

Charity Registration No. 1155115

THE ALDE & ORE ESTUARY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE ALDE & ORE ESTUARY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G Heald B Johnson J Maxim E Stanton
Charity number	1155115
Registered office	c/o Georgie Wayman The Crown & Castle, Market Hill Orford Suffolk IP12 2LJ
Auditor	Ensors Accountants LLP Connexions 159 Princes Street Ipswich Suffolk IP1 1QJ
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ Barclays Bank plc 4 Church Street Woodbridge IP12 1DJ
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

THE ALDE & ORE ESTUARY TRUST

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THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's governing documents, the Charities Act 2011 and 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 as amended for accounting periods commencing from 1 January 2019.

Objectives and Activities

The Alde & Ore Estuary Trust's objectives are to protect human life, property and the natural environment in the immediate surroundings of the Alde and Ore estuary. To achieve these objectives we aim to provide, preserve, maintain and improve river defences and flood protection. We will always take into account the conservation and protection of the natural environment, flora, fauna, features of historic interest and the landscape and beauty of the Alde and Ore estuary.

The Trustees have consulted the guidance available from the Charity Commission for England and Wales on the public benefit requirement of the Charities Act 2011. The Trustees are confident they have complied with their duty under section 4 of the Act.

Getting Funds to Ensure the Future of the Alde and Ore Estuary Communities

The Trust is committed to protecting the communities surrounding the Alde and Ore Estuary by upgrading the river walls. The Trust has already provided finance to the East Suffolk Internal Drainage Board (ESIDB) so that they could submit a Business Case for work on the Upper Estuary to the Environment Agency (EA). This, once approved, will allow the EA to award the ESIDB substantial sums of Flood Defence Grant in Aid (FDGIA) and hence allow work to begin. We anticipated approval by now for both the Upper and Lower Estuary Businesses Cases. The Trust had been expecting the outcome of the Upper Estuary Business Case in the autumn of 2020, which would then have enabled a submission, and approval of the Lower Estuary Business Case. The Trust, however, has been very frustrated with the lack of information from the EA as to why financial approval of the Upper Estuary Business Case is delayed. The technical design of this Business Case is approved but we still await final financial approval. All the work of the ESIDB to obtain FDGIA from the government has been funded by the Trust. The Trust has written to Sir James Bevan, Chief Executive Officer of the EA, and others to try and seek explanations of why there is a delay and why the financial approval cannot be given. We have had, to date, no helpful response. The Trust recently awarded a grant to the ESIDB for £31,351 for a revised submission of the Upper Estuary Business Case which will, if accepted, allow the release of government funds. The Trust hopes that the EA will expeditiously deal with this matter. Once approved, we will pursue completion of the Lower Estuary Business Case.

The upgrades to the river walls will have significant benefits to both the UK and local economies, health, well-being and the natural environment. And each winter the estuary communities experience storm surges. It is only a matter of time before another flood event occurs.

The Trust would like to thank all donors for their continuing support both in kind and financially. None of this could be done without that help. Please continue to support the Trust to ensure the river wall upgrade plans become a reality.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Benefits of Making Flood Defences Resilient

