

**THE RIVER EARN IMPROVEMENT ASSOCIATION**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JANUARY 2019**

**CHARITY NUMBER SC032997**



**[www.riverearn.org.uk](http://www.riverearn.org.uk)**

**THE RIVER EARN IMPROVEMENT ASSOCIATION  
CONTENT OF THE REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2019**

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**THE RIVER EARN IMPROVEMENT ASSOCIATION  
CHARITY INFORMATION  
FOR THE YEAR ENDED 31 JANUARY 2019**

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**COMMITTEE**

**C Lowson (Chairman)**  
**T Monaghan (Secretary)**  
**J Robertson (Treasurer)**  
**P MacDonald**  
**A McIntosh**  
**A McIntyre**  
**M Morgan**  
**J Perrett**  
**D Trevis**  
**J Young**

**ADDRESS**

**199 NEILSTON ROAD  
PAISLEY  
PA2 6QW**

**CHARITY NUMBER**

**SC032997**

**INDEPENDENT EXAMINER**

**David Holt ACA**  
**Consilium Chartered Accountants**  
**169 West George Street**  
**Glasgow**  
**G2 2LB**

## **THE RIVER EARN IMPROVEMENT ASSOCIATION**

### **REPORT OF THE COMMITTEE**

The committee has pleasure in enclosing the report and accounts for the year ended 31 January 2019.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Association is recognised as a Charity by the Office of the Scottish Charity Regulator, Charity number SC032997, and is governed by its constitution.

The Association's principal business address is 199 Neilston Road, Paisley, PA2 6QW.

The Association is managed by a Committee, which is representative of the angling interests on the River Earn. The Committee normally meets four times per annum.

The Committee members at 31 January 2019 were:

C Lowson (Chairman)	T Monaghan (Secretary)	J Robertson (Treasurer)	
P MacDonald	A McIntosh	A McIntyre	M Morgan
J Perrett	D Trevis	J Young	

Office-bearers shall retire three-yearly and ordinary members shall retire annually, but all shall be eligible for re-election on a year-to-year basis.

#### **OBJECTIVES AND ACTIVITIES**

The objectives of the Association are to seek to improve the River Earn and its tributaries for angling interests and to safeguard and improve the stocks of native and migratory fish. The main matters impacting on the Association during the year were:

- Control of invasive plant species – we have engaged with the Tay District Salmon Fisheries Board (TDSFB) to utilise their resources to scope and hopefully assist with manpower for the future spraying of invasives. Once this is agreed we would hope to re-engage with the Tay Foundation regarding a contribution to costs.
- Habitat improvement – as a result of the purchase of the Association's own equipment and the training undertaken by some members, work continues to maintain and improve habitat in the river and its tributaries by clearing blockages and fallen trees.
- Stocking – the TDSFB maintains a kelt reconditioning facility at Almondbank. This facility carries broodstock from various spawning tributaries in the Tay catchment area and allows stocking to be carried out from salmon that would have spawned naturally in the tributaries. Volunteers from the Associations' membership assist with the planting out of eyed ova or unfed fry in spring and early summer and parr "grown on" in the autumn in the Earn catchment area.

The categorisation of rivers under the Scottish Government's "Wild Fisheries Review" continues to cause frustration within the angling community as the decision process is based on flawed data and does not result in an objective evaluation of the health of an individual river's salmon population and that this will affect the viability of clubs and impact on the valuable environmental work they undertake. The Categorisation of the River Earn has fluctuated annually between Category 3, compulsory catch and

release, and Category 2 which encourages catch and release and other steps to reduce exploitation. There was a welcome revision to Category 2 for the 2019 season.

## **THE RIVER EARN IMPROVEMENT ASSOCIATION**

### **REPORT OF THE COMMITTEE (continued)**

As reported last year, the Association was gifted title to salmon fishing on the River Earn known as Duncrub Fishings. During the year the ongoing lease of these fishings to Dunning Angling Club was formalised and this rent will provide an ongoing income stream for the Association.

Last year the Association received a donation of £10,000 with the specific purpose of assisting towards the eradication of Japanese Knotweed on the river. A separate restricted fund has been set up for this donation and invasive spraying costs incurred after the receipt of the donation have been met from this fund. We intimated to fishing interests on the river that the Association will assist with a grant of up to £300 towards the purchase of chemicals for their spraying plans for the 2018 season and we would look to continue this programme as part of the wider control of invasives in the Tay catchment area.

The Committee is always willing to consider any schemes proposed by members.

