

Charity registration number 1155115

THE ALDE & ORE ESTUARY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 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

CONTENTS

	Page
Trustees' report	1 - 10
Independent auditor's report	11 - 13
Statement of financial activities	14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 24

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

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 "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and Activities

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 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.

What We Need to do to Secure the Future

Climate change is happening: please take a look at the website World Weather Attribution (worldweatherattribution.org). Over the last few months, the world has experienced severe weather events, most recently the ferocity of hurricane Ian in the USA and the deadly floods in Pakistan. In the UK our recent weather experience has included record-breaking high temperatures and near drought conditions. This, in turn, leads to concerns about the security of water availability and increased number of deaths in people aged 65 and over (ONS: Excess mortality during heat-periods: 1 June to 31 August 2022).

The Trust raises funds to enhance and upgrade the flood defences in the Alde and Ore estuary to provide medium to long term resilience for communities throughout the estuary and therefore funds the project team working at the East Suffolk Internal Drainage Board (ESIDB). They have constructed and presented to government a business case for partial grant funding to enable works in the Upper Estuary. The case conforms to the current Flood and Coastal Erosion Risk Management strategy for the UK.

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

The communities surrounding the estuary have shown great foresight in working together to initiate this project. Over the last ten years these volunteers have worked with the Environment Agency (EA), Natural England and others to try to make this necessary and important project a reality. One of the key outputs of their work was The Estuary Plan which gained approval in 2016 at District and County level and Regional Flood and Coastal Committee. This plan was endorsed by all key statutory bodies and is now a material planning consideration within East Suffolk Coastal planning authority and recognised within the latest Shoreline Management Plan update.

In particular the preferred wishes of the communities for the minimum requirements of the design, detailed in the following section, is a key input into the submission of the Upper Estuary Business case to the EA. Whilst time has elapsed since the creation of the plan, the desire of the communities to provide a future for the estuary which is resilient and can be adapted has not changed. The fundamental aims remain sound although the plan itself needs to be updated. The Trust is the charity responsible for fundraising both to support the ESIDB in submitting business cases to the EA and in raising enough funds to make up the shortfall from central government for this project. In its submission of the Upper Estuary Business Case, the ESIDB has ensured the wishes of the communities are included. However, some information that lies within the existing Estuary Plan was modified to take account of current known information: the number and type of properties, the project costs and the economic case as well as fundraising initiatives. The Alde and Ore Community Partnership (AOCP) aim to bring the Estuary Plan up to date in the near future.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The communities continue to be engaged through the AOCP which has a representative from each parish at risk from flooding as well as Suffolk County Council and East Suffolk Council. It is, therefore, hugely disappointing that the EA has yet to provide any funding for this project while inflation is creating significant cost increases. The lengthy delay was because of the EA led investigation of a clay stockpile at Iken. We understand this issue has now been de-coupled from its consideration of the Business Case but we have had no formal confirmation of this.

The EA's stated strategy is that "by 2025 we will have created more climate resilient places and infrastructure, by ensuring the nation is prepared for flooding, coastal change and drought

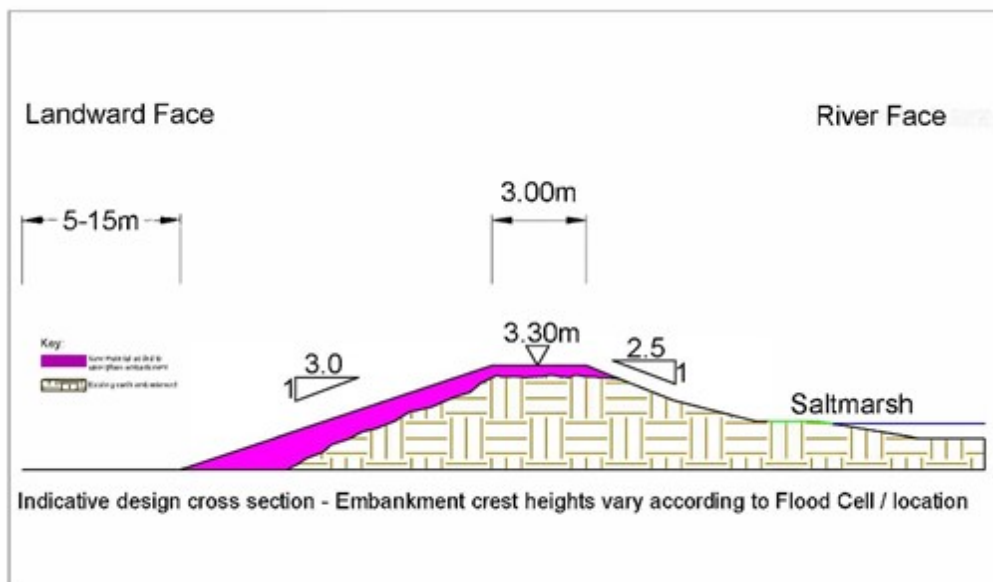
- by 2025 we will be a stronger leader on climate adaptation and resilience, encouraging others to act now on the climate emergency and invest in adaptation
- by 2025 we will be ready for bigger, more frequent incidents and will support those at risk to be more resilient"

