
CONSERVATORS OF THE RIVER CAM

ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2018

CONSERVATORS OF THE RIVER CAM

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CONSERVATORS OF THE RIVER CAM

CONSERVATORS PARTICULARS

Conservators:	Dr R D Walker - Chairman Prof K Richards - Deputy Chairman Mr J Macnaghten Mr N Arnold Cllr I Bates Mr C Brown Ms L Golliday Mr S Moeed Dr D Munday Cllr D Ratcliffe Cllr P Roberts Mr M Schofield Cllr D Tunnacliffe
Clerk:	Ms A Rhys-Davies (until 23 February 2018) Mr T Larnach (from 1 April 2018) Clayhithe Office Clayhithe Road Horningsea Cambridge CB25 9JB
Auditors:	Peters Elworthy & Moore Salisbury House Station Road Cambridge CB1 2LA
Principal Bankers:	Barclays Bank Plc 9/11 St Andrews Street Cambridge CB2 3AA

CONSERVATORS OF THE RIVER CAM

INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2018

OPINION

We have audited the financial statements of Conservators of the River Cam for the year ended 31 March 2018 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Conservancy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

USE OF OUR REPORT

This report is made solely to the Conservators, as a body. Our audit work has been undertaken so that we might state to the Conservators those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Conservancy, as a body, for our audit work, for this report, or for the opinions we have formed.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Conservators' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Conservators have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Conservators are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

CONSERVATORS OF THE RIVER CAM

INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2018

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE CONSERVATORS

The Conservators are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with the applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standard for Auditors.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.



PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

28 November 2018

CONSERVATORS OF THE RIVER CAM

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

Notes	General Fund £	Capital Expenditure Fund £	Repairs & Renewals Fund £	2018 Total £	2017 Total £
Incoming Resources					
Operating Income					
Registration Fees	425,932	-	-	425,932	427,141
Environment Agency - interchange refund	(23,280)	-	-	(23,280)	(44,012)
	402,652	-	-	402,652	383,129
Rents (gross), pontoons and wayleaves	96,664	-	-	96,664	96,110
Event Licences	13,949	-	-	13,949	10,709
Environment Agency - maintenance	2,160	-	-	2,160	18,157
Environment Agency - powered vessels	6,627	-	-	6,627	6,749
Queens' College repairs	-	-	-	-	14,030
Contribution from (CCC)	-	-	-	-	6,611
Contribution from (CCounty C)	-	-	-	-	596
Late fees	6,505	-	-	6,505	-
Sundry income and work done	12,567	-	-	12,567	7,971
	541,124	-	-	541,124	544,062
Investment Income					
Deposit account interest	-	-	-	-	67
Building society interest	180	-	-	180	190
	180	-	-	180	257
Total Incoming Resources	541,304	-	-	541,304	544,319
Resources Expended					
Payroll Costs					
Salaries	200,846	-	-	200,846	177,893
Employers' National Insurance	17,598	-	-	17,598	15,425
Superannuation costs	37,634	-	-	37,634	44,767
Operating costs of defined pension benefit schemes	3,000	-	-	3,000	(5,000)
	259,078	-	-	259,078	233,085
Maintenance and Depreciation					
Repairs and maintenance	34,141	-	-	34,141	32,622
Vehicle costs	6,264	-	-	6,264	7,176
Profit on disposal of fixed assets	-	-	-	-	-
Freehold property depreciation	-	12,610	-	12,610	12,555
Property improvement depreciation	-	9,965	-	9,965	9,166
Lock depreciation	-	4,608	-	4,608	4,495
Plant and equipment depreciation	-	15,880	-	15,880	15,796
Furniture and fittings depreciation	-	1,144	-	1,144	1,098
River management depreciation	-	6,017	-	6,017	6,716
	40,405	50,224	-	90,629	89,624
Other Running Costs					
Rent and rates	(478)	-	-	(478)	1,870
Electricity and gas	2,440	-	-	2,440	2,449
Water	537	-	-	537	1,537
Other office costs	4,303	-	-	4,303	4,567
Premises expenses	416	-	-	416	6,935
Insurance	19,941	-	-	19,941	22,871
Temporary River Manager fees	15,151	-	-	15,151	28,000
Training & employee costs	2,481	-	-	2,481	3,467
	44,791	-	-	44,791	71,696
Establishment and Finance Costs					
Printing, stationery, advertising and sundries	11,479	-	-	11,479	3,835
Telephone & internet	9,087	-	-	9,087	10,420
IT costs	2,380	-	-	2,380	8,763
Postage and carriage	1,341	-	-	1,341	984
Legal and professional fees	36,863	-	-	36,863	54,309
HR & recruitment costs	5,982	-	-	5,982	12,105
Subscriptions and donations	1,079	-	-	1,079	909
Travelling and room hire	16	-	-	16	939
Bank charges and interest	1,514	-	-	1,514	2,369
Net pension finance costs	3,000	-	-	3,000	7,000
Bad debts	2,930	-	-	2,930	1,952
	75,671	-	-	75,671	103,585
Total Resources Expended	419,946	50,224	-	470,169	487,990
NET INCOME BEFORE OTHER GAINS AND LOSSES	121,359	(50,224)	-	71,135	46,329
Actuarial gains on defined benefit pension schemes	9,000	-	-	9,000	57,000
Net Operating (Deficit)/Surplus	130,359	(50,224)	-	80,135	103,329
Transfers between funds	(50,224)	-	50,224	-	-
Adjustment for actual expenditure	(37,141)	37,141	-	-	-
Net Surplus/(Deficit) for the Year	42,994	(13,083)	50,224	80,135	103,329
Fund Balances					
Brought forward	(10,936)	982,023	-	971,087	867,758
Carried forward	32,068	968,940	60,224	1,051,222	971,087