### **FINANCIAL REVIEW**

Excluding the gift of fishings and the Japanese Knotweed donation, overall revenues increased from £2,371 to £4,186. This increase reflects the full years rent on Duncrub fishings; and subscriptions were boosted by Dunning Angling Club members all joining the Association.

Costs of supporting the eradication of Japanese Knotweed have all been met from the restricted fund. Other charitable costs relate principally to the maintenance of chainsaw equipment used by volunteers for habitat improvement work and insurance costs in connection with this.

Legal costs were again a major cost with expenditure in the year relating to formalising the lease of Duncrub Fishings (2018 due diligence regarding establishing that titles were held and could be transferred to the Association took longer than expected).

Within the financial statements, we are required to consider the fair value of the fishings and reflect this as a tangible asset within the financial statements. The valuation of salmon fishings is generally based on a value per fish having regard to the average 5 year catch and the facilities and nature of the fishings. Having regard to this information and guidance produced by valuation agents we believe the current fair value to be £200,000. As required by the accounting conventions set out in note 1.1 to these financial statements we incorporated the gift as a donation and tangible asset at its fair value. The fair value will be reviewed annually by the Committee.

**THE RIVER EARN IMPROVEMENT ASSOCIATION  
REPORT OF THE COMMITTEE (continued)**

**FINANCIAL REVIEW (continued)**

The surplus for the year is £1,058 (2018 surplus £194,818 which included £200,000 relating to the gift of Duncrub Fishings) on unrestricted funds, which takes the accumulated surplus on the unrestricted funds of the Association at 31 January 2019 to £225,695 (2018: £224,637). These funds which can be used for any purpose in furtherance of the charitable objectives of the Association.

As referred to above a restricted Japanese Knotweed fund was established during 2018. Expenditure of £176 was met from this fund during the year, leaving a balance of £8,024 on this restricted fund at 31 January 2019 (2018: £8,200).

**SIGNED ON BEHALF OF THE COMMITTEE**

**John Robertson**

**Treasurer**

**\_\_ April 2019**

**THE RIVER EARN IMPROVEMENT ASSOCIATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 JANUARY 2019**

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
<b>INCOMING RESOURCES</b>					
Subscriptions		1,215	-	1,215	585
Donations		170	-	170	210,204
Gift aid		100	-	100	118
Interest		164	-	164	86
Dividends		237	-	237	228
Rent Duncrub Fishings		2,300	-	2,300	1,150
<b>TOTAL INCOMING RESOURCES</b>		<b>4,186</b>	<b>-</b>	<b>4,186</b>	<b>212,371</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable expenditure:</b>					
Habitat improvement		-	176	176	2,700
Sundries		109	-	109	114
Insurance		334	-	334	334
Equipment		298	-	298	481
<b>Support &amp; governance cost:</b>					
Secretarial costs (incl meetings)		178	-	178	128
Legal fees		1,522	-	1,522	4,790
Independent examiners' fee		276	-	276	345
<b>TOTAL RESOURCES EXPENDED</b>		<b>2,717</b>	<b>176</b>	<b>2,893</b>	<b>8,892</b>
<b>NET OUTGOING RESOURCES BEFORE GAINS AND LOSSES ON INVESTMENTS</b>		<b>1,469</b>	<b>(176)</b>	<b>1,293</b>	<b>203,479</b>
Unrealised (loss)/gain on revaluation of investments		(411)	-	(411)	(461)
<b>NET MOVEMENT IN FUNDS</b>		<b>1,058</b>	<b>(176)</b>	<b>882</b>	<b>203,018</b>
<b>TOTAL FUNDS AT 1 FEBRUARY 2018</b>		<b>224,637</b>	<b>8,200</b>	<b>232,837</b>	<b>29,819</b>
<b>TOTAL FUNDS AT 31 JANUARY 2019</b>		<b>225,695</b>	<b>8,024</b>	<b>233,719</b>	<b>232,837</b>

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities.

The notes on pages 7 to 11 form part of these financial statements

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**THE RIVER EARN IMPROVEMENT ASSOCIATION**