The wishes of the communities could not be more aligned and have been a driving force on this project.

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 have a standard of service of 10% AEP (Average Exceedance Probability) i.e., vulnerable to a 1 in 10 year flood event. Given the very narrow crest width and steep back face profile of the current walls, the adverse impact of flooding worsens with increased overtopping and some walls have a residual life estimated at less than 5 years. 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 (6% AEP).



Since the 2013 flooding the ESIDB has carried out emergency improvements to some of the damaged walls around Aldeburgh. In addition, major works were done at Havergate Island in 2018 which, by lowering the walls, enabled the RSPB to safeguard the nature reserve's habitats against the increasing frequency of storm surges. The work also has the effect of relieving some pressure on the walls in the estuary, reducing the risk of wall damage and flooding. Similarly, Orford Ness can take in some flood water due to the lower walls there. Although some walls in the affected areas have been repaired, significant investment is required to upgrade all flood defences to an acceptable standard. The approved design takes into account sea level rise caused by climate change and the upgraded river walls, built to the design illustrated above, will be able to withstand more frequent and much more severe weather events.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Solution

The proposed design has been approved by the EA and is illustrated above. 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 to 3 metres uniformly. The design will give 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 the 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 resilient design greatly lowers the force of the retreating water from a flood so that the walls retain their integrity. Thus, costs for repairs and maintenance should reduce.

The flood defence improvements will upgrade the river walls so that they can retain a 1 in 75-year (1.33% AEP) event within the estuary channel. They are designed to allow a further 300mm to flow over the wall and down the back face without causing failure, thereby managing a 1:200 + climate change overtopping event, taking into account likely sea level in 2050 i.e., an AEP of 0.5% without catastrophic incident. Without flood defence improvements an event of this magnitude could result in a breach of the walls, causing major flood damage to properties, infrastructure, water supplies and rare freshwater habitats. The approved resilient design will hugely mitigate the damage these major flood events can cause. This preferred design can be further adapted in the medium term (20 to 50 years) for climate change and sea level rise and so buys time for future generations to consider ways to adapt to future levels of climate change.

A combination of funds from central and local government, a public works loan funded by landowners, a legacy from David Andren (a local resident who was key to the initiation of the Estuary Plan) and amounts raised by The Alde & Ore Estuary Trust will pay for this work. The Upper Estuary upgrade will be carried out first, ensuring that no property will be put at greater risk of flooding because of the works, conforming to EA regulations. But given the length of the Lower Estuary, preparatory work may begin at the same time as work in the Upper Estuary. The proposed programme of works will require significant funding 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 upgrade which has a 7 to 8 year project timespan. This near-term need is a key feature when seeking funds.

The Benefits

The flood defence improvements will protect the communities in a number of ways.

Economically: For every £1 invested in flood defence upgrades the local economy will benefit by £4.10 (as adjusted for Net Present Value) over the next 25 years, because homes and businesses in each town and village, farmland and fresh water reserves along the whole estuary will be protected. This is a positive return on investment for both the local and UK economy.

Enjoyment: Many of us take pleasure in this beautiful environment we are lucky to have on our doorstep. Everything including accessibility along the extensive network of footpaths, to bird watching and sailing will continue safely, thanks to this work. The internationally renowned concert hall at Snape Maltings will be protected. The Maltings buildings have recently been granted Grade II* status by the Department for Digital, Media, Culture & Sport on the advice of Historic England.

