

Charity registration number 1155115

THE ALDE & ORE ESTUARY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE ALDE & ORE ESTUARY TRUST

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THE ALDE & ORE ESTUARY TRUST

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THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

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 and improve river defences and flood protection. We will always consider 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

Resilience

The Trust raises funds to enhance and upgrade the flood defences in the Alde and Ore estuary which will provide medium to long term flood resilience for local communities.

We are the charity responsible for fundraising to enable preparation and submission of Business Cases to the Environment Agency (EA) and then, for raising enough money to make up the shortfall between awards from central and local government and the costs of the project. To this end we have been financing the East Suffolk Water Management Board ((ESWMB) formerly the East Suffolk Internal Drainage Board (ESIDB)) to enable them to apply for government grants.

We started 2023 with some very good news. The ESWMB has, as a result, been awarded £11.1 million for this work through a government grant from the EA. And now, work on the Upper Estuary has started. However, we do need more money to secure the future of the local communities along the whole of the Alde, Ore and Butley rivers. The resilience of the embankment improvements in the Upper Estuary is dependent on the Lower Estuary upgrade works being undertaken as well. The existing low defences and geography of the narrow floodplain bounded by high ground, pose limited resistance to extreme tidal surge waters progressing up the estuary. Without Lower Estuary upgrades, the down river flood cells drown out before the peak surge level is realised, causing peak water to progress all the way to Snape Village at a much higher level than if constrained by improved Lower Estuary defences. With Whole Estuary work completed, overtopping is expected to be equitable at peak flows into the floodplain and so reducing the overall water height within the system.

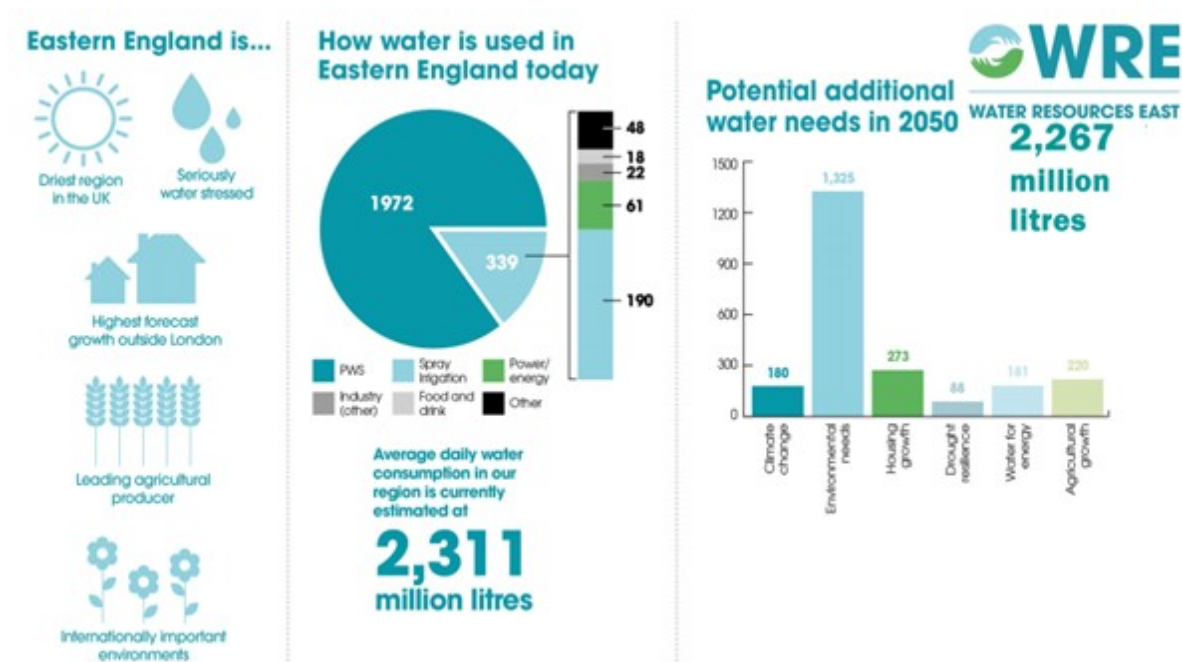
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Adaptation

Climate change is happening: please take a look at the website World Weather Attribution (worldweatherattribution.org). This provides insights into extreme weather events and it provides strong evidence of current climate change. The UK statistics are available at <https://climate-change.data.gov.uk/dashboards/climate-and-weather>. The website <https://climate.nasa.gov/> also gives more details of the adverse changes that are happening. In the UK, the altered pattern of rainfall is causing water resources to decline. Record-breaking high temperatures and near drought conditions in 2022 were experienced throughout the UK. This, in turn, led to concern 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 rivers in Suffolk are beginning to run dry and there have been unwelcome sewage discharges. Regional plans for water resource requirements for the East of England are in place. Please take a look at wre.org.uk. The chart below demonstrates the current water resource needs.



Numerous respected sources are warning about the impact of climate change, recommending we learn to adapt. The Met Office [metoffice.gov.uk](https://www.metoffice.gov.uk) has useful charts and information on sea level rise.