The issue

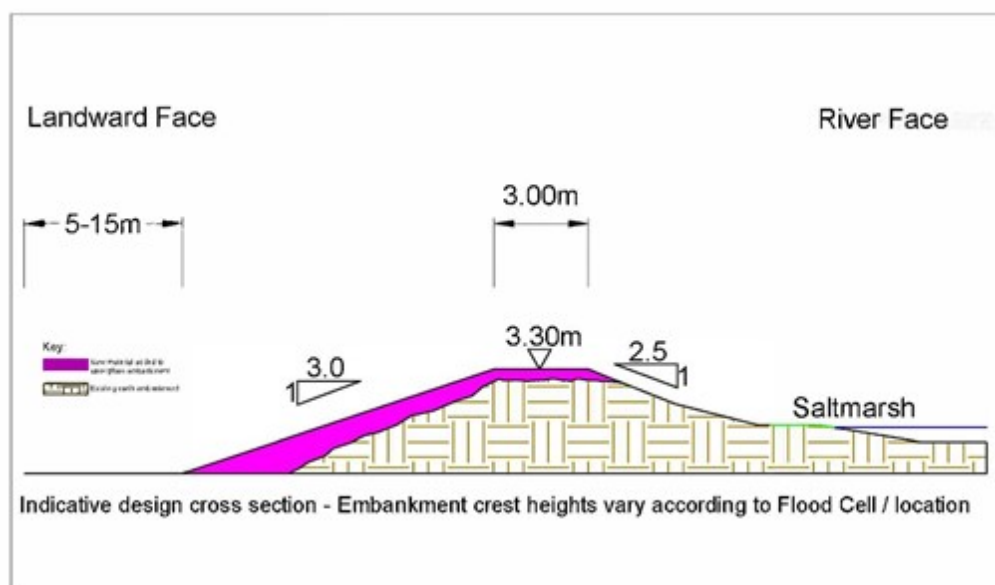
The walls of the Alde and Ore estuary are in poor condition. This makes them vulnerable to storm surge flooding from the sea into the estuary. Many sections of the wall are vulnerable to a 1 in 10 year flood event and some to a 1 in 5 year event. The latest significant flood event was the 2013 east coast tidal surge, causing walls to breach and flooding of residential and non-residential properties, wildlife habitats and farmland. This was determined to be a 1 in 17* year event. Whilst some walls in the affected areas were repaired significant investment is required to upgrade all flood defences to an acceptable standard. The approved design takes into account sea level rises caused by climate change. The river walls built to this design will be able to withstand more frequent and much more severe weather events.

**In other words this had a 5.88% chance of arising in any one year. This is written as 5.88% AEP where AEP is Annual Exceedance Probability.*

The solution

The preferred design has been approved by the EA and is illustrated below.

Cross section of approved design for flood bank improvements



The shaded area is the new material to be added to the current river walls.

The approved height of the river walls will be at least 3.3 metres above mean sea level (Ordnance Datum Newlyn) and the width of the top will be increased uniformly to 3 metres. This design will enable quick and easy access for machinery to monitor the condition of the walls and, if need be, repair damage. The reduction in the angle of incline of the landward slope will reduce the impact of the dynamic energy within the water as it exceeds, overtops and flows down the landward defence side. The shallow slope design also greatly lowers the force of the retreating water from a flood so that the walls retain their integrity. Thus the resilient design will reduce repair and maintenance costs.

The flood defence improvements will upgrade the river walls so that they can retain a 1 in 75 year (1.33% AEP) flood event within the estuary channel. In addition the walls will be resilient, able to withstand and cope with a 1 in 200 year (0.5%AEP) overtopping event. A flood event of this magnitude could result in a breach of the walls, causing major flood damage to properties, water supplies and rare freshwater habitats. This will hugely mitigate the damage these major flood events can cause. The preferred design can be further adapted in the medium term (20 to 50 years) for climate change and sea level rise.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

A combination of funds from central and local Government, a public works loan from landowners and those raised by The Alde & Ore Estuary Trust will pay for this work. The Upper Estuary upgrade will be carried out first but, given the length of the Lower Estuary, preparatory work can begin at the same time. This proposed programme of works will, though, require significant funding requirements in the near term. The cash outflow in the first 2 to 3 years of the project equates to about 50% of the total cost of the whole estuary upgrades over a 7 to 8 year project lifetime. This near term need is a key factor when seeking funds.

The benefits

These flood defence improvements will protect the communities around the estuary in three ways.

Economically: For every £1 invested in flood defence upgrades the local economy will benefit by £6 (as adjusted for Net Present Value) over the next 25 years, because homes and businesses in each village and town, and farmland and fresh water reserves along the whole estuary will be protected. This is an attractive and persuasive return on investment.

Health and well-being: So many of us take pleasure in this beautiful environment we are lucky enough to have on our doorstep. Everything from walking along the extensive network of footpaths, some of which will be made more accessible, to bird watching and sailing will continue safely thanks to this work. The internationally renowned concert hall at Snape Maltings will be protected and the reduced flood threat to people's homes and livelihoods will have a positive impact on both physical and mental health. Public Health England issued a report in March 2020 (The English National Study of Flooding and Health) which provides detailed evidence of the destructive effect of flooding on mental health.