Health and well being: The protection of current enjoyable activities plus the increased access to the walls for pushchairs and mobility vehicles will have a positive impact on both physical and mental health. On 1 July 2022 the UK Health and Security Agency published guidance 'Flooding and health: assessment and management of public mental health'. The need for this guidance forcefully presents the case for the imperative to reduce flood risk.

Environment: The estuary lies within the Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB). It is also a wetland site of international importance (RAMSAR convention), Special Area of Conservation (SAC) and Natura 2000 Special Protection Area. The whole estuary is a designated Site of Special Scientific Interest (SSSI).

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Facts

- Over 1,000 properties are better protected from the risk of flooding. These include over 750 residential properties and nearly 300 non residential properties.
- Revenue generated by leisure and tourism exceeds £100 million 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 the internationally designated habitats.
- 59 fresh water aquifers irrigate over 6,500 acres of vegetable and high value crops vital for nationally important food security.
- 8,200 acres of agricultural and grazing land of national importance would be lost

Longer Term Water Security and Biodiversity

Upgrading the river walls will protect and enable substantial, currently unused, freshwater resources, allowing farmers to invest in providing improved biodiversity through eco system services such as carbon capture and enhanced food production. These will benefit human well-being and quality of life. Currently within the estuary, the ESIDB pumping stations discharge circa 8 million cubic metres of fresh water into the estuary every year, enough drinking water to support 60,000 properties (assumes average 3 person households at 120litres/day/person).

Through the wall design and by winning build clay material locally, this additional ground water resource can be stored and transferred, creating the potential for wetland farming (paludiculture) whilst sequestering carbon, cleaning the air and water and providing much needed freshwater bird breeding and over-wintering habitat, some of which was lost with the wall failure at Hazlewood marshes Site of Special Scientific Interest (SSSI).

Subject to licensing, this high flow surface water resource can be captured and stored on farms within multi-use reservoirs, further protecting the production of high quality locally sourced food whilst reducing over-abstracted ground water resources. In extreme drought conditions this tanked resource can provide critical life support to mitigate the worst climate hazards.

The upgraded improvements to the river walls and to habitats will deliver sustainable job creation, economic security and growth and enhance visitor experiences, consistent with mental health and wellbeing goals as set out by the United Nations (<https://www.un.org/sustainabledevelopment/blog/2015/12/sustainable-development-goals-kick-off-with-start-of-new-year/>).

Fundraising

Strategy

The Trust's fundraising strategy is currently focused on giving financial grants to the ESIDB, an approved Risk Management Authority who are therefore able to gain Flood and Coastal Erosion Risk Management- Grant in Aid (FCERM-GIA/FDGIA) from the EA. This, in turn, enables applications for grants from other parts of central government. The ESIDB are therefore the major beneficiary of the Trust's fundraising efforts. Any funding from such a Trust funded grant submission, approved by the EA, goes directly to and is managed by the ESIDB. It is hoped grants from the EA and central government will provide at least two thirds of the cost of making the river walls resilient.

Fundraising activities

Income is generated through individuals (interested in the conservation of the estuary and its environment), trusts, foundations and local businesses. We are grateful to the increasing number of individuals and families making one off or regular donations.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trust raises funds through inclusive activities in the estuary communities. This adds to the public knowledge of the need for making the river walls resilient. Although the pandemic has continued to have an impact on community fundraising, this year the Trust was able to stage events again. In 2021 the Trust had planned two fundraising events, both of which had been cancelled in 2020. Sadly, a flotilla – swimming or paddling down the estuary from Aldeburgh to Orford - in July 2021 was once again postponed as it proved impossible to run it in a covid secure way for volunteers and participants. It was subsequently successfully held in 2022. A golf day and auction of prizes, donated largely by golf club members, and with the support of Aldeburgh Golf Club, raised over £60,000 including Gift aid (note 3).

Other community initiatives raise awareness: These include Christmas cards and we are very grateful for the artists who donated these beautiful images. The cards are sold through local outlets, including Snape Maltings. And once again a local artist, Ben Wardle, donated a painting which sold in a silent auction.

Planning for fundraising

This is a long-term project so the fundraising plans are responsive to the changing needs both in the amount to raise and the timescale of the project. The Trust is currently working with Coastal Partnership East (CPE) on identifying Trusts, Foundations and local government sources of funding which support the environment and wildlife habitats, particularly those which see connectivity in habitat as vital to wildlife. Our objective is to establish a reliable list of sizeable, funding opportunities. With CPEs help the Trust is also exploring the potential for a submission to the National Lottery Heritage Fund enabling more people within the communities to be involved with the project and for increased accessibility to the estuary itself.