The Role of the ESWMB in Securing Government Funding

The Trust finances the project team working at the ESWMB. They successfully presented to government a Business Case for grant funding to enable work in the Upper Estuary. This document followed the detailed process stipulated by the EA, which has to have both technical and economic approval and is peer reviewed. The government requires 'economic value' evaluations for various factors such as property, agriculture, and archaeology, calculated using their own guidance. And this is the basis for the grant. After accepting the business case, the EA announced a grant of £11.1 million in January 2023 for Phase 1, the Upper Estuary. This includes £3 million from the Regional Flood and Coastal Committee local levy funding. Work for the whole estuary, will be a 7-to-8-year programme. The good news is the ESWMB can now start the preparatory work, such as habitat surveying and we can begin the detailed design. They plan to start construction in spring 2024. Work is also due to start on Lower Estuary funding applications. The local area EA are supporting this stage with a grant award of £99k to enable the preparation of a Business Case. The Trust will, if necessary, award additional finance to make sure the Business Case is completed and submitted. The current estimates for the Lower Estuary suggest that £10 million will be available from the EA for Phase 2. This leaves a funding gap of about £20 million. The Trust will do its utmost to bridge this gap.

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FOR THE YEAR ENDED 31 DECEMBER 2022

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 twelve years these volunteers have worked with the EA, Natural England (NE) 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 from the Regional Flood and Coastal Committee. This plan was endorsed by all key statutory bodies and is now a material consideration within East Suffolk Coastal planning authority and recognised within the latest Shoreline Management Plan (SMP) update. The latest SMP has not yet been published but will be available online through a national SMP explorer tool in early 2024.

In particular the preferred wishes of the communities for the resilience of design, detailed in the following section, was a key input into the successful submission of the Upper Estuary Business case to the EA. In the 7 years since the creation of the Estuary Plan, the desire of the communities to provide a future for the estuary which is both resilient and adaptable has not changed. In its submission of the Upper Estuary Business Case, the ESWMB has ensured the wishes of the communities are at the forefront of the design. However, some information that lies within the existing Estuary Plan is now being updated to take account of more recent 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 by early 2024.

The communities continue to be engaged through the AOCP which has a representative from each town and parish at risk from flooding, as well as from Suffolk County Council and East Suffolk Council. While we are delighted with the positive outcome of the Upper Estuary for Phase 1 of this Whole Estuary Project its approval has suffered from lengthy delays and has had a detrimental effect on the total costs of the project.

The delay arose due to an EA investigation into charges relating to a clay stockpile at Iken. Fortunately, the issue has now been de-coupled from consideration of the business cases thanks to the work of the AOCP. However we understand charges have been brought against the ESWMB and others. The charges relate to the transfer of significant volumes of material to Iken without having the necessary permit in place. The ESWMB have received and continue to receive advice from their lawyers and a barrister with knowledge of such matters to argue their case. The Trust is not party to any of these charges though we do hope that the outcome takes into account the importance of the use of this material in wall improvement work and its potential emergency use should we have a significant storm surge, leading to flooding. We understand that Iken Parish Council and the AOCP have supported this plan. The estuary communities would be unnecessarily penalised if this important initiative to upgrade flood defences were not considered.

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 and continue to be a driving force on this project.

The Benefits of Making Flood Defences Resilient

The Issue

The flood defence 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, which breached the walls and flooded residential and non-residential properties, wildlife habitats and farmland. Houses and pubs in Snape village, roads and agricultural land were badly flooded. This was determined to be a 1 in 17 year event (6% AEP).

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Since the 2013 flooding the ESWMB has carried out emergency improvements to some of the most damaged walls around Aldeburgh and Snape. In addition, major work was done at Havergate Island in 2018 which, by lowering the walls, paradoxically, enabled the RSPB to safeguard the nature reserve's habitats against the increasing frequency of storm surges. It also had the effect of relieving some pressure on other walls in the estuary, reducing the risk of wall damage and flooding. Orford Ness can also take in some flood water due to the lower defences there. But although some walls in Aldeburgh and Snape, for example, have been repaired, significant investment is still 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 below, will be able to withstand more frequent and much more severe weather events.

The Solution

The proposed design has been approved by the EA and is illustrated below. 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 design greatly lowers the force of the retreating flood water 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 will be built 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 breach the walls, causing major flood damage to properties, infrastructure, water supplies and rare freshwater habitats. The design will hugely mitigate the damage these major flood events can cause. It can also 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 adjust to future levels of climate change.

Saltmarsh already present is essential to the make up of a fully functioning estuarine system. It provides a natural flood mitigation service by reducing and damping down wave action which erodes tidal defences over time. However, there is a potential conflict when wall embankments are raised in the estuary. This may impact saltmarsh health. Sea level rise can outpace and hinder the ability for the saltmarsh to trap sediment and rise out of the water which keeps the system in balance. The threat to saltmarsh is known as coastal squeeze and is recognised by the EA, as the operating authority of existing defences and NE as the environmental regulator. The Alde and Ore estuary coastal zone is therefore subject to robust statutory surveying and monitoring and importantly includes a community commitment of ongoing visual surveys coordinated by the AOCF. Farmer and landowners have taken further interventions to reconnect the flood plain in recent years, ensuring saltmarsh systems stay in balance into the medium term. We, therefore, do not anticipate that coastal squeeze will be a concern.

Funding the solution

Our flood defence upgrade will be funded by 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). These will be augmented by amounts raised by the Trust from both individual donors and charitable trusts. The Upper Estuary upgrade is being carried out first, ensuring that no property will be put at any greater risk of flooding because of the works. This conforms to EA regulations. The ESWMB and the local communities through the AOCF would naturally like to progress this work as soon as possible. However, the proposed programme of works for the whole estuary will require significant funding and evidence of donations received or to be received is an important factor when seeking government funds. The ongoing 'Iken Clay' case does not help and we hope that it will be soon brought to a favourable conclusion for the benefit of the communities.

