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**CONSERVATORS OF THE RIVER CAM**

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**ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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## CONSERVATORS OF THE RIVER CAM

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## CONSERVATORS OF THE RIVER CAM

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### CONSERVATORS PARTICULARS

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Conservators:	Dr R D Walker - Chairman Prof K Richards - Deputy Chairman Mr J Macnaghten (resigned 31 December 2018) Mr N Arnold Mr C Brown Ms L Golliday (resigned 31 December 2018) Mr S Moeed (resigned 1 April 2018) Dr D Munday Cllr D Ratcliffe (resigned 1 October 2018) Cllr P Roberts (resigned 1 October 2018) Mr M Schofield (resigned 31 December 2018) Cllr D Tunnacliffe Cllr M Sargeant (appointed 1 October 2018) Cllr N Massey (appointed 1 January 2019) Cllr A Bradnam Ms C Salisbury (appointed 1 January 2019) Mr J Ross (appointed 1 January 2019) Dr M Block (appointed 1 January 2019)
Clerk:	Mr T Larnach 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

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### INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2019

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#### OPINION

We have audited the financial statements of Conservators of the River Cam for the year ended 31 March 2019 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 Conservancy's affairs as at 31 March 2019 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 Conservancy'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

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

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### INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2019

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#### 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](http://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

**DATE**

CONSERVATORS OF THE RIVER CAM

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2019

Notes	General Fund £	Capital Expenditure Fund £	Repairs & Renewals Fund £	2018 Total £	2017 Total £
<b>Incoming Resources</b>					
Operating Income					
Registration Fees	449,458	-	-	449,458	425,932
Environment Agency - interchange refund	(34,409)	-	-	(34,409)	(23,280)
	415,049	-	-	415,049	402,652
Rents (gross), pontoons and wayleaves	83,716	-	-	83,716	96,664
Event Licences	10,463	-	-	10,463	13,949
Environment Agency - maintenance	4,920	-	-	4,920	2,160
Environment Agency - powered vessels	7,319	-	-	7,319	6,627
Contribution from (CCounty C)	2,880	-	-	2,880	-
Consent fees	34,510	-	-	34,510	6,409
Late fees	6,273	-	-	6,273	6,505
Sundry income and work done	13,442	-	-	13,442	6,158
	578,572	-	-	578,572	541,124
investment Income					
Building society interest	903	-	-	903	180
	903	-	-	903	180
<b>Total Incoming Resources</b>	<b>579,475</b>	<b>-</b>	<b>-</b>	<b>579,475</b>	<b>541,304</b>
<b>Resources Expended</b>					
<b>Payroll Costs</b>					
Salaries	236,577	-	-	236,577	200,846
Employers' National Insurance	22,026	-	-	22,026	17,598
Superannuation costs	46,644	-	-	46,644	37,634
Operating costs of defined pension benefit schemes	(3,000)	-	-	(3,000)	3,000
	302,247	-	-	302,247	259,078
<b>Maintenance and Depreciation</b>					
Repairs and maintenance	59,695	-	-	59,695	34,141
Vehicle costs	7,479	-	-	7,479	6,264
Freehold property depreciation	-	12,700	-	12,700	12,610
Property improvement depreciation	-	9,964	-	9,964	9,965
Lock depreciation	-	4,608	-	4,608	4,608
Plant and equipment depreciation	-	16,041	-	16,041	15,880
Furniture and fittings depreciation	-	1,142	-	1,142	1,144
River management depreciation	-	3,307	-	3,307	6,017
	67,174	47,762	-	114,936	90,629
<b>Other Running Costs</b>					
Rent and rates	3,969	-	-	3,969	(478)
Electricity and gas	2,477	-	-	2,477	2,440
Water	165	-	-	165	537
Other office costs	3,093	-	-	3,093	4,303
Premises expenses	1,536	-	-	1,536	416
Insurance	28,528	-	-	28,528	19,941
Consultancy	11,377	-	-	11,377	15,151
Training & employee costs	12,851	-	-	12,851	2,481
	63,996	-	-	63,996	44,791
<b>Establishment and Finance Costs</b>					
Printing, stationery, advertising and sundries	4,573	-	-	4,573	11,479
Telephone & internet	5,974	-	-	5,974	9,087
IT costs	4,702	-	-	4,702	2,380
Postage and carriage	1,105	-	-	1,105	1,341
Legal and professional fees	35,683	-	-	35,683	36,863
HR & recruitment costs	5,919	-	-	5,919	5,982
Subscriptions and donations	1,019	-	-	1,019	1,079
Travelling and room hire	425	-	-	425	16
Bank charges and interest	2,079	-	-	2,079	1,514
Net pension finance costs	4,000	-	-	4,000	3,000
Bad debts	3,466	-	-	3,466	2,930
	68,945	-	-	68,945	75,671
<b>Total Resources Expended</b>	<b>502,362</b>	<b>47,762</b>	<b>-</b>	<b>550,124</b>	<b>470,169</b>
<b>NET INCOME BEFORE OTHER GAINS AND LOSSES</b>	<b>77,113</b>	<b>(47,762)</b>	<b>-</b>	<b>29,351</b>	<b>71,135</b>
Actuarial (losses)/gains on defined pension schemes	(81,000)	-	-	(81,000)	9,000
<b>Net Operating (Deficit)/Surplus</b>	<b>(3,887)</b>	<b>(47,762)</b>	<b>-</b>	<b>(51,649)</b>	<b>80,135</b>
Transfers between funds	-	-	-	-	-
Adjustment for actual expenditure	(18,980)	18,980	-	-	-
<b>Net Surplus/(Deficit) for the Year</b>	<b>(22,867)</b>	<b>(28,782)</b>	<b>-</b>	<b>(51,649)</b>	<b>80,135</b>
<b>Fund Balances</b>					
Brought forward	32,058	968,940	50,224	1,051,222	971,087
Carried forward	9,191	940,158	50,224	999,573	1,051,222