We are also working with professional charity consultants to assist us with identifying and approaching individuals whose awareness of the impact of the floods and whose philanthropic attitude to the environment may prompt them to become donors. The brief for these consultants is to support the scope and delivery of the Trust's plan for individual giving. While one consultancy will continue to work on planning for individuals and business giving over the next few years, a second consultancy has completed a feasibility study on our plans to raise the sums necessary for this project. They concluded that the aim was feasible. These appointments were made following a tender process and are expected to be one off costs which the Trust will be able to benefit from in the future (note 5).

Raising public awareness and community engagement

Raising and maintaining awareness of the long-term benefits of the flood defences within 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, for example, are only aware of the sea and do not know that in 1953 the town was flooded by water coming up the High Street from the river. 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 and visitors alike from the upgrade of the river walls.

We campaign to raise awareness through activities, newsletters, our website, press releases and social media. Regular newsletters now go out to 837 (2020: 820) subscribers and our website <http://aoetrust.org> saw a rise in visitors to 4,300 (2020: 2,900). The newsletters update our subscribers on fundraising, Trust-led community events and the work of the ESIDB. In April, for example, the newsletter discussed the impact of the Iken Clay investigation on the Upper Estuary business case decision.

The Trust continues to use social media to provide updates to followers on Twitter, Instagram and Facebook, with a regular audience reach of over 23,100 per month (2020: 22,500) across these platforms. Although in 2021 we were unable to hold public community events, we did engage in online meetings of the Alde & Ore Community Partnership and the Aldeburgh Business Association and towards the latter part of 2021 we were once again able to meet in person.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

New modern and engaging look

The Trust has commissioned a new look and content for the website which will explore in greater depth the issues facing the Alde, Ore and Butley rivers, the estuary as a whole and the communities nearby. The website is being redesigned with accessibility at the forefront of the brief and incorporates a colour scheme familiar to those of us who live here or visit. And this new look will extend to all documentation used by the Trust. We have been very fortunate in having volunteers taking this change forward.

Future fundraising plans

The EA requires a community contribution towards the cost of any major project. This project is very fortunate in having 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. Such community funding has to be part of the Business Case submitted to the EA and they are aware that this funding is available now. This community contribution means that the Trust can press ahead with the project as soon as the government contribution is announced. The government separates its funding between the Upper and Lower Estuary projects but the estuary is a continuous, dynamic environment from Snape to Shingle Street, stretching 11 kilometres down the Suffolk coast, so the Trust encourages generic donations for works on the estuary as a whole. Central and local government grants are crucial for the necessary and successful improvement of our flood defences but 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. However, we are also very grateful to those generous individuals and businesses who have chosen to donate before the Business Case outcome is assured.

Why Do We Work With the ESIDB?

The Trust works with the ESIDB because they are an autonomous public body that manages the water levels behind the river defence walls, known as internal drainage districts. Furthermore, they have been working with the Community Partnership for some time and were familiar with their wishes. We work with them because of their expertise, local knowledge and, importantly, because as a non-profit Risk Management Authority, ESIDB are able to present a case for 'Partnership Funding', a contributing government grant known as Flood and Coastal Erosion Risk Management- Grant in Aid (FCERM-GIA/FDGIA). The ESIDB has designed and will build the new river defence walls. They have proven experience of such projects.

We have funded their evaluation of the preferred community requirements and its strengths against cheaper but less resilient options and for them to submit business cases to the EA who will assess, both the Upper and Lower Estuary Flood Defence Improvement applications for FDGIA. The Upper Estuary runs from the bridge at Snape to Sudbourne Marshes, and the Lower Estuary from there to Hollesley.

It is crucial for this work that the ESIDB get technical approval along with a substantial FDGIA allocation, which will be a catalyst for funding from other sources including government. The combined funds will enable the capital project to commence. The ESIDB has significant experience of similar projects and works in conjunction with the EA who oversee their work.