Environment: Many nationally designated areas of Sites of Special Scientific Interest (SSSI) are contained within the estuary, as well as the Alde-Ore Estuary Ramsar site (a Wetland of International Importance). Estuarine wetlands are now seen as an important contributor to carbon storage so the creation or restoration of saltmarsh has the potential to help mitigate climate change. Saltmarshes on the river side of the walls are important wildlife habitats. They also reduce wave energy. On the land side of the walls there are many hectares of freshwater habitats. Species in decline such as eels are to be found in this estuarine environment. All these will be protected with the proposed enhancement of the flood defences.

The facts

- Nearly 500 properties are at risk from flooding (305 residential and 176 non residential).
- Revenue generated by leisure and tourism exceeds £100million per annum creating many jobs.
- The tidal flood defence frontage is 44 kilometres long and provides access to 101 kilometres of public and permissive paths as well as protecting the internationally designated habitats.
- Freshwater aquifers irrigate over 7,800 acres of vegetable and other high value crops which provide food security of national importance.

The evidence to support the upgrade of the river walls is strong. It is the responsibility of both the government and the communities to secure the funds to support a continuing high quality of life for current and future generations. This project is clearly in the public interest.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Fundraising

Strategy

The most important purpose of the Trust's fundraising strategy is to give financial grants to the ESIDB. The ESIDB is an approved Risk Management Authority and thus able to gain FDGiA from the EA. They are therefore the major beneficiary of the Trust's fundraising efforts. Any funding from a grant submission approved by the EA goes directly to and is managed by the ESIDB. It is hoped grants from the EA will provide approximately 50% of the cost of making the river walls resilient.

Our income is generated through individuals with an interest in the conservation of the estuary and its environment and from trusts, foundations and local businesses. In a normal year, volunteers run Trust-led community events, while other members of the estuary communities contribute through their own fundraising initiatives. An increasing number of individuals and families make one off or regular donations.

Fundraising activities

Due to the major challenges faced by charities in the pandemic, the Trust reassessed its fundraising role. The Trust decided to pause its own fundraising to support local communities who had more immediate funding requirements. Our April 2020 newsletter, for example, publicised information to the communities on how to access support from local services and which food outlets were open, at a time when it was difficult to get deliveries from supermarkets.

The Trust had planned two fundraising events in 2020 - another Flotilla down the estuary from Aldeburgh to Orford, and a Golf Day (a new initiative). They were both cancelled due to the government's pandemic restrictions. We also cancelled another public awareness event (Paddle to the Pub - an evening canoe from Iken to Snape) after hearing of concerns from local residents that important habitats might be disturbed. Both the Flotilla and the Paddle to the Pub proved to be popular events so all bookings were refunded. In addition we could not hold an art exhibition of work by Ben Wardle. But later in the year he kindly donated a sketch which was sold at a silent auction for over £600.

Planning for fundraising

In Autumn 2020, the Trust became aware of the delay in the financial approval of the Upper Estuary Business Case. Despite this setback, the Trust has ensured no time should be wasted once it is approved. So the Trust began a process to identify independent fundraising consultancies to work with the Trustees and Fundraising Strategy Group when an outcome is announced. After a tendering and interview process we made appointments in early 2021. The brief for these consultants is to support the scope and delivery of the Trust's plan for a major donor campaign.

The Trust also worked with Coastal Partnership East (CPE) to benefit fundraising efforts. This led to CPE employing a Senior Technical Funding Officer within their team. The Trust will fund a full time equivalent officer over a two-year period. Working with the Trust, CPE will then be able to help develop and prepare large grant submissions to the Heritage Lottery Fund and other grant giving foundations. The Trust is excited about this future working relationship with CPE.