The notes on pages 5-10 form part of these accounts.

CONSERVATORS OF THE RIVER CAM

BALANCE SHEET
AS AT 31 MARCH 2018

	Notes	2018 £	2017 £
Fixed Assets			
Tangible assets	2	968,940	982,023
Current Assets			
Trade debtors	3	55,218	60,389
Prepayments		3,171	23,321
Other debtors		4,767	5,000
Cash at bank and in hand		336,037	208,520
		<u>399,193</u>	<u>295,230</u>
Current Liabilities			
Deferred income	4	131,987	48,605
Trade creditors		15,872	35,762
Accruals		27,701	73,272
Other creditors		7,851	11,527
		<u>182,911</u>	<u>169,166</u>
Net Current Assets		216,282	126,064
Net Assets Excluding Pension Scheme Liabilities		<u>1,185,222</u>	<u>1,108,087</u>
Defined benefit pension scheme liability	8	(134,000)	(137,000)
Net Assets Including Pension Scheme Liabilities		<u>1,051,222</u>	<u>971,087</u>
Funds			
General fund		32,058	(10,936)
Capital expenditure fund		968,940	982,023
Repairs and renewals fund		50,224	-
		<u>1,051,222</u>	<u>971,087</u>

Approved on behalf of the Conservators:

Ruth Walker

Dated: 30 October 2018

The notes on pages 5-10 form part of these accounts.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Depreciation

Depreciation is provided to write off the cost of tangible fixed assets, other than freehold land, over their estimated useful lives by annual instalments at the following rates:

Freehold Buildings and Improvements	2% - 2.5% on cost
Locks	3% on cost
Plant and Equipment	10% on cost
Furniture & Fittings	10% on cost
Motor Vehicles	25% on cost
Weedharvester and work boat	Over the remaining life of the asset
River Management	20% on cost

Taxation

The Conservators of the River Cam is not subject to Corporation Tax.

Pensions

The Conservators of the River Cam contributes to a defined benefit scheme operated by Cambridgeshire County Council, the assets are held separately in trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Income and Expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

The Conservators of the River Cam offer a defined contribution pension scheme. The contributions are recognised as an expense in the Income and Expenditure account. Once the contributions have been paid, the Conservancy has no further payment obligations. The assets of the plan are held separately from the Conservancy in independently administered funds.

Capital Expenditure Fund

The Conservators have established a Capital Expenditure Fund to absorb the depreciation charges derived from historic capital costs.

Repairs and Renewals Fund

The Conservators have established a Repairs and Renewals Fund to provide for the future replacement costs of fixed assets.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

2. TANGIBLE FIXED ASSETS

	Freehold Property £	Property Improvements £	Locks £	Plant & Equipment £	Motor Vehicles £	Fixtures & Fittings £
Cost						
As at 1st April 2017	625,009	368,354	315,192	294,467	23,850	11,332
Additions	550	6,600	-	29,991	-	-
Disposals	-	-	-	(3,038)	-	-
As at 31st March 2018	625,559	374,954	315,192	321,420	23,850	11,332
Depreciation						
As at 1st April 2017	171,142	51,881	205,350	213,029	23,850	3,028
Charged for year	12,610	9,965	4,608	15,880	-	1,144
On disposals	-	-	-	(3,038)	-	-
As at 31st March 2018	183,752	61,846	209,958	225,871	23,850	4,172
Net Book Value						
As at 31st March 2017	<u>453,867</u>	<u>316,473</u>	<u>109,842</u>	<u>81,438</u>	<u>-</u>	<u>8,304</u>
As at 31st March 2018	<u>441,807</u>	<u>313,108</u>	<u>105,234</u>	<u>95,549</u>	<u>-</u>	<u>7,160</u>

	River Management £	Total £
Cost		
As at 1st April 2017	55,085	1,693,289
Additions	-	37,141
Disposals	-	(3,038)
As at 31st March 2018	55,085	1,727,392
Depreciation		
As at 1st April 2017	42,986	711,266
Charged for year	6,017	50,224
On disposals	-	(3,038)
As at 31st March 2018	49,003	758,452
Net Book Value		
As at 31st March 2016	<u>12,099</u>	<u>982,023</u>
As at 31st March 2017	<u>6,082</u>	<u>968,940</u>

The freehold buildings were valued at £2,200,000 in April 2018.