The notes on pages 6-11 form part of these accounts.

CONSERVATORS OF THE RIVER CAM

BALANCE SHEET  
AS AT 31 MARCH 2019

	Notes	2019 £	2018 £
<b>Fixed Assets</b>			
Tangible assets	2	940,158	968,940
<b>Current Assets</b>			
Trade debtors	3	57,754	55,218
Prepayments		402	3,171
Other debtors		54	4,767
Cash at bank and in hand		448,019	336,037
		<u>506,229</u>	<u>399,193</u>
<b>Current Liabilities</b>			
Deferred income	4	144,022	131,987
Trade creditors		13,301	15,572
Accruals		58,365	27,701
Other creditors		15,126	7,651
		<u>230,814</u>	<u>182,911</u>
<b>Net Current Assets</b>		<b>275,415</b>	<b>216,282</b>
<b>Net Assets Excluding Pension Scheme Liabilities</b>		<u><b>1,215,573</b></u>	<u><b>1,185,222</b></u>
Defined benefit pension scheme liability	8	(216,000)	(134,000)
<b>Net Assets Including Pension Scheme Liabilities</b>		<u><b>999,573</b></u>	<u><b>1,051,222</b></u>
<b>Funds</b>			
General fund		9,191	32,058
Capital expenditure fund		940,158	968,940
Repairs and renewals fund		50,224	50,224
		<u>999,573</u>	<u>1,051,222</u>

Approved on behalf of the Conservators:



Dr R D Walker - Chairman

Dated: 12 February 2020

The notes on pages 6-11 form part of these accounts.

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## CONSERVATORS OF THE RIVER CAM

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### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 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 2019**

**2. TANGIBLE FIXED ASSETS**

	Freehold Property £	Property Improvements £	Locks £	Plant & Equipment £	Motor Vehicles £	Fixtures & Fittings £
<b>Cost</b>						
As at 1st April 2018	625,559	374,954	315,192	313,872	23,850	11,332
Additions	-	-	-	19,737	-	6,791
Disposals	-	-	-	-	-	-
<b>As at 31st March 2019</b>	<b>625,559</b>	<b>374,954</b>	<b>315,192</b>	<b>333,609</b>	<b>23,850</b>	<b>18,123</b>
<b>Depreciation</b>						
As at 1st April 2018	183,752	61,846	209,958	225,871	23,850	4,172
Charged for year	12,700	9,964	4,608	16,041	-	1,142
On disposals	-	-	-	-	-	-
<b>As at 31st March 2019</b>	<b>196,452</b>	<b>71,810</b>	<b>214,566</b>	<b>241,912</b>	<b>23,850</b>	<b>5,314</b>
<b>Net Book Value</b>						
As at 31st March 2018	<u>441,807</u>	<u>313,108</u>	<u>105,234</u>	<u>88,001</u>	<u>-</u>	<u>7,160</u>
As at 31st March 2019	<u>429,107</u>	<u>303,144</u>	<u>100,626</u>	<u>91,697</u>	<u>-</u>	<u>12,809</u>

	River Management £	Total £
<b>Cost</b>		
As at 1st April 2018	55,085	1,719,844
Additions	-	26,528
Disposals	-	-
<b>As at 31st March 2019</b>	<b>55,085</b>	<b>1,746,372</b>
<b>Depreciation</b>		
As at 1st April 2018	49,003	758,452
Charged for year	3,307	47,762
On disposals	-	-
<b>As at 31st March 2019</b>	<b>52,310</b>	<b>806,214</b>
<b>Net Book Value</b>		
As at 31st March 2018	<u>6,082</u>	<u>961,392</u>
As at 31st March 2019	<u>2,775</u>	<u>940,158</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 2019