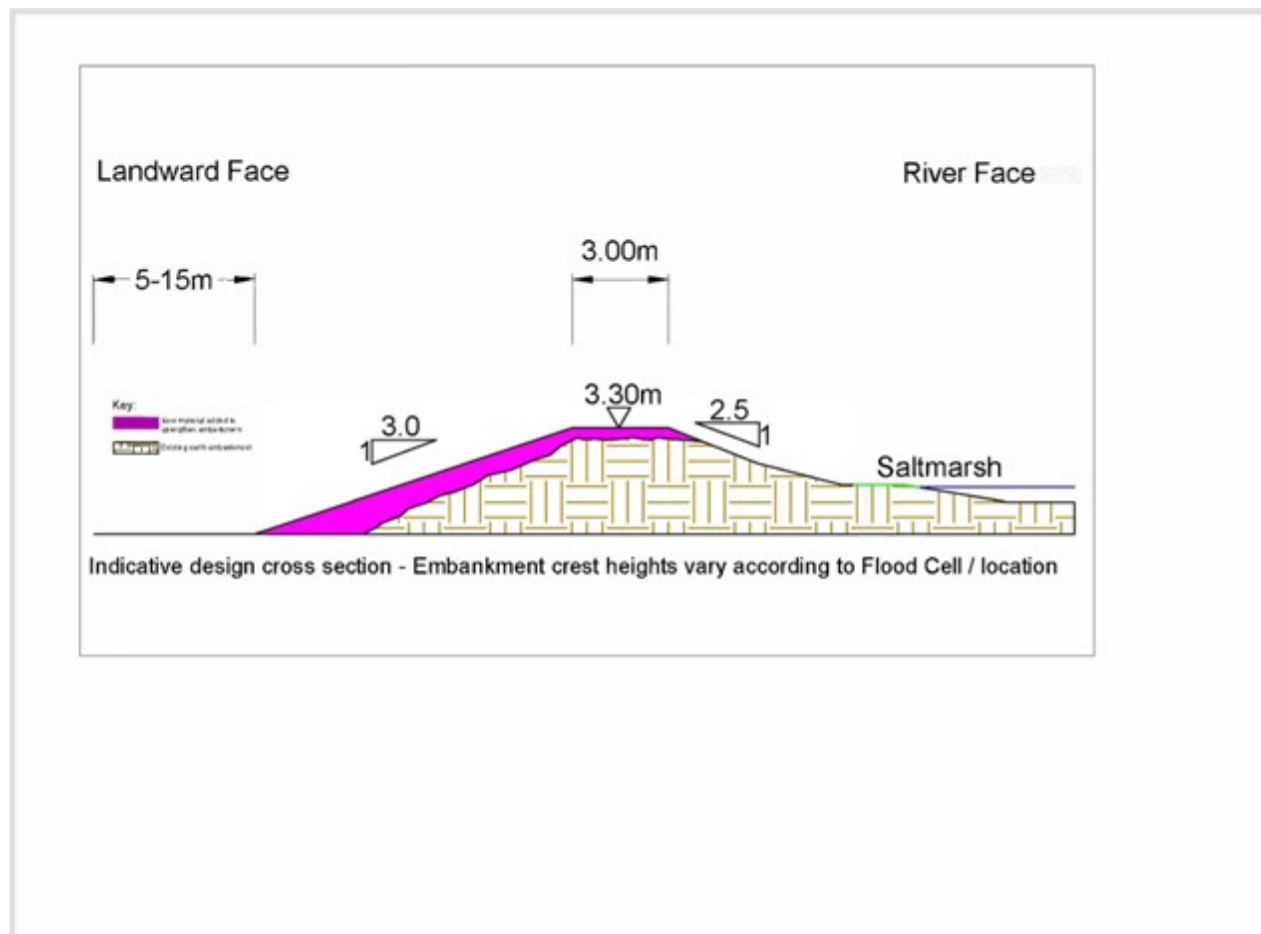
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The Benefits

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



Economically: Every £1 invested in flood defence upgrades benefits the local economy by over £4 (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 and underground aquifers, 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 so lucky to have. 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. This too is excellent news for both the local and UK economy as it attracts artists and audiences from all over the world.

Health and wellbeing: Protection of current enjoyable activities and the increased inclusive 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'. This guidance forcefully presents the case for the imperative to reduce flood risk on physical and mental wellbeing.

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).

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In addition it sits on the East Atlantic Highway, a wild bird superhighway see <https://community.rspb.org.uk/ourwork/b/rspb-england/posts/a-bid-to-make-the-uk-s-wild-bird-superhighway-a-new-world-heritage-site>. The RSPB is bidding to make this migration highway a new UNESCO World Heritage site.

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 internationally designated wildlife habitats.
- 59 fresh water aquifers irrigate over 2,630 hectares of vegetable and high value crops vital for nationally important food security.
- 3,335 hectares of arable tidal plain grazing marshes of national importance would be lost.
- A number of roads, sewerage treatment plants and electricity substations in the flood plain will be protected.

Longer Term Water Security and Biodiversity

Upgrading the river walls will protect and enable substantial, currently unused, freshwater resources. This will allow farmers to invest in providing improved biodiversity through eco system services such as carbon capture and enhanced food production. Currently within the estuary, the ESWMB pumping stations discharge around 8 million cubic metres of fresh water into the estuary every year, enough drinking water to support 60,000 properties.