Raising public awareness and community engagement

Raising and maintaining awareness of the long-term benefits of the flood defences to the community is an important aspect of the Trust's work. The estuary remains largely invisible to residents and tourists if they are not walkers, birdwatchers or river users. Many visitors to Aldeburgh are only aware of the sea and visitors to Snape are often surprised by the tidal nature of the Alde river. So the Trust campaigns to publicise the benefits to the estuary communities from the upgrade to and the maintenance of the river walls.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Our awareness campaigns work largely through Trust newsletters, our website, press releases and social media. In June 2020, for example, when most children were at home, the Trust ran an online colouring competition for two age categories of children, with ice cream vouchers as prizes. Our regular newsletters now go out to 820 (2019: 787) subscribers and our website <http://aoetrust.org> had 2,900 visitors (2019: 4,700). The newsletter updates subscribers on fundraising, Trust-led community events and the work of the ESIDB. In October, for example, the newsletter discussed the importance of Havergate Island, at the southern end of the estuary, in flood defence. This island, a RSPB nature reserve, can take in a high volume of water during a storm surge, protecting towns and villages as well as farmland further up the estuary. The Trust continues to use social media to provide updates to followers on Twitter, Instagram and Facebook, with a regular audience reach of over 22,500 (2019: 19,000) per month across these platforms.

Although we held no public community events in 2020, the Trust engaged in online meetings of the Alde & Ore Community Partnership and the Aldeburgh Business Association.

Future fundraising plans

A £3 million gift from landowners to the ESIDB, together with valuable donations from the estuary communities and a large grant from the Garfield Weston foundation, means that the Trust can press ahead with the project as soon as government funding is announced. Because the estuary is a continuous, dynamic environment from Snape to Shingle Street, stretching 11 kilometres down the Suffolk coast, the Trust encourages donors to give for works throughout the length of the estuary.

While central and local government grants are crucial for the necessary and successful improvement of our flood defences, the Trust continues to aim for a number of different income streams, one of which is submitting grant applications to charitable foundations known to favour environmental issues. The Trust looks forward to giving more news of the work with charity consultants and CPE in 2022.

Grants

In 2018 the Trust awarded a grant to the ESIDB to provide the Trust with an estimate of the total costs of the capital project, an estimate of government funding available through FDGiA and an estimated delivery programme for the Alde and Ore estuary walls. The ESIDB presented an overview of their final report including assumptions to the community at Snape Maltings in February 2019.

This ESIDB report stated that the estimated programme of works for the whole estuary will cost £26.9 million, including a risk contingency of £5.1 million. It would be delivered over 7 to 8 years once FDGiA is available.

- The cost for the Upper Estuary is estimated at £8.4 million including risk, £6.4 million excluding risk. The potential FDGiA was estimated at £6 million.
- The cost for the Lower Estuary is estimated at £18.5 million including risk, £15.4 million excluding risk. The potential for FDGiA was estimated at £4.5 million.

The programme costs reflect environmental and engineering best practice in design, capital improvement, and safe ongoing management. It should be noted that government funding cannot be guaranteed. The policies and procedures the ESIDB were required to follow are listed on the Government's website: <https://www.gov.uk/government/publications/appraisal-of-flood-and-coastal-erosion-risk-policy-statement-june-2009>.

The Trust received this final report in February 2019. The Trust then awarded another grant to the ESIDB to complete and submit a Business Case for the Upper Estuary. The submission took place in April 2020. Once submitted, the EA went through a rigorous challenge process. This independent challenge process was successfully completed and the EA approved the technical design. However, as noted, financial approval was delayed. The Trust has subsequently been made aware that the EA linked an investigation of clay at Iken to the Business Case. No information has been forthcoming from the EA as to why this should prevent financial approval of the Business Case despite repeated requests. This is difficult to understand given the strength of the immediate need for flood defence improvements and the huge benefits it will bring.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

In April 2020 the Trust funded costs above the original grant award to cover the normal challenges by the EA to a business case it has received. These costs were estimated at just under £25,000. The ESIDB have very recently asked for and the Trust has approved a further grant award of £31,351. This award is to cover additional expenses for the required resubmission of the Upper Estuary Business Case. It will be resubmitted in early December 2021 with an outcome expected early in 2022. The purpose behind the resubmission is so that the Iken clay investigation is disconnected from the approval of FDGiA for the Upper Estuary.

We understand that the total estimated costs for the project and the amount of the grants available will change for a number of reasons. Costs of material, for example, will increase because domestic diesel will have to be used rather than commercial diesel and current prices need to reflect inflation. On the positive side, the updated FDGiA calculations place more emphasis on health and well-being, as well as the environment, which we hope will make increased central government funding available. It is disappointing that this process has taken such a long time but the Trust is hoping for a swift outcome.

