332</u>	<u>-</u>	<u>16,332</u>	<u>8,215</u>
NET INCOME/(EXPENDITURE)		(3,533)	-	(3,533)	5,014
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>29,425</u>	<u>827</u>	<u>30,252</u>	<u>25,238</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>25,892</u></u>	<u><u>827</u></u>	<u><u>26,719</u></u>	<u><u>30,252</u></u>

The notes form part of these financial statements

Flow Country Rivers Trust

Balance Sheet
31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	6	325	-	325	434
CURRENT ASSETS					
Prepayments and accrued income		4,321	-	4,321	6,271
Cash at bank and in hand		<u>22,746</u>	<u>827</u>	<u>23,573</u>	<u>23,898</u>
		27,067	827	27,894	30,169
CREDITORS					
Amounts falling due within one year	7	(1,500)	-	(1,500)	(351)
NET CURRENT ASSETS		<u>25,567</u>	<u>827</u>	<u>26,394</u>	<u>29,818</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>25,892</u>	<u>827</u>	<u>26,719</u>	<u>30,252</u>
NET ASSETS		<u>25,892</u>	<u>827</u>	<u>26,719</u>	<u>30,252</u>
FUNDS	8				
Unrestricted funds				25,892	29,425
Restricted funds				<u>827</u>	<u>827</u>
TOTAL FUNDS				<u>26,719</u>	<u>30,252</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

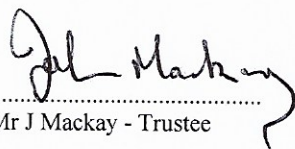
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

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 provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 10/6/20 and were signed on its behalf by:


.....
Mr J Mackay - Trustee

Flow Country Rivers Trust

Notes to the Financial Statements for the Year Ended 31 December 2019

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 2019)', 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.

Tangible fixed assets

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

Plant and machinery - 20% 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. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Contract work	<u>12,074</u>	<u>11,410</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	<u>109</u>	<u>108</u>

Flow Country Rivers Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

4. TRUSTEES' REMUNERATION AND BENEFITS

Mr J Mackay provided scientific services to the charity during the year amounting to £2,620 (2018 £2,180). There were no other trustee remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' expenses

There were no trustee expenses for the year ended 31 December 2019 (2018 £nil).

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,819	-	1,819
Other trading activities	<u>11,410</u>	<u>-</u>	<u>11,410</u>
Total	13,229	-	13,229
 EXPENDITURE ON			
Charitable activities			
Project expenses	7,712	-	7,712
Running costs of the charity	503	-	503
	<u> </u>	<u> </u>	<u> </u>
Total	8,215	-	8,215
	<u> </u>	<u> </u>	<u> </u>
NET INCOME	5,014	-	5,014
	<u> </u>	<u> </u>	<u> </u>
 RECONCILIATION OF FUNDS			
Total funds brought forward	24,411	827	25,238
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u>29,425</u>	<u>827</u>	<u>30,252</u>

6. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 January 2019 and 31 December 2019	<u>542</u>
 DEPRECIATION	
At 1 January 2019	108
Charge for year	<u>109</u>
At 31 December 2019	<u>217</u>
 NET BOOK VALUE	
At 31 December 2019	<u>325</u>
At 31 December 2018	<u>434</u>

Flow Country Rivers Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Accruals	720	351
Received in advance	<u>780</u>	<u>-</u>
	<u>1,500</u>	<u>351</u>

8. MOVEMENT IN FUNDS

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	29,425	(3,533)	25,892
Restricted funds			
Fisherman's Knowledge	827	-	827
	<u>30,252</u>	<u>(3,533)</u>	<u>26,719</u>
TOTAL FUNDS			

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	12,799	(16,332)	(3,533)
	<u>12,799</u>	<u>(16,332)</u>	<u>(3,533)</u>
TOTAL FUNDS			

Comparatives for movement in funds

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	24,411	5,014	29,425
Restricted funds			
Fisherman's Knowledge	827	-	827
	<u>25,238</u>	<u>5,014</u>	<u>30,252</u>
TOTAL FUNDS			

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	13,229	(8,215)	5,014
	<u>13,229</u>	<u>(8,215)</u>	<u>5,014</u>
TOTAL FUNDS			

Flow Country Rivers Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

8. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.18 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	24,411	1,481	25,892
Restricted funds			
Fisherman's Knowledge	827	-	827
TOTAL FUNDS	<u>25,238</u>	<u>1,481</u>	<u>26,719</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	26,028	(24,547)	1,481
TOTAL FUNDS	<u>26,028</u>	<u>(24,547)</u>	<u>1,481</u>

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2019 other than those disclosed in Note 2.

Flow Country Rivers Trust

Detailed Statement of Financial Activities
for the Year Ended 31 December 2019

	31.12.19 £	31.12.18 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations - private	430	165
Donations - Friends of the Trust	180	180
Gift Aid	<u>115</u>	<u>1,474</u>
	725	1,819
Other trading activities		
Contract work	<u>12,074</u>	<u>11,410</u>
Total incoming resources	12,799	13,229
EXPENDITURE		
Charitable activities		
Project expenses	13,690	7,604
Plant and machinery	<u>108</u>	<u>108</u>
	13,798	7,712
Support costs		
Administration		
FMS subscription	1,000	1,000
Consultancy fees	-	(1,280)
Newsletters, website updates	867	250
Office expenses	25	32
Sundry expenses	35	35
Insurance	<u>224</u>	<u>103</u>
	2,151	140
Governance costs		
Companies House	13	13
Accountancy fees	<u>370</u>	<u>350</u>
	<u>383</u>	<u>363</u>
Total resources expended	<u>16,332</u>	<u>8,215</u>
Net (expenditure)/income	<u>(3,533)</u>	<u>5,014</u>