To learn about the ESIDB within the Water Management Alliance please visit their website at www.wlma.org.uk

Grants and Estimated Project Costs

In 2018 the Trust awarded a grant to the ESIDB to provide the Trust with an estimate of the total cost of the Whole Estuary Embankments Improvement capital project, an estimate of government funding available through FDGIA and an estimated delivery programme for the Alde and Ore estuary walls upgrade project. The ESIDB presented an overview of their final report including assumptions to the community at Snape Maltings in February 2019. Their report stated that the estimated programme of works for the whole estuary would cost £26.9 million including a contingency of £5.1 million. This upgrade project would be delivered over 7 to 8 years once government funding is available.

- The cost for the Upper Estuary was estimated at £8.4 million which included a contingency of £2 million. The potential FDGIA was estimated at £6 million.
- The cost for the Lower Estuary was estimated at £18.5 million which included a contingency of £3.1 million. The potential for FDGIA was estimated at £4.5 million.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The project costs reflected environmental and engineering best practice in design, capital improvement and safe ongoing management. It was noted that government funding could not be guaranteed. The Trust received this report in February 2019 and subsequently awarded a grant for the ESIDB to prepare a Business Case for the Upper Estuary Embankment Improvements Project. This Business Case was submitted to the EA in April 2020. The technical design, illustrated earlier, included in the Business Case was approved by the EA after successfully passing their rigorous challenge process. However financial approval was not given despite this approval due to the Iken Clay investigation.

To try to unlock the impasse with the EA the Trust awarded a further grant of £31,351 to the ESIDB in late 2021 to fund the ESIDB's resubmission of the Business Case. This resubmission was made in June 2022. At the same time the ESIDB has revisited the forecast costs for both the Upper and Lower Estuary Embankment Improvements Project.

The two year delay between the first submission and the resubmission has resulted in multiple adverse financial challenges which have increased forecast project costs. In addition, the EA amended their model for calculating FDGIA in 2020. However the government have 'allocated £5.2 billion' for investment across the UK for new flood and coastal defences from 2021-2027. Some of these funds are available through other sources including Other Departments of Government (ODG), the Environmental Support Allowance (ESA) and others but gaining access to these funds is dependent on getting Business Case approval from the EA.

Forecast costs have increased by over £3.1 million due to the government making such projects use taxed (white) diesel rather than rebated (red) diesel. This is a government led initiative to encourage a switch from diesel to the use of more environmentally friendly fuel which is currently even more expensive than white diesel. The costs have been further increased by £14.5 million due to the continuing economic pressures and increased inflation which have been compounded by the pandemic and impact of the war in Ukraine. The current continuing volatile economic environment is unhelpful. Thus, tight management of project costs will be imperative. The ESIDB is very aware of this and is looking to improve forecast productivity by using technical enhancements.

Thus, given all of the factors above, revised project costs are estimated below:

- Upper Estuary, Total forecast costs are £12.2 million including contingencies of £3.4 million which includes increased inflation. Total estimated central government grants amount to £8.1 million. Estimated funds from other grants total £4.1 million.
- Lower Estuary, Total forecast costs are £32.3 million including contingencies of £10.3 million which includes increased inflation. Total estimated central government grants amount to £9.3 million. Estimated funds from other grants £3.4 million.

Based on these numbers the estimated funding gap is £19.6 million. Given the current weak economic environment, costs could increase significantly due to inflationary pressures. The sooner the project gets government funding through FCERM-GIA ODG and ESA the better. This would ease longer term adverse effects of inflation. This will also have a hugely positive impact on fundraising plans.

Financial Review

The previous year was a challenging year for fundraising. This continued into 2021 and the fundraising section explains the continuing impact of the pandemic, economic environment and the prolonged delay in the outcome of the Upper Estuary Business Case. The recent resubmission of the Upper Estuary Business Case will hopefully enable government funds to be allocated to the project.

The Trust increased income to £118,363 (2020: £60,257). Gift Aid recoverable was £6,107 (2020: £10,976). There was no restricted income. Thus total income including bank interest was £118,963 (2020: £ 62,189).

Expenses for the year included costs of £80,467 (2020: £nil) related to prioritising the preparation of detailed fundraising plans to support the completion of the whole estuary project as explained in the fundraising section. There was also continued awareness-raising through Press, PR and marketing which is mainly website and social media activities. This increased to £18,375 (2020: £15,400) due to support required by the fundraising consultants. That has now reduced.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

A grant was awarded by the Trust of £31,351 in October 2021 to cover the costs of the resubmission of the Upper Estuary Business Case. This is in addition to grants awarded previously of £140k+ for the Upper Estuary Business Case in December 2018. However after looking at the detail, it was clear that forecast costs had not been incurred resulting in a reduction of total costs, excluding the latest grant, of over £16,000. This over-accrual has been reversed and is included as a credit in note 7.