The estimates of the project cost provided in 2019 and detailed above, form the basis of the current fundraising targets set by the Trust. In the light of the resubmission it is probable that the fundraising target will change. This new target will take account of £4million gifted and pledged by landowners and farmers and the remainder through the Trust's fundraising plans.

The ESIDB will commence their work to submit the Lower Estuary Business Case to the EA once they know the outcome of the Upper Estuary resubmission.

By this time the Trust estimates it will have paid over £400,000 to the ESIDB to fund this important upgrade to our flood defences. The Trust hopes work will soon turn these plans into reality.

Financial Review

The fundraising section explains the two reasons for the reduction in fundraising income; the pandemic and the delayed financial approval of the Upper Estuary Business Case. Thus it is unsurprising that the Trust has received much reduced unrestricted income of £51,213 (2019: £619,025), Gift Aid recoverable of £10,976 (2019: £14,089), a total of £62,189 (2019: £633,114). No restricted income was received.

Expenses for the year included grants payable to the ESIDB of £103,017 (2019: £80,149) note 5. A grant award was made of £140,770 for the Upper Estuary Business Case in December 2018. A part payment for this work was made in December 2018. A further balance of £53,708 was paid during 2020. The ESIDB has incurred and continues to incur additional costs on the Business Case and at the year end these costs were estimated at £24,379. This amount has been accrued. These costs take into account the work required to respond to questions from the EA at a national level.

During the year governance costs remained stable at £20,242 (2019: £20,162) note 6. Accounting costs were steady at £12,982 (2019: £11,900). Audit fees reduced slightly to £4,860 (2019: £5,430) given reduced activity levels and improved processes. Legal and professional fees reduced slightly to £2,400 (2019: £2,832). A review was undertaken by external legal advisers to ensure the Trust's GDPR policies and procedures comply with good practice. In the previous year legal costs were incurred as the Trust amended its constitution in late 2019.

The fundraising section details the reduction in fundraising activity due to the pandemic. Press, PR and marketing has decreased, though website management costs and social media activity have remained steady at £12,479 (2019: £18,037). Advertising, printing and design have reduced to £710 (2019: £3,053). Donor care and support costs reduced slightly though donations continued to be received requiring administrative and secretarial support of £5,151 (2019: £6,433). Campaign management has reduced but contains work required to engage external fundraising consultants to support future fundraising efforts of £15,400 (2019: £17,793).

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trust does not employ any staff and buys in resource as required. Furthermore, the Trust has been able to keep ongoing costs lower due to the considerable generosity of volunteers.

The net funds available for the year before grants payable to the ESIDB totalled £6,001 (2019: £564,167). Funds carried forward in unrestricted reserves have reduced by £97,016 to £729,468 (2019: £826,484) largely due to grant payments to the ESIDB. No restricted income was received in the year nor used so restricted reserves at the year end totalled £2,751 (2019: £2,751). See page 13.

During the year £53,708 has been paid to the ESIDB relating to work on the Upper Estuary Business Case. A further £100,000 was paid to the ESIDB in respect of a grant which upgraded some of the Aldeburgh wall. In the previous year £600,000 was placed in a 95 day call short term deposit account with C Hoare & Co. At year end the Trust had over £764,500 in cash and cash equivalents. In the submission of both the Upper and Lower Estuary Business Cases to the EA by the ESIDB, it is important that any shortfall between EA awards and total estimated project costs can be funded such that the project is therefore viable. Thus, the Trust aims to increase available funds and ensure it has adequate reserves for the long term success of the flood defence improvements.

Risk Management

The Trustees have assessed the major risks to which the Trust is exposed. Obviously, both the continuing uncertainty of the ongoing pandemic on the UK economy and the delay in the financial outcome of the Upper Estuary Business Case may impact future fundraising and are key risks. The Trustees keep up to date on the macroeconomic environment. Other risks facing the Trust are to ensure donations are accounted for correctly, Gift Aid is secured, that we comply with General Data Protection Regulations (GDPR) and Fundraising Regulations and no conflicts of interest exist. The Trustees are mindful of their responsibilities to donors and apply due diligence with respect to grant applications from the ESIDB.