Because of the wall design and by winning clay locally to build the walls, 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 this habitat was lost when the wall failed at Hazlewood marshes (Site of Special Scientific Interest (SSSI)). It is now a saltwater lagoon with nesting islands for birds built by the Suffolk Wildlife Trust.

Subject to licensing, this 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 enhanced 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/>). The importance of improving biodiversity and stopping its decline is clearly articulated on the website 'United for Life & Livelihoods' website iucn.org. And, more sadly, a recent report has stressed the continuing decline of UK habitats and species, see <https://nbn.org.uk/news/state-of-nature-2023/>.

The Complexity of the Work Required and Monitored by the EA

The works led by the ESWMB on the delivery phase of the project started in February 2023 and regular updates on progress are sent out to the communities. Upgrading the walls is a complex process and is more than just putting more clay on top of them. All the stages in this process have been submitted and approved in the Outline Business Case and as mentioned, detailed design work can now begin.

Since the announcement in January 2023 the ESWMB has also been focused on the delivery phase of this project. The first stage is to undertake environmental baseline surveys, identifying water vole, reptile and bird populations. These assessments include the locations of protected habitats and nesting sites. Information is then used to formulate the Environmental Action Plan, to take mitigating actions such as targeted grass and vegetation cutting. This deters wildlife use within the planned construction area, but creates favourable habitats nearby out of harms way. Any remaining animals are captured by licensed qualified specialists and temporarily rehoused to suitable sites. Also, the ESWMB will work with farmers and landowners where construction activity requires land use change. The aim is to enhance the environment so that there is a biodiversity gain.

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At this preparatory stage any heritage assets and/or archaeology are mapped to ensure potential high-risk areas are supervised under an archaeological watching brief during the construction works.

Once environmental mitigation measures are in place, specialist teams then conduct detailed borehole surveys, drilling deep into the ground and extracting core samples of soil for testing. These are sent to laboratories to confirm the type of material, property strength and water content. These detailed results are then analysed by consultants to confirm the design and construction footprint for a given location. The team can then get all required final consents and licences. Health & Safety and supporting works information are compiled into the mandatory Construction Phase Plan. Naturally this all takes time but, once concluded, construction work can start. The work is continually monitored by internal and external auditors including the EA who manage the walls and borrow dykes (ditches). Once finished the EA then resume responsibility for the walls.

Preparatory work on the site requires the wide-scale reduction in height of vegetation which in turn encourages wildlife to move. All of this is done with the protection of species in mind. The topsoil is stripped from the wall to discourage regrowth of vegetation and recolonisation by wildlife. This material is kept and then used to re-surface the newly constructed works because it contains the local native plants seeds and speeds their recovery and wildlife return.

Temporary haul road compounds will focus on workers' welfare, as well as providing access across fields and over new culvert crossings to the river wall. Clay will then be cut from the marshes, air dried and used to fill the current borrow dyke wherever it is required to stabilise new wall foundation works. During this process, aquatic plant species from the borrow dyke are transferred to the new cut ditch to optimise re-establishment of this habitat type. The wall itself is stripped of the grass vegetation in stages as works progress and the existing clay slope removed by forming steps, known as bench cutting. The excavation of new clay from the marshes will be hauled onto the wall, placed and compacted in horizontal layers to the right specification, knitting both existing and new soil materials together. The steps cut in the wall enable a strong key into the existing defence and form a strong bond. This process reduces the likelihood of new works sliding off the existing defence.

The improved clay design slope is achieved using a GPS guided bulldozer blade. The final step is to cover the clay with topsoil and seed with specialist tidal grass seed mix, using drills and, finally, reinstating any boundary livestock fencing as the ESWMB depart.

Communications

Following the receipt of the government funding the ESWMB has subcontracted the communications team at Coastal Partnership East (CPE) to lead on communications. CPE has opened a virtual engagement room. The link is <https://aldeore.exhibition.app/>. They have used this successfully many times before. The aim of this room is detailed below.

A virtual engagement room is a tool that allows people interested in a specific project or piece of work, the ability to navigate around a virtual village hall and find out the latest information, ask questions of the project's technical team and to leave feedback. Using basic gaming technology, it provides access 24/7 across all age ranges and demographics, whether you want to clarify information or are visiting the project for the first time.

The analytics provided by a virtual room allow the project team to see how people are accessing information, from what age range and from what location. This means that demographics/age ranges that are underrepresented can be targeted using other tools and techniques. Although a virtual room is just one of the engagement tools being used across the Alde and Ore, its use elsewhere has had significant success. For example, in Pakefield the virtual engagement room had over 3,000 unique visitors. So, a virtual facility that can be accessed by all and at any time increases engagement in projects and across age ranges. It reflects the changing way people are accessing information and raises both the profile and reputation of the project.

In addition, the ESWMB will continue to engage with the AOCF. Both we and the AOCF will continue to distribute all newsletters or similar updates from the ESWMB.

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Fundraising

What We do with Your Donations

The Trust's strategy continues to be focused on giving financial grants to the ESWMB. They are an approved Risk Management Authority who can therefore win Flood and Coastal Erosion Risk Management-Grant in Aid (FCERM-GIA/FDGIA) from the EA. This, in turn, enables the ESWMB to apply for grants from other parts of central government, but still require EA approval. The ESWMB are therefore the major beneficiary of the Trust's fundraising efforts. Any award from a Trust funded grant submission, goes directly to and is managed by the ESWMB. We hope grants from the EA and central government will provide at least half of the cost of making the river walls resilient. We work closely with the ESWMB to understand their cash needs, in particular what finance they need for their work where government funding is not available. They in turn assist us with data and fact checking for our grant applications to charitable trusts and foundations. Of course, we monitor how our grant awards are spent on the work they have undertaken and they provide bespoke reports to each of the Trust and EA and updates to the AOCF.