#### 3. TRADE DEBTORS

	2019	2018
	£	£
Registration fees	62,455	49,613
Environment Agency	1,695	1,012
Cambridge City Council	-	7,523
Bad Debt Provision	<u>(6,396)</u>	<u>(2,930)</u>
	<u>57,754</u>	<u>55,218</u>

#### 4. DEFERRED INCOME

	2019	2018
	£	£
Registration fees received in advance	<u>144,022</u>	<u>131,987</u>
	<u>144,022</u>	<u>131,987</u>

#### 5. LEGAL AND PROFESSIONAL FEES

	2019	2018
	£	£
Legal, surveyors and professional fees	15,831	17,781
Audit and accountancy fee - current year	12,000	12,000
Management accountancy fees	5,288	4,531
Payroll bureau services	774	781
SDLT advice	390	-
Cashflow forecasting	-	900
Pension valuation report	<u>1,400</u>	<u>870</u>
	<u>35,683</u>	<u>36,863</u>

#### Further analysis of legal costs:

	2019	2018
Registrations	4,088	6,885
Other legal costs	1,361	5,643
Management consultancy	3,700	-
Property legal advice	4,675	3,482
Other property fees	1,560	-
Property management fees	<u>447</u>	<u>1,771</u>
	<u>15,831</u>	<u>17,781</u>

#### 6. REPAIRS AND MAINTENANCE

	2019	2018
	£	£
Pollarding	-	3,084
Property maintenance costs	25,449	9,315
Lock maintenance costs	12,793	-
Mooring and bank repairs	9,461	-
General maintenance costs	<u>11,992</u>	<u>21,732</u>
	<u>59,695</u>	<u>34,131</u>

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## CONSERVATORS OF THE RIVER CAM

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### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 7. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2019 the Conservancy had future minimum lease payments under non-cancellable operating leases as follows:

OTHER	2019 £	2018 £
Not later than 1 year	1,273	1,273
Later than 1 year and not later than 5 years	1,167	2,440
	<u>2,440</u>	<u>3,713</u>

## CONSERVATORS OF THE RIVER CAM

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

#### 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 £46,644 (2018 - £37,634).

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 2019 by a qualified independent actuary.

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

	2019 % p.a	2018 % p.a
Discount rate	2.40%	2.70%
Salary increase rate	2.80%	2.70%
Pension increase rate	2.50%	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 2019 are as follows

	2019 £	2018 £
Market value of plan assets	1,284,000	1,171,000
Present value of plan liabilities	(1,500,000)	(1,305,000)
<b>Total market value of assets</b>	<b><u>(216,000)</u></b>	<b><u>(134,000)</u></b>

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

	2019 £	2018 £
Current service cost (net of employee contributions)	(3,000)	3,000
Net interest cost	4,000	3,000
	<b><u>1,000</u></b>	<b><u>6,000</u></b>

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

	2019 £	2018 £
Changes in financial assumptions	(127,000)	29,000
Return on assets excluding amounts included in net interest	46,000	(20,000)
<b>Actuarial gain/(loss)</b>	<b><u>(81,000)</u></b>	<b><u>9,000</u></b>

## CONSERVATORS OF THE RIVER CAM

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

#### 8. PENSION COMMITMENTS (continued)

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

	2019	2018
	£	£
Opening defined benefit obligation	1,305,000	1,262,000
Interest cost on defined benefit obligations	36,000	33,000
Contributions by scheme participants	6,000	6,000
Actuarial (gains)/losses	127,000	(29,000)
Current service cost	35,000	36,000
Benefits paid	(9,000)	(3,000)
Closing defined benefit obligation	<u>1,500,000</u>	<u>1,305,000</u>

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

	2019	2018
	£	£
Opening fair value of scheme assets	1,171,000	1,125,000
Return on assets	32,000	30,000
Actuarial (gains)/losses	46,000	(20,000)
Contributions by employer	38,000	33,000
Contributions by scheme participants	6,000	6,000
Benefits paid	(9,000)	(3,000)
Closing fair value of scheme assets	<u>1,284,000</u>	<u>1,171,000</u>

The expected employer contributions for the year ended 31 March 2019 are £42,000.

	2019	2018
Equities	76%	77%
Bonds	12%	13%
Property	11%	7%
Cash	1%	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. No value has been provided at 31 March 2019.

Movements in the deficit in the year ending 31 March 2019 are as follows:

	2019	2018
	£	£
Deficit in scheme at beginning of the year	(134,000)	(137,000)
Recognised in income and expenditure	(1,000)	(6,000)
Actuarial gain/(loss) recognised in other comprehensive income	(81,000)	9,000
	<u>(216,000)</u>	<u>(134,000)</u>