Our Approach To Fundraising

The Trustees review the management of the fundraising risk annually to ensure that the Trust's practices comply with the Code of Fundraising Practice. The Trust is registered with the NCVO and Fundraising Regulator and pays each an annual fee. Through these organisations, the Trust maintains up-to-date policies for its Fundraising Code of Conduct, Compliments and Complaints and Whistleblowing. The Trustees seek to ensure that volunteers are aware of the Code and adopt good fundraising practices. The Trust is not aware of any failures under those standards during 2020. Similarly, no complaints have been received by us regarding our fundraising activities.

The close adherence to fundraising regulations, scrutiny on the part of the Trustees and transparency with donors ensure that we do not unreasonably intrude on a person's privacy. We are not unreasonably persistent and do not place undue pressure on a person to give money or other property.

The Trust has always been fully committed to protecting details of all the people we work with and who support the Trust. During the year the Trust appointed external advisors to ensure we continued compliance with GDPR legislation. The Trustees recognise the importance of keeping data safe and secure. The Trust will continue to engage external advisors on a regular basis to ensure data is compliant and safe.

All branded material for Trust-led events and fundraising activities is designed and closely monitored by the Trust. We ensure that every aspect of the events meet our standards and inspire support from the community. The Trust does not engage in face-to-face or telephone marketing nor does it conduct street or public site collections.

All branded material for Trust-led events and all fundraising activities are designed and closely monitored by the Trust, ensuring that every aspect of the event meets our standards and inspires support from the community. We do not engage through face-to-face or telephone direct marketing and we conduct no street or public site collections.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Going Concern

It is important that the Trust continues to increase funds available so that the ESIDB can report these cash reserves in Business Case submissions to the EA and so get FDGiA. The Trustees take a thoughtful approach to day to day spending. This has been particularly important since the beginning of the pandemic. The lengthy delay in the outcome of the Upper Estuary Business Case necessitated more cash management initiatives and they enabled the Trust to keep costs low.

Despite the cancellation of fundraising events in 2020 we continue to receive modest income. Since the year end we received more income from donors and through a successful fundraising Golf Day. Day to day costs continue at a prudent level. Despite the challenges to fundraising efforts caused by the pandemic, and the lengthy delay to the outcome of the Upper Estuary Business Case, cash reserves remain sound. Thus the Trustees consider that the Trust has the funds available to support future grant awards, day to day costs and fundraising initiatives for the foreseeable future. The Trustees have concluded the Trust is a going concern.

Structure, governance and management

The Alde & Ore Estuary Trust is a registered Charitable Incorporated Organisation (CIO) with the Charity Commission (Charity number 1155115) in England and Wales.

The Trustees who served during the year and up to the date of signature of the accounts were:

Guy Heald (Chair)
Brian Johnson
Jane Maxim (Chair of Funding Strategy Group)
Elizabeth Stanton (Treasurer)

The Trustees undertake the governance of the Charity. Under the previous constitution the Trust comprised elected Trustees and nominated Trustees. It meant that at any one time not fewer than half of its Trustees would be elected Trustees. In late 2019, the constitution of the Trust was amended so that the members of the CIO are its Trustees and all Trustees are now elected Trustees.

New Trustees are inducted into the constitution and workings of the Trust through briefings organised by the existing Trustees. They are kept informed of current issues through updates from the Charity Commission, the Fundraising Regulator, NCVO and newsletters from advisors, seeking input from external advisors when appropriate.

All Trustees give their time voluntarily and receive no benefits from the Trust.

The Board of Trustees follows a regular cycle of meetings and review the activities of the Trust to ensure they remain focused on its stated objectives.

Future Plans

The last eighteen months have been a challenge for many of us. Nevertheless the sizeable benefits arising from the flood defence upgrades are very persuasive economically, socially and environmentally. We are hopeful that funds will be released by the EA in early 2022, and the river wall upgrade can begin. This will be a welcome catalyst for the Trust's fundraising efforts and we can swiftly restart major fundraising efforts. There is no doubt this will be a fantastic beginning to the New Year. It will help to secure the future of this unique and magical place for current and future generations. This will be great news for the estuary communities and as ever your support will be hugely welcome.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

G Heald

Trustee

Dated: 22 October 2021

THE ALDE & ORE ESTUARY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ALDE & ORE ESTUARY TRUST

Opinion

We have audited the financial statements of The Alde & Ore Estuary Trust (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. 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 December 2020 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

We have nothing to report in this regard.