How We Raise Funds

We receive donations from individuals interested in the conservation of the estuary and its environment, charitable trusts, foundations and local businesses. We are grateful to the individuals and families making one off or regular donations. We would also like to thank the Garfield Weston Foundation for a grant in 2019 which provided much of the community contribution for Phase 1 of the work and the efforts by the local community to secure match funding through various events. The importance of match funding cannot be underestimated.

The Trust also raises funds through activities open to all in the estuary communities. This adds to public recognition of the need for making the river walls resilient. With the country opening up after the pandemic, we were able to organise a repeat fundraising event as well as a new one. In September 2022 the Trust held a second 'flotilla' swimming or paddling down the estuary from Aldeburgh to Orford. This started early on a Sunday morning with the ebb tide helping participants and at a time when few boats are out on the water. This event was well supported and raised £46,000 with generous match funding from Cobra Mist Ltd. Local businesses kindly sponsored much of the cost of providing swimming caps and floats as well as refreshments. In April an enthusiastic volunteer and a group of supporters expertly organised a sale of 'Attic Art' at Aldeburgh Yacht Club. This event took place overlooking the estuary where the need to upgrade the walls could be seen. The Trust supported this initiative and it raised over £9,300.

Community initiatives which raise awareness of the Trust's work are very important. Each year Aldeburgh Bookshop organises Christmas cards, with illustrations by local artists. We are very grateful to the artists who donated these beautiful images and to Aldeburgh Bookshop who manage the printing, distribution and sales.

We thank all volunteers who helped with these very successful events. If you are interested in organising an event or have an idea for one, please get in touch with us at info@aoetrust.org.

Raising Public Awareness and Community Engagement

Informing communities and increasing their understanding of the long-term benefits of flood defences, is an important aim of the Trust. 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 more by water coming up the High Street from the river. The 70th anniversary of this devastating event took place in January 2023. CPE, the AOCF and the Trust publicised this story through newsletters and videos. Please take a look at our newsletter dated 29 January 2023 in the news section of our website at www.aoetrust.org.

This is a long-term project so fundraising plans must be responsive to changing needs both in the amount to raise and the timescale of the project. The Trust had been working with Coastal Partnership East (CPE) on identifying charitable trusts, foundations and local government sources of funding which support the environment and wildlife habitats. Unfortunately CPE has had to re-assess its priorities in the light of immediate challenges at places like Hemsby where houses are being lost to the sea and so are unable to support us on this initiative in the near term. We continue to liaise very closely with CPE. In the light of this we have, as a short term measure, asked our professional fundraising consultants to fill this gap. We consider this will be a valuable help as we

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apply for grants from charitable trusts and foundations as well as the Heritage Lottery Fund. However we are always keen to hear from volunteers who would like to assist with this aspect of fundraising.

We are also working with the same 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. The appointment was made after a tender process in 2020 but we waited for the successful outcome of the Upper Estuary Business case before assessing the next steps in this campaign. The return on this investment will be seen over the next few years.

On 7 October 2023 the ESWMB organised a very successful event at Snape Maltings for members of the estuary communities as well as supporters of the Trust. The aim was to inform people of both the works ongoing in the Upper Estuary and explain the importance of the Lower Estuary to the Whole Estuary project.

New and Engaging Look for the Trust Website

In 2022, the Trust commissioned a new look and content for its website which explores in greater depth the issues facing the Alde, Ore and Butley rivers, the estuary as a whole and the communities nearby. The website was redesigned with accessibility and clarity at the forefront of the brief and incorporates a colour scheme familiar to those of us who live here or visit regularly. This rebrand now extends to all documentation used by the Trust. We have been very fortunate in having volunteers taking this change forward. The new website was successfully launched in February this year. We are very pleased to have had positive feedback, with over 1,300 unique views as well as improving the length of time people take to read the website. Social media sites continue to be updated with the aim of informing and engaging people in the project.

Future Fundraising Plans

The EA requires a community contribution towards the cost of any major project. We are very fortunate in having a £3 million gift from landowners to the ESWMB, valuable donations from the estuary communities and a large grant from the Garfield Weston Foundation for the Upper Estuary. The latter was particularly important because it demonstrated to the EA that the Trust could successfully apply for such grants. Such community funding had to be part of the Business Case submitted to the EA and they were aware that this funding was available. This community contribution meant that the ESWMB could press ahead with the project as soon as the government contribution was announced. Although the Business Cases for the the Upper and Lower Estuary projects are separate, the estuary is a continuous, dynamic environment from Snape to Shingle Street, with a river wall stretching along 44 kilometres down the Suffolk coast. Because of this continuity 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 grateful to those generous individuals and businesses who have chosen to donate before the Business Case outcome. Giving now is an important factor in getting a government grant (currently estimated at £10 million for the Lower Estuary) to prove to Government that the funding gap can be closed. This will be an important input into the future submission of the Business Case for the Lower Estuary. We are currently reassessing our plans and will be seeking a meeting with the EA to discuss this point.

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FOR THE YEAR ENDED 31 DECEMBER 2022

Why Do We Work With the ESWMB?

