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

Report of the Trustees and Unaudited Financial Statements for the Year Ended 31 December 2018 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

Contents of the Financial Statements for the Year Ended 31 December 2018

Flow Country Rivers Trust

Reference and Administrative Details
for the Year Ended 31 December 2018

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

Report of the Trustees
for the Year Ended 31 December 2018

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 2018. 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 fifth Annual Report and during the year the Board held one formal meeting and conducted other business by email.

The Trust website is at www.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 £345 including donations from three Trust members.

Projects
Temperature Loggers - Thurso River has been part of by 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. It also seems that northern rivers like the Naver and Halladale are more at risk of extreme high temperatures than any other rivers in Scotland - 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.

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 River Wick in last Spring are being analysed and it is hoped their genetic diversity yields some interesting insights into the nature of within-river migration timing.

Conductivity - A survey of the conductivity of all the rivers in the Trust's area was carried out in the Spring and Summer 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 Sutherland and south Caithness and the reasons for this that 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 northeastern landscape between Berriedale and Reay.

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 and how this affects pH values and how these patterns vary between catchments showing different baseline conductivity values.
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.

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

Contract Work
The Trust carried out electro-fishing and habitat surveys for three wind-farm sites in Caithness as part of their Environmental Impact Assessments and also provided support to the River Borgie for the MSS National Electrofishing Programme for Scotland.

We also contributed to the MSS EF programme in Caithness district. 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.

Report of the Trustees
for the Year Ended 31 December 2018

FINANCIAL REVIEW

Financial position

Overall the charity recorded net income of £5,014 during the year (2017 nèt expenditure £6,653), resulting in total charitable funds of £30,252 (2017 £25,238).

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 2 September 2019 and signed on its behalf by:

John Mackay

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 2018 set out on pages five to ten.

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 (as amended). 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 (as amended). 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 the course of 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: 2 September 2019

Flow Country Rivers Trust

Statement of Financial Activities for the Year Ended 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,819	-	1,819	2,060
Other trading activities		11,410	-	11,410	-
Total		13,229	-	13,229	2,060
EXPENDITURE ON					
Charitable activities					
Project expenses		7,712	-	7,712	3,965
Running costs of the charity		503	-	503	4,748
Total		8,215	-	8,215	8,713
NET INCOME/(EXPENDITURE)		5,014	-	5,014	(6,653)
RECONCILIATION OF FUNDS					
Total funds brought forward		24,411	827	25,238	31,891
TOTAL FUNDS CARRIED FORWARD		29,425	827	30,252	25,238

The notes form part of these financial statements

Flow Country Rivers Trust

Balance Sheet
At 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	5	434	-	434	-
CURRENT ASSETS					
Prepayments and accrued income		6,271	-	6,271	-
Cash at bank and in hand		23,071	827	23,898	26,854
		29,342	827	30,169	26,854
CREDITORS					
Amounts falling due within one year	6	(351)	-	(351)	(1,616)
NET CURRENT ASSETS		28,991	827	29,818	25,238
TOTAL ASSETS LESS CURRENT LIABILITIES		29,425	827	30,252	25,238
NET ASSETS		29,425	827	30,252	25,238
FUNDS	7				
Unrestricted funds				29,425	24,411
Restricted funds				827	827
TOTAL FUNDS				30,252	25,238

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 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 on 2 September 2019 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.

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. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Depreciation - owned assets	108	-

3. TRUSTEES' REMUNERATION AND BENEFITS

Mr J Mackay provided scientific services to the charity during the year amounting to £2,180 (2017 £Nil). There were no other trustee remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

Trustees' expenses

There were no trustee expenses for the year ended 31 December 2018 (2017 £74).

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,060	-	2,060
Total	2,060	-	2,060

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted funds £	Restricted £	Total funds £
EXPENDITURE ON			
Charitable activities			
Project expenses	37	3,928	3,965
Running costs of the charity	4,748	-	4,748
Total	4,785	3,928	8,713
NET INCOME/(EXPENDITURE)	(2,725)	(3,928)	(6,653)
RECONCILIATION OF FUNDS			
Total funds brought forward	27,136	4,755	31,891
TOTAL FUNDS CARRIED FORWARD	24,411	827	25,238

5. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
Additions	542
DEPRECIATION	
Charge for year	108
NET BOOK VALUE	
At 31 December 2018	434
At 31 December 2017	-

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accruals	351	1,616

7. 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
TOTAL FUNDS	25,238	5,014	30,252

7. **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	13,229	(8,215)	5,014
TOTAL FUNDS	13,229	(8,215)	5,014

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted Funds			
General fund	27,136	(2,725)	24,411
Restricted Funds			
Fisherman's Knowledge	4,755	(3,928)	827
TOTAL FUNDS	31,891	(6,653)	25,238

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,060	(4,785)	(2,725)
Restricted funds			
Fisherman's Knowledge	-	(3,928)	(3,928)
TOTAL FUNDS	2,060	(8,713)	(6,653)

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

	At 1.1.17 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	27,136	2,289	29,425
Restricted funds			
Fisherman's Knowledge	4,755	(3,928)	827
TOTAL FUNDS	31,891	(1,639)	30,252

7. MOVEMENT IN FUNDS - continued

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	15,289	(13,000)	2,289
Restricted funds			
Fisherman's Knowledge	-	(3,928)	(3,928)
TOTAL FUNDS	15,289	(16,928)	(1,639)

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018 other than those disclosed in Note 2.

Flow Country Rivers Trust

Detailed Statement of Financial Activities for the Year Ended 31 December 2018

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations - private	165	1,350
Donations - institutional	-	500
Donations - Friends of the Trust	180	210
Gift Aid	1,474	-
	1,819	2,060
Other trading activities		
Contract work	11,410	-
Total incoming resources	13,229	2,060
EXPENDITURE		
Charitable activities		
Project expenses	7,604	3,965
Depreciation – plant and machinery	108	-
	7,712	3,965
Support costs		
Administration		
FMS subscription	1,000	1,000
Consultancy fees	(1,280)	1,200
Newsletters, website updates	250	1,731
Office expenses	32	272
Sundry expenses	35	55
Insurance	103	-
	140	4,258
Governance costs		
Companies House	13	26
Accountancy fees	350	464
	363	490
Total resources expended	8,215	8,713
Net income/(expenditure)	5,014	(6,653)