THE ALDE & ORE ESTUARY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ALDE & ORE ESTUARY TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We have obtained sufficient knowledge on systems, controls and operations of the charity, to ensure our audit testing was suitably tailored. The testing performed was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud. This included work on areas where we consider there is a higher risk of fraud including revenue recognition, management override of systems and control and transactions with related parties.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, through discussions with the trustees and from our own knowledge and experience of the sector.

It is however primarily the responsibility of the trustees to ensure that the charity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE ALDE & ORE ESTUARY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ALDE & ORE ESTUARY TRUST

Other matters

Your attention is drawn to the fact that the Charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees 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 Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ensors Accountants LLP

22 October 2021

**Chartered Accountants
Statutory Auditor**

Connexions
159 Princes Street
Ipswich
Suffolk
IP1 1QJ

Ensors Accountants LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ALDE & ORE ESTUARY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Income	3	62,189	-	62,189	633,114	-	633,114
Expenditure on:							
Raising funds	4	35,946	-	35,946	48,785	-	48,785
Charitable activities	5	123,259	-	123,259	100,311	-	100,311
Total resources expended		159,205	-	159,205	149,096	-	149,096
Net (expenditure)/income for the year/ Net movement in funds		(97,016)	-	(97,016)	484,018	-	484,018
Fund balances at 1 January 2020		826,484	2,751	829,235	342,466	2,751	345,217
Fund balances at 31 December 2020		729,468	2,751	732,219	826,484	2,751	829,235

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 16-23 form an integral part of the accounts.

THE ALDE & ORE ESTUARY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	8		202		335
Current assets					
Debtors	10	2,303		115,971	
Short term deposits	11	600,000		600,000	
Cash at bank and in hand		164,500		201,085	
		<u>766,803</u>		<u>917,056</u>	
Creditors: amounts falling due within one year	12	<u>(34,786)</u>		<u>(88,156)</u>	
Net current assets			732,017		828,900
Total assets less current liabilities			<u>732,219</u>		<u>829,235</u>
Income funds					
Restricted funds	13		2,751		2,751
Unrestricted funds			729,468		826,484
			<u>732,219</u>		<u>829,235</u>

The financial statements were approved by the Trustees on 22 October 2021

G Heald
Trustee

E Stanton
Trustee

The notes on pages 16-23 form an integral part of the accounts.

THE ALDE & ORE ESTUARY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(36,535)		511,211
Investing activities					
Purchase of tangible fixed assets		(50)		(501)	
Net cash used in investing activities			(50)		(501)
Net (decrease)/increase in cash and cash equivalents			(36,585)		510,710
Cash and cash equivalents at beginning of year			801,085		290,375
Cash and cash equivalents at end of year			764,500		801,085
Relating to:					
Cash at bank and in hand			164,500		201,085
Short term deposit			600,000		600,000

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Alde & Ore Estuary Trust is a charitable incorporated organisation, registered with the Charity Commission in England and Wales. The Charity's registered office is: c/o Georgie Wayman, The Crown & Castle, Market Hill, Orford, Suffolk, IP12 2LJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised on receipt or when income is certain. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grant income is recognised when the Charity has fulfilled the terms and conditions associated with the grant.

Income is recognised from fundraising events once the event has taken place.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

Raising funds comprise of costs incurred in order to promote the work of the Charity and to generate donations.

Charitable activities comprises grants and other direct costs incurred on the Charity's objects.

Support and governance costs are those costs associated with the running and constitutional requirements of the Charity.

All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned using an appropriate basis.

Grants

Grants payable are made to third parties in the furtherance of the charitable objectives of the Trust. Grants are accounted for as and when the Trust has made a commitment to paying these.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment - over three years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Accounts held with notice periods longer than three months are shown as short term deposits.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations	51,213	83,578
Gift aid recoverable	10,976	14,089
Grant income	-	500,000
Fundraising events	-	35,447
	<u>62,189</u>	<u>633,114</u>

Grant income

The above includes the generous grant commitment from Garfield Weston Foundation of £500,000 to support the capital project to improve the defences for the estuary. The Foundation released £400,000 immediately. The remaining £100,000 was a pledge to act as a match fund for local fundraising, the aim being to engage support in the Suffolk community. This target was achieved through individual initiatives, generous donations and the two community fundraising events held during the 2019 year.