Included within River Management are Coir Rolls which provide a cost effective method of introducing marginal habitat to artificially lined lakes, rivers and canals. They are being written off over their useful life of 5 years.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

3. TRADE DEBTORS

	2018	2017
	£	£
Registration fees	49,613	51,854
Environment Agency	1,012	1,012
Cambridge City Council	7,523	7,523
Bad Debt Provision	(2,930)	-
	<u>55,218</u>	<u>60,389</u>

4. DEFERRED INCOME

	2018	2017
	£	£
Registration fees received in advance	<u>131,987</u>	<u>48,605</u>
	<u>131,987</u>	<u>48,605</u>

5. LEGAL AND PROFESSIONAL FEES

	2018	2017
	£	£
Legal, surveyors and professional fees	17,781	28,659
Audit and accountancy fee - current year	12,000	12,000
Audit and accountancy fee - prior year	-	944
Management accountancy fee	4,531	5,250
Payroll bureau services	781	772
VAT advice	-	324
Cashflow forecasting	900	-
Pension valuation report	870	6,360
	<u>36,863</u>	<u>54,309</u>

Further analysis of legal costs:

Punt enforcement	-	10,637
Registrations	6,885	246
Byelaw enforcement	-	2,608
Other legal costs	5,643	1,465
Management consultancy	-	-
Human resources consultancy	-	324
Property legal advice	3,482	1,504
Property fees	1,771	11,875
	<u>17,781</u>	<u>28,659</u>

6. REPAIRS AND MAINTENANCE

	2018	2017
	£	£
Pollarding	3,084	11,844
Property maintenance costs	9,315	-
General maintenance costs	21,732	20,778
	<u>34,141</u>	<u>32,622</u>

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

7. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2018 the Conservancy had future minimum lease payments under non-cancellable operating leases as follows:

OTHER	2018 £	2017 £
Not later than 1 year	1,273	-
Later than 1 year and not later than 5 years	<u>2,440</u>	<u>-</u>
	<u>3,713</u>	<u>-</u>

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

8. PENSION COMMITMENTS

The Conservators of the River Cam is a member of a multi-employer defined benefit Local Government pension scheme. Pension costs in the year amounted to £37,634 (2017 - £44,767).

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The following information is based upon a full actuarial valuation of the fund at 31 March 2013, updated to 31 March 2018 by a qualified independent actuary.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2018 % p.a	2017 % p.a
Discount rate	2.70%	2.60%
Salary increase rate	2.70%	2.70%
Pension increase rate	2.40%	2.40%

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2010 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Male years	Female years
Current pensioners	22.4	24.4
Future pensioners*	24.0	26.3

* Figures assume members aged 45 as at the last formal valuation date.

The amounts recognised in the balance sheet as at 31 March 2017 are as follows

	2017 £	2017 £
Market value of plan assets	1,171,000	1,125,000
Present value of plan liabilities	(1,305,000)	(1,262,000)
Total market value of assets	<u>(134,000)</u>	<u>(137,000)</u>

The amounts recognised in the Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost (net of employee contributions)	3,000	(5,000)
Net interest cost	3,000	7,000
	<u>6,000</u>	<u>2,000</u>

The amounts recognised in other gains and losses are as follows:

	2018 £	2017 £
Changes in financial assumptions	29,000	(95,000)
Return on assets excluding amounts included in net interest	(20,000)	152,000
Actuarial gain/(loss)	<u>9,000</u>	<u>57,000</u>

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

8. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2018	2017
	£	£
Opening defined benefit obligation	1,262,000	1,075,000
Interest cost on defined benefit obligations	33,000	40,000
Contributions by scheme participants	6,000	9,000
Actuarial (gains)/losses	(29,000)	95,000
Current service cost	36,000	46,000
Benefits paid	(3,000)	(3,000)
Closing defined benefit obligation	<u>1,305,000</u>	<u>1,262,000</u>

Changes in the fair value of scheme assets were as follows:

	2018	2017
	£	£
Opening fair value of scheme assets	1,125,000	883,000
Return on assets	30,000	33,000
Actuarial (gains)/losses	(20,000)	152,000
Contributions by employer	33,000	51,000
Contributions by scheme participants	6,000	9,000
Benefits paid	(3,000)	(3,000)
Closing fair value of scheme assets	<u>1,171,000</u>	<u>1,125,000</u>

The expected employer contributions for the year ended 31 March 2019 are £38,000.

	2018	2017
Equities	77%	78%
Bonds	13%	13%
Property	7%	6%
Cash	3%	3%

The actuary estimates the bid value of the fund's assets as at 31 March 2018 to be £2,892,000 based on information provided by the Administering Authority.

Movements in the deficit in the year ending 31 March 2018 are as follows:

	2018	2017
	£	£
Deficit in scheme at beginning of the year	(137,000)	(192,000)
Recognised in income and expenditure	(6,000)	(2,000)
Actuarial gain/(loss) recognised in other comprehensive income	9,000	57,000
	<u>(134,000)</u>	<u>(137,000)</u>