The Trust works with the ESWMB 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 AOCF for some time and are familiar with their plans. We work with them because of their expertise, local knowledge and, importantly, because as a non-profit Risk Management Authority, ESWMB 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 ESWMB has designed and will build the new river defence walls. They have proven experience of such projects. The design is approved by government which is why they are prepared to release funds to start the work. In the future, the EA will take over responsibility for the maintenance of the improved walls. We welcome their support.

The local community preferred flood defence strategy as outlined in the Estuary Plan (mentioned earlier) was evaluated by the ESWMB and measured against cheaper but less resilient options. This was used in the preparation of the Business Case already approved by the EA, and will be included in the Lower Estuary Business Case when submitted for approval and a possible FDGIA grant award. The Upper Estuary runs from the bridge at Snape to Sudbourne Marshes and has 11 kilometres of wall. The Lower Estuary runs from there to Hollesley and has 33 kilometres of wall. This difference in length is a key factor in the higher cost of the Lower Estuary upgrade over the Upper Estuary.

It is crucial that the ESWMB gets both technical and financial approval to benefit from FDGIA funds allocation. This approval and release of funds has already enabled the capital project in the Upper Estuary to begin. Updates on the work are provided by the ESWMB on a regular basis. The ESWMB has significant experience of similar projects and works in conjunction with the EA who oversee their work.

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

Grants and Estimated Project Costs

In 2018 the Trust asked the ESWMB to provide an estimate of the total cost of the Whole Estuary project. The Trust funded this report and asked for an estimate of likely government funding and an estimated delivery programme. The Trust received this report in February 2019. The ESWMB then presented an overview of their final report to the community at Snape Maltings. Their 2019 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 Trust then financed the ESWMB to turn this report into a Business Case for the Upper Estuary for submission to the EA. This Business Case for the Upper Estuary Embankment Improvement Project was submitted to the EA in April 2020. The technical design, illustrated earlier, was approved by the EA after successfully passing their rigorous challenge process. However financial approval was not given (despite design approval) because of the ongoing Iken Clay case referred to above.

To try to unlock the impasse with the EA the Trust awarded a further grant of £31,351 to the ESWMB in late 2021 to fund the ESWMB's resubmission of the Upper Estuary Business Case. This resubmission was made in June 2022. Of necessity, ESWMB had to revisit the forecast costs for both the Upper and Lower Estuary. This submission was successful and in January 2023 the EA announced a grant allocation of £11.1 million from government. The amount approximates to circa £1 million per kilometre ie £1,000 per metre recognising the complexity of the work and the need to comply with environmental, habitat and Health & Safety regulations. This amount also includes the need for the design to be resilient over the long term. The detail of the work to be undertaken has been explained previously.

It is striking that the two year delay between the first submission and the resubmission has resulted in multiple adverse financial challenges which have increased forecast project costs.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The table below compares the numbers above with the updated numbers prepared in 2022.

Cost increase from February 2019 to June 2022				
All numbers are in £millions	Notes	2019	Increase	2022
		£'m	£'m	£'m
Total cost of works				
Upper Estuary		6.4	2.4	8.8
Contingency	1,2	2.0	1.4	3.4
Total cost		8.4	3.8	12.2
Estimated FDGIA		6.0	5.1	11.1
Total cost of works				
Lower Estuary		15.4	6.6	22.0
Contingency	1,2	3.1	7.2	10.3
Total cost		18.5	13.8	32.3
Estimated FDGIA		4.5	5.5	10.0
Total costs Whole Estuary		26.9	17.6	44.5
Total Estimated Government Funding		10.5	10.6	21.1
Total Funding Gap in £millions		16.4	7.0	23.4

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Detail of notes above

Note 1: This includes contingencies, these have to be included and are designed to give reassurance for unforeseen delays (eg archaeology), adverse weather, extreme events, change of scope that would create additional costs.

Note 2: Given the delays in the project due to the resubmission of the Business Case costs have increased. The main elements are the requirement to use white diesel (taxed) rather than red diesel (not taxed). The other element is inflation.

- Upper Estuary increase for white diesel is £0.6 million
- Lower Estuary increase for white diesel is £2.5 million

Inflation figures that have to be included are at the request of government.

- Upper Estuary is £0.7 million
- Lower Estuary is £6.1 million

There are two reasons for the apparently disproportionate increases. One is the length of the estuary and the second is that the Lower Estuary work will be done later than the Upper Estuary so the inflation calculation is compounded.

Finally the EA amended their model for calculating FDGIA in 2020. The government has 'allocated £5.2 billion' for investment across the UK for new flood and coastal defences from 2021-2027. Some of these funds are now available through other sources including Other Departments of Government (ODG), the Environmental Support Allowance (ESA) and others. However gaining access to these funds is dependent on getting Business Case approval from the EA.

The current continuing volatile economic environment is unhelpful. Thus, tight management of project costs will be imperative. The ESWMB is very aware of this and is looking to improve forecast productivity by using technical enhancements.

Based on these numbers the estimated funding gap is about £20 million after taking account of other available funds. We are aware that the current weak economic environment means costs could increase significantly due to inflationary pressures. Given these pressures it was indeed wonderful news that the EA had approved funding of £11.1 million and work has started on the Upper Estuary. This will have a positive impact on fundraising plans. The ESWMB continue to seek funds for the Lower Estuary works. The return on investment for the Upper Estuary grant was > 40:1. This was achieved by the substantial use of volunteer time.