During the year governance costs reduced slightly to £17,233 (2020: £20,242). The accounting and audit costs are detailed in note 8. These processes are now sound and smooth. There were no legal and professional fees (2020: £2,400). In the previous year a review was undertaken by external legal advisors to ensure the Trust's GDPR policies and procedures comply with good practice.

The fundraising section details the relatively successful fundraising and awareness raising activities despite the delayed outcome and effects of the pandemic. Press, PR and marketing increased slightly to £14,584 (2020: £12,479). Much of this was related to the Golf Day and Flotilla. In addition, advertising, printing and design increased for similar reasons to £1,259 (2020: £710). The Trust continues to have good regular income from donors which requires administrative support which is included in Donor, Care and Support and is steady at £4,760 (2020: £5,151).

The Trust does not employ any staff and buys in resource as required. A tender process is followed for major costs. We would like to thank the support of volunteers who have helped keep ongoing costs as low as possible. We always look at efficient ways to reduce ongoing costs.

The net (deficit)/funds available for the year, before grants payable to the ESIDB, totalled (£21,402) (2020: £6,001). Funds carried forward in unrestricted reserves have reduced to £693,220 (2020: £729,468) largely due to amounts paid to fundraising consultants. No restricted income was received in the year nor used so restricted reserves at year end totalled £2,751 (2020: £2,751). See note 15.

During the year nothing was paid to the ESIDB relating to work on the Upper Estuary Business Case. At year end the Trust had £749,858 in cash and cash equivalents including £500,000 in a 95 day short term notice account with C. Hoare & Co. 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 viable. Thus, the Trust aims to increase available funds and ensure it has adequate reserves for the long term success of the flood defence project.

Risk Management

The Trustees have assessed the major risks to which the Trust is exposed. The continuing delay in the outcome of the Upper Estuary Business Case and the volatile economic outlook compounded by inflationary pressures are key risks. The Trustees keep up to date on the macro-economic environment and get regular updates on the progression of the Business Case. Other risks facing the Trust are to ensure donations are accounted for correctly, Gift Aid is secured, no conflicts of interest exist and that we comply with General Data Protection Regulations and Fundraising Regulations. 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 policies 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 practice. The Trust is not aware of any failures under those standards during 2021. Similarly, no complaints have been received by us regarding our fundraising activities.

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

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trust has always been fully committed to protecting details of all the people we work with and who support the Trust. In 2020 the Trust appointed external advisors to ensure we continued compliance with GDPR legislation. During the year we asked for a GDPR review by our professional fundraising consultants and no issues were identified. 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 events is designed and closely monitored by the Trust. We ensure that every aspect of the events meet our standards and inspire support from the communities. The Trust does not engage in face-to-face or telephone marketing nor does it conduct street or public collections.

Going Concern

The Trustees recognise the importance of increasing funds and keeping costs at an appropriate level as cash reserves are an important factor when submitting Business Cases to the EA to get FDGIA. The Trustees take a thoughtful approach to day to day spending. This has been particularly important since the beginning of the pandemic, inflationary pressures and the prolonged delay in the outcome of the Business Case submission and resubmission. This has necessitated increased use of volunteers to keep costs low as well as the reduction of unnecessary spend.

Since the year end there have been 2 successful community fundraising events which have been very well supported and have raised over £60,000 including gift aid. Furthermore we continue to receive regular income from donors. Thus despite the challenges to fundraising caused by the pandemic, cost of living crisis plus the lengthy delay in the outcome of the Upper Estuary Business Case, cash reserves remain sound. Therefore 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 signing 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. All Trustees are elected Trustees. Trustees can serve a maximum of 12 years. New Trustees are fully apprised about the constitution and workings of the Trust through briefing meetings organised by the existing trustees. Trustees are kept informed of current issues through updates from the Charity Commission, the Fundraising Regulator, NCVO and newsletters from advisors. The Trustees also seek input from external advisors when appropriate.

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

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

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Future Plans

The Environment Agency's strategy is guided by 3 principles:

- put people and wildlife first: our goal is to create a better place for them
- 80/20: we will focus on the 20% that makes 80% of the difference
- support local priorities: every place and community has its own needs.