Fundraising events

The fundraising events in 2019 included the inaugural flotilla which raised £13,409 with the match funding the event totalled over £26,000. The Pub quiz raised £22,038 and similarly with match funding over £44,000.

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Press, PR and marketing	12,479	18,037
Donor care and support	5,151	6,433
Campaign management	15,400	17,793
Advertising, printing and design	710	3,053
General expenses	2,206	3,469
	<u>35,946</u>	<u>48,785</u>

Included within General expenses are costs for insurance £1,144 (2019: £1,969).

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	2020 £	2019 £
Grants payable to ESIDB	103,017	80,149
Governance costs (see note 6)	20,242	20,162
	<u>123,259</u>	<u>100,311</u>

Grants to the ESIDB include payments relating to repairs to parts of the Aldeburgh wall and a small grant for repairs required for damage caused by voles, in total amounting to £103,017. The balance outstanding on the Upper Estuary Business Case was paid in the year which included some small overruns. The additional work undertaken on the submission of the Upper Estuary Business Case which are estimated at £24,379 were accrued in 2019.

6 Governance costs

	2020 £	2019 £
Audit fees	4,860	5,430
Accounting	12,982	11,900
Legal and professional	2,400	2,832
	<u>20,242</u>	<u>20,162</u>

7 Employees

There were no employees during the year. Volunteers from the community add time, expertise and skills.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2020	501
Additions	50
	<hr/>
At 31 December 2020	551
	<hr/>
Depreciation	
At 1 January 2020	166
Depreciation charged in the year	183
	<hr/>
At 31 December 2020	349
	<hr/>
Carrying amount	
At 31 December 2020	202
	<hr/> <hr/>
At 31 December 2019	335
	<hr/> <hr/>

9 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost (Note 10)	2,303	115,971
Instruments measured at fair value through profit or loss (Note 11)	600,000	600,000
	<hr/> <hr/>	<hr/> <hr/>
Carrying amount of financial liabilities		
Measured at amortised cost (Note 12)	34,786	88,156
	<hr/> <hr/>	<hr/> <hr/>

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Donations receivable	-	111,308
Gift aid recoverable	1,249	4,663
Prepayments and accrued income	1,054	-
	<hr/> <hr/>	<hr/> <hr/>
	2,303	115,971
	<hr/> <hr/>	<hr/> <hr/>

11 Short term deposits

	2020 £	2019 £
95 day notice deposit account	600,000	600,000
	<hr/> <hr/>	<hr/> <hr/>

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	468	3,327
Accruals and deferred income	34,318	84,829
	<u>34,786</u>	<u>88,156</u>

Included within accruals and deferred income is £29,458. This includes the balance carried forward from 2019 on the work required for the submission of the Upper Estuary Business Case and a new grant for vole repairs undertaken.

13 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019 £	Incoming resources £	Balance at 1 January 2020 £	Incoming resources £	Balance at 31 December 2020 £
The Alde & Ore Association	2,751	-	2,751	-	2,751

The restricted funds may be used to support specific event-related fundraising efforts.

14 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Fund balances are represented by:						
Tangible assets	202	-	202	335	-	335
Net Current assets/ (liabilities)	729,266	2,751	732,017	826,149	2,751	828,900
	<u>729,468</u>	<u>2,751</u>	<u>732,219</u>	<u>826,484</u>	<u>2,751</u>	<u>829,235</u>

15 Related party transactions

During the year the Trustees personally donated, or donated through entities of which they have significant control a total of £410 (2019: £17,974); none of the donations were restricted.

None of the Trustees (or any persons connected with them) received any remuneration or benefits or expenses from the Charity during the year (2019: £Nil).

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Cash generated from operations	2020	2019
	£	£
(Deficit)/surplus for the year	(97,016)	484,018
Adjustments for:		
Depreciation and impairment of tangible fixed assets	183	166
Movements in working capital:		
Decrease/(increase) in debtors	113,668	(20,208)
(Decrease)/increase in creditors	(53,370)	47,235
Cash (absorbed by)/generated from operations	(36,535)	511,211