Financial Review

The previous year was a challenging year for fundraising. This continued into 2022 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 approval of the Upper Estuary Business Case is good news for the project. However much work remains to secure funding for the Lower Estuary.

The Trust's income decreased to £103,723 (2021: £118,363). Gift Aid recoverable was £5,410 (2020: £6,107). There was no restricted income. Thus total income including bank interest was £105,262 (2021: £118,963).

Expenses for the year included costs of £58,915 (2021: £98,842) related to the preparation of detailed fundraising research to support the completion of the whole estuary project as explained in the fundraising section as well as support provided for the two fundraising events. The one-off costs incurred the previous year were not repeated. We expect these fundraising costs to increase now that we have received government funding. There was also continued awareness-raising through Press, PR and marketing which is mainly through website and social media activities. This increased to £12,408 (2021: £10,584). These costs were contained as the rebranding was done by volunteers during 2022.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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. During 2022 £42,686 was paid to the ESWMB for work done on grants. Costs accrued at December 2022 relate to work done yet to be paid for amounting to £7,455 (2021: £31,351).

During the year governance costs increased slightly to £18,003 (2021: £17,233). The accounting and audit costs are detailed in note 8. The increase in audit fees reflects current market trends. Accounting costs were steady at £11,463 (2021: £11,833).

The fundraising section details the relatively successful fundraising and awareness raising activities despite the delayed outcome of the Upper Estuary business case submission and the continuing economic environment. Press, PR and marketing increased slightly to £12,408 (2021: £10,584). Advertising, printing and design increased slightly due to reimbursed software costs for the rebranding £1,529 (2021: £1,259). The design of the new website as well as the copywriting was all done by volunteers so cost nothing. Going forward both the content of the website and all branded literature can be managed in house which will keep costs to a minimum. The Trust continues to have good regular income from donors which requires administrative support. This is included in Donor, Care and Support and has decreased slightly but remains steady at £3,470 (2021: £4,760).

The Trust does not employ staff but uses contract help from people on a flexible basis. A competitive 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 costs.

The net funds/(deficit) available for the year, before grants payable to the ESWMB, totalled £12,898 (2021: (£4,897)). Funds carried forward in unrestricted reserves have increased by £5,443 to £698,663 (2021: £693,220) largely due to amounts paid to fundraising consultants and ESWMB. No restricted income was received in the year nor used so restricted reserves at year end totalled £2,751 (2021: £2,751). See note 16.

During the year £42,686 was paid to the ESWMB relating to work on the Upper Estuary Business Case. At year end the Trust had £719,652 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 ESWMB, it is important that any shortfall between EA awards and total estimated project costs can be funded such that the project is viable. The award in January 2023 took account of what was available from our reserves as well as the amount funded by a loan provided by farmers and landowners. Thus, the Trust aims to increase available funds and ensure it has adequate reserves for the long term success of the embankment walls improvement project. This is particularly important when seeking approval from the Government to get a grant for the Lower Estuary work.

Risk Management

The Trustees have assessed the major risks to which the Trust is exposed. They include the need to fill the funding gap to secure government funding for the Lower Estuary, the volatile economic outlook compounded by inflationary pressures and of course the outcome of the Iken Clay case. The Trustees keep up to date on the macro-economic environment and get regular updates on the progression of the work of the ESWMB. 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 ESWMB.

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 2022. Similarly, no complaints have been received by us regarding our fundraising activities.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 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 our continued compliance with GDPR legislation. During 2021 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 fundraising events is designed within the Trust and is closely monitored. We ensure that every aspect of the events meet our standards and gain 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 cash funds and keeping costs at an appropriate level as cash reserves are an important factor when the ESWMB submits its Business Case for the Lower Estuary 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 Upper Estuary 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 the government has awarded £11.1 million to the ESWMB for work on the Upper Estuary. In addition the local EA has awarded a grant of £99,000 - we will supplement this with an anticipated future grant to the ESWMB for the submission of the Lower Estuary Business Case. Furthermore we continue to receive regular income from donors and we are about to start focused fundraising activities. Thus despite the challenges to fundraising caused by the 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) governed by a constitution 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 Trust is currently looking to recruit new trustees using professional recruitment consultants.

THE ALDE & ORE ESTUARY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 Upper and Lower Estuary Business Cases.

And they underpin the aims 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 of our communities, their people, their infrastructure, wildlife and the natural environment for generations to come.

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 constitution. 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: 10 October 2023

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 2022 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 2022 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 controls 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

10 October 2023

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 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations	3	103,723	-	103,723	118,363	-	118,363
Investments	4	1,539	-	1,539	600	-	600
Total income		105,262	-	105,262	118,963	-	118,963
Expenditure on:							
Raising funds	5	75,954	-	75,954	123,132	-	123,132
Charitable activities	6	23,865	-	23,865	32,079	-	32,079
Total resources expended		99,819	-	99,819	155,211	-	155,211
Net income/(expenditure) for the year/ Net movement in funds							
		5,443	-	5,443	(36,248)	-	(36,248)
Fund balances at 1 January 2022		693,220	2,751	695,971	729,468	2,751	732,219
Fund balances at 31 December 2022		698,663	2,751	701,414	693,220	2,751	695,971

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 22-29 form an integral part of the accounts.