These principles are consistent with the 2016 Estuary Plan and the resubmitted Business Case. This EA strategy goes on to state:

This strategy will build broader collaborative arrangements that join critical agendas across the economy, health and the environment together.

This is precisely the overarching aim that the Trust and the communities continue to work towards. The EA strategy could not be more consistent with the Trust's aims. The excellent economic benefit, Area of Outstanding Natural Beauty and the fresh water habitats of international importance all deserve our commitment to improve and preserve their flood defences. We would expect that given the strength of support locally driven by volunteers who have worked alongside the EA over a number of years the EA, supported by central and local government, will expedite approval and the release of funds as soon as possible. The Trust, by funding this project, is investing to secure the future for our communities, their people, their infrastructure, the wildlife and the natural environment.

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.

Guy Heald

.....
G Heald

Trustee

Dated: 24th October 2022

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 2021 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 2021 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.

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.

THE ALDE & ORE ESTUARY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ALDE & ORE ESTUARY TRUST

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.

To address the risk of fraud we performed the following audit procedures:

- Thorough review of journal entries and other adjustments for appropriateness and evaluating the rationale of any transactions outside of the normal course of business.
- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness and determine whether there is any bias in management's estimates.
- All team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance.
- Enquiring of management whether there have been any alleged, suspected or actual instances of fraud during the year.
- Reviewing legal expense accounts for any indicators of litigation or claims.

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

24th October 2022
.....

Chartered Accountants

Statutory Auditor

Connexions
159 Princes Street
Ipswich
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 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations	3	118,363	-	118,363	60,257	-	60,257
Interest	4	600	-	600	1,932	-	1,932
Total income		<u>118,963</u>	<u>-</u>	<u>118,963</u>	<u>62,189</u>	<u>-</u>	<u>62,189</u>
Expenditure on:							
Raising funds	5	123,132	-	123,132	35,946	-	35,946
Charitable activities	6	32,079	-	32,079	123,259	-	123,259
Total resources expended		<u>155,211</u>	<u>-</u>	<u>155,211</u>	<u>159,205</u>	<u>-</u>	<u>159,205</u>
Net expenditure for the year/ Net movement in funds		<u>(36,248)</u>	<u>-</u>	<u>(36,248)</u>	<u>(97,016)</u>	<u>-</u>	<u>(97,016)</u>
Fund balances at 1 January 2021		<u>729,468</u>	<u>2,751</u>	<u>732,219</u>	<u>826,484</u>	<u>2,751</u>	<u>829,235</u>
Fund balances at 31 December 2021		<u><u>693,220</u></u>	<u><u>2,751</u></u>	<u><u>695,971</u></u>	<u><u>729,468</u></u>	<u><u>2,751</u></u>	<u><u>732,219</u></u>

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 17-24 form an integral part of the accounts.

THE ALDE & ORE ESTUARY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		19		202
Current assets					
Debtors	12	5,208		2,303	
Short term deposits	13	500,000		600,000	
Cash at bank and in hand		249,858		164,500	
		<u>755,066</u>		<u>766,803</u>	
Creditors: amounts falling due within one year	14	<u>(59,114)</u>		<u>(34,786)</u>	
Net current assets			695,952		732,017
Total assets less current liabilities			<u>695,971</u>		<u>732,219</u>
Income funds					
Restricted funds	15		2,751		2,751
Unrestricted funds			693,220		729,468
			<u>695,971</u>		<u>732,219</u>

The financial statements were approved by the Trustees on 24th October 2022

Guy Heald
.....
G Heald
Trustee

Elizabeth Stanton
.....
E Stanton
Trustee

The notes on pages 17-24 form an integral part of the accounts.

THE ALDE & ORE ESTUARY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(15,242)		(38,467)
Investing activities					
Purchase of tangible fixed assets		-		(50)	
Interest received		600		1,932	
Net cash generated from investing activities			600		1,882
Net decrease in cash and cash equivalents			(14,642)		(36,585)
Cash and cash equivalents at beginning of year			764,500		801,085
Cash and cash equivalents at end of year			749,858		764,500
Relating to:					
Cash at bank and in hand			249,858		164,500
Short term deposit			500,000		600,000

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

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 the statement of financial activities.