THE ALDE & ORE ESTUARY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		-		19
Current assets					
Debtors	13	2,097		5,208	
Short term deposits	14	500,000		500,000	
Cash at bank and in hand		219,652		249,858	
		<u>721,749</u>		<u>755,066</u>	
Creditors: amounts falling due within one year	15	<u>(20,335)</u>		<u>(59,114)</u>	
Net current assets			701,414		695,952
Total assets less current liabilities			<u>701,414</u>		<u>695,971</u>
Income funds					
Restricted funds	16		2,751		2,751
Unrestricted funds			698,663		693,220
			<u>701,414</u>		<u>695,971</u>

The financial statements were approved by the Trustees on 10 October 2023

Mr G Heald
Trustee

Ms E Stanton
Trustee

The notes on pages 22-29 form an integral part of the accounts.

THE ALDE & ORE ESTUARY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	19		(31,745)		(15,242)
Investing activities					
Interest received		1,539		600	
Net cash generated from investing activities			1,539		600
Net decrease in cash and cash equivalents			(30,206)		(14,642)
Cash and cash equivalents at beginning of year			749,858		764,500
Cash and cash equivalents at end of year			719,652		749,858
Relating to:					
Cash at bank and in hand			219,652		249,858
Short term deposit			500,000		500,000

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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 The Administrator, 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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). 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 2022

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.

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 2022

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 2022

3 Donations

	2022 £	2021 £
Donations	43,165	51,042
Gift aid recoverable	5,410	6,107
Fundraising events	55,148	61,214
	<u>103,723</u>	<u>118,363</u>

Fundraising events

Fundraising events during the year included a Flotilla which raised £46,000 and a sale of Attic Art which raised £9,300.

4 Investment income

	2022 £	2021 £
Interest receivable	1,539	600
	<u>1,539</u>	<u>600</u>

5 Raising funds

	2022 £	2021 £
Press, PR and marketing	12,408	10,584
Donor care and support	3,470	4,760
Campaign management	58,915	98,842
Advertising, printing and design	1,529	1,259
General expenses	3,632	3,687
Coastal Partnership East	(4,000)	4,000
	<u>75,954</u>	<u>123,132</u>

Included within general expenses are costs for insurance £2,465 (2021: £1,945).

Campaign management costs include research related to future fundraising plans and some costs relating to the fundraising events.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	2022 £	2021 £
Grants payable to East Suffolk Water Management Board	5,862	14,846
Governance costs (see note 8)	18,003	17,233
	<u>23,865</u>	<u>32,079</u>

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

No new grants were awarded to the ESWMB in anticipation of the outcome of the Upper Estuary Business Case.

7 Grants payable

Reconciliation of grants payable

	2022 £	2021 £
Commitment at 31 December 2021	44,754	29,458
Commitments made during the year	35,387	31,351
Grants paid during the year	(42,686)	-
Reversed in the year	(30,000)	(16,055)
	<u>7,455</u>	<u>44,754</u>

8 Governance costs

	2022 £	2021 £
Audit fees	6,540	5,400
Accounting	11,463	11,833
	<u>18,003</u>	<u>17,233</u>

9 Employees

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

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Tangible fixed assets		Office equipment
		£
Cost		
At 1 January 2022		551
		<hr/>
At 31 December 2022		551
		<hr/>
Depreciation		
At 1 January 2022		532
Depreciation charged in the year		19
		<hr/>
At 31 December 2022		551
		<hr/>
Carrying amount		
At 31 December 2021		19
		<hr/> <hr/>
12 Financial instruments	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost (Note 13)	2,097	5,208
Instruments measured at fair value through profit or loss (Note 14)	500,000	500,000
	<hr/>	<hr/>
Carrying amount of financial liabilities		
Measured at amortised cost (Note 15)	20,335	59,114
	<hr/>	<hr/>
13 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Gift aid recoverable	961	1,242
Prepayments and accrued income	1,136	3,966
	<hr/>	<hr/>
	2,097	5,208
	<hr/>	<hr/>
14 Short term deposits	2022	2021
	£	£
95 day notice deposit account	500,000	500,000
	<hr/>	<hr/>

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,533	3,585
Accruals and deferred income	14,802	55,529
	<u>20,335</u>	<u>59,114</u>

16 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 2021 £	Incoming resources £	Balance at 1 January 2022 £	Incoming resources £	Balance at 31 December 2022 £
The Alde & Ore Association	2,751	-	2,751	-	2,751

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

17 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances are represented by:						
Tangible assets	-	-	-	19	-	19
Net Current assets/ (liabilities)	698,663	2,751	701,414	693,201	2,751	695,952
	<u>698,663</u>	<u>2,751</u>	<u>701,414</u>	<u>693,220</u>	<u>2,751</u>	<u>695,971</u>

18 Related party transactions

Trustees, their close family members and businesses under their control made donations to the charity totalling £10,584 during the year (2021: £5,398). This comprised of regular donations, Flotilla 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 received any remuneration, benefits or expenses from the Charity during the current or prior year.

The son of a Trustee designed the new website voluntarily, but received reimbursement for expenses of £808 during the year (2021: £nil).

THE ALDE & ORE ESTUARY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

19 Cash generated from operations	2022	2021
	£	£
Surplus/(deficit) for the year	5,443	(36,248)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,539)	(600)
Depreciation and impairment of tangible fixed assets	19	183
Movements in working capital:		
Decrease/(increase) in debtors	3,111	(2,905)
(Decrease)/increase in creditors	(38,779)	24,328
	<u> </u>	<u> </u>
Cash absorbed by operations	(31,745)	(15,242)
	<u> </u>	<u> </u>