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 2021

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 2021

3 Donations

	2021 £	2020 £
Donations	51,042	51,213
Gift aid recoverable	6,107	10,976
Fundraising events	61,214	-
	<u>118,363</u>	<u>62,189</u>

Fundraising events

The fundraising events include a Golf Day and auction which raised £60,234 including gift aid of £2,520. Fundraising events also includes £980 of donations from entrants to the flotilla who no longer wished to enter when the event was postponed from 2021 to 2022.

4 Investment income

	2021 £	2020 £
Interest receivable	600	1,932
	<u>600</u>	<u>1,932</u>

5 Raising funds

	2021 £	2020 £
Press, PR and marketing	10,584	12,479
Donor care and support	4,760	5,151
Campaign management	98,842	15,400
Advertising, printing and design	1,259	710
General expenses	3,687	2,206
Coastal Partnership East	4,000	-
	<u>123,132</u>	<u>35,946</u>

Included within General expenses are costs for insurance £1,945 (2020: £1,144).

Campaign management costs include on-off costs relating to future fundraising plans once the outcome of the Business Case is known. In addition to ongoing costs two professional fundraising consultants were appointed through a tender process each having a specific brief. One project was to consider the feasibility of the plans. They concluded the project was feasible with known facts at the time. This was a one-off project. The other consultants were appointed for the longer term to help deliver some of the detail of the fundraising plans.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	2021 £	2020 £
Grants payable to East Suffolk Internal Drainage Board	14,846	103,017
Governance costs (see note 8)	17,233	20,242
	<u>32,079</u>	<u>123,259</u>

Grants to the ESIDB include costs for re-submission of the Upper Estuary Business Case.

Grants payable have reduced in 2021 compared to the prior year due to an over accrual at the prior year end which has since been reversed.

7 Grants payable

Reconciliation of grants payable

	2021 £	2020 £
Commitment at 31 December 2020	29,458	80,149
Commitments made during the year	31,351	103,017
Grants paid during the year	-	(153,708)
Reversed in the year	(16,055)	-
	<u>44,754</u>	<u>29,458</u>

8 Governance costs

	2021 £	2020 £
Audit fees	5,400	4,860
Accounting	11,833	12,982
Legal and professional	-	2,400
	<u>17,233</u>	<u>20,242</u>

9 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 2021

10 Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2021	551
At 31 December 2021	551
Depreciation	
At 1 January 2021	349
Depreciation charged in the year	183
At 31 December 2021	532
Carrying amount	
At 31 December 2021	19
At 31 December 2020	202

11 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost (Note 12)	5,208	2,303
Instruments measured at fair value through profit or loss (Note 13)	500,000	600,000
Carrying amount of financial liabilities		
Measured at amortised cost (Note 14)	59,114	34,786

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Gift aid recoverable	1,242	1,249
Prepayments and accrued income	3,966	1,054
	5,208	2,303

13 Short term deposits

	2021 £	2020 £
95 day notice deposit account	500,000	600,000

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,585	468
Accruals and deferred income	55,529	34,318
	<u>59,114</u>	<u>34,786</u>

15 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 2020 £	Incoming resources £	Balance at 1 January 2021 £	Incoming resources £	Balance at 31 December 2021 £
The Alde & Ore Association	2,751	-	2,751	-	2,751

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

16 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances are represented by:						
Tangible assets	19	-	19	202	-	202
Net Current assets/ (liabilities)	693,201	2,751	695,952	729,266	2,751	732,017
	<u>693,220</u>	<u>2,751</u>	<u>695,971</u>	<u>729,468</u>	<u>2,751</u>	<u>732,219</u>

17 Related party transactions

Trustees, their close family members and businesses under their control made donations to the charity totalling £5,398 during the year (2020: £410). This comprised of regular donations, golf day entrance fees/ sponsorship and bids for auction prizes. None of the donations were restricted.

There were no amounts owed to or from the charity's related parties at the year end or the previous year end.

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the Charity during the current or prior year.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18 Cash generated from operations	2021 £	2020 £
Deficit for the year	(36,248)	(97,016)
Adjustments for:		
Investment income recognised in statement of financial activities	(600)	(1,932)
Depreciation and impairment of tangible fixed assets	183	183
Movements in working capital:		
(Increase)/decrease in debtors	(2,905)	113,668
Increase/(decrease) in creditors	24,328	(53,370)
Cash absorbed by operations	<u>(15,242)</u>	<u>(38,467)</u>