**BALANCE SHEET**

**31 JANUARY 2019**

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
<b>FIXED ASSETS</b>					
Investments	3	2,850	-	2,850	3,261
Tangible fixed assets	4	200,000	-	200,000	200,000
		<u>202,850</u>	<u>-</u>	<u>202,850</u>	<u>203,261</u>
<b>CURRENT ASSETS</b>					
Debtors - accrued income		104	-	104	105
Bank - current account (Clydesdale Bank PLC)		4,820	8,024	12,844	11,532
PayPal - merchant account		324	-	324	153
Bank - deposit account (Clydesdale Bank PLC)		18,250	-	18,250	18,086
		<u>23,498</u>	<u>8,024</u>	<u>31,522</u>	<u>29,876</u>
<b>CURRENT LIABILITIES</b>					
Creditors - accruals		(653)	-	(653)	(300)
		<u>22,845</u>	<u>8,024</u>	<u>30,869</u>	<u>29,576</u>
<b>NET CURRENT ASSETS</b>					
		<u>22,845</u>	<u>8,024</u>	<u>30,869</u>	<u>29,576</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>225,695</u>	<u>8,024</u>	<u>233,719</u>	<u>232,837</u>
<b>Represented by:</b>					
Restricted Funds	5	-	8,024	8,024	8,200
Unrestricted Funds	5	225,695	-	225,695	224,637
<b>As 31 January 2019</b>		<u>225,695</u>	<u>8,024</u>	<u>233,719</u>	<u>232,837</u>

Approved by the Committee on \_\_\_ April 2019 and signed on its behalf by

**C Lowson**

**Chairman**

The notes on pages 7 to 11 form part of these financial statements

# THE RIVER EARN IMPROVEMENT ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2019

### 1 ACCOUNTING POLICIES

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The members consider there to be no material uncertainties about the Charity's ability to continue as a going concern.

#### 1.2 Fund structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund, the Japanese Knotweed Fund which was established during the 2017/18 and is restricted to the eradication of this invasive species from the River Earn.

Further details of each fund are disclosed in note 5.

#### 1.3 Income and expenditure

Income and expenditure is accounted for on an accruals basis.

#### 1.4 Investments

Investments are shown at their fair value.

#### 1.5 Tangible fixed assets and depreciation

Depreciation is calculated to write off the cost of tangible fixed assets, which are in use at the end of the accounting period, over their expected useful lives to their estimated residual value at the following rates:

Equipment	20% straight line
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**THE RIVER EARN IMPROVEMENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 JANUARY 2019**

**1.5 Tangible fixed assets and depreciation (continued)**

The Association received the gift of fishing rights on the River Earn in 2017/18 from the John Rollo Trust. This asset has been recorded as a donation at its fair value which will be reviewed annually for any evidence of impairment. No depreciation will be charged on this asset as committee members consider the residual value to be £200,000.

**2 RESOURCES EXPENDED**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Independent examiners' fees	<u>276</u>	<u>345</u>

None of the Committee members received any remuneration or received any other benefits from the Charity or related entities during this year, or the prior year. No Committee members were reimbursed for any expenses during the current or prior year.

The Charity had no employees during this year, or the prior year, and accordingly there are no employees who received emoluments of more than £60,000.

**Related party transactions** – there were no related party transactions during the year. In 2017/18 the charity paid £2,700 for Japanese knotweed spraying to Waves Weed and Vermin Enviro Services, an entity operated by a Committee member of the Charity. There were no amounts outstanding (2018: £nil). All transactions with related parties take place at normal commercial terms.

**3 INVESTMENTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Listed investments</b>		
Fair value at 1 February 2018	3,261	3,722
Unrealised (loss) on investments	<u>(411)</u>	<u>(461)</u>
Fair value at 31 January 2019	<u><u>2,850</u></u>	<u><u>3,261</u></u>

**THE RIVER EARN IMPROVEMENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 JANUARY 2019**

**4 TANGIBLE ASSETS**

	Fishing rights £	Equipment £	Total £
<b>Cost</b>			
At 1 February 2018	200,000	6,643	206,643
Additions	-	-	-
At 31 January 2019	<u>200,000</u>	<u>6,643</u>	<u>206,643</u>
<b>Depreciation</b>			
At 1 February 2018	-	6,643	6,643
Charge for the year	-	-	-
At 31 January 2019	<u>-</u>	<u>6,643</u>	<u>6,643</u>
<b>Net book value</b>			
At 31 January 2019	<u>200,000</u>	-	<u>200,000</u>
At 31 January 2018	<u>200,000</u>	-	<u>200,000</u>

During the year to 31 January 2018, the Association received the gift of fishing rights on the River Earn from the John Rollo Trust. This asset was recorded as a donation at its fair value (£200,000). The fair value of the asset is reviewed annually for impairment having regard to the nature of the fishing, catch records and guidance offered by land agents.

**THE RIVER EARN IMPROVEMENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 JANUARY 2019**

**5 ANALYSIS OF CHARITABLE FUNDS**

	Balance b/fwd £	Income £	Expenditure £	Gains and losses £	Fund c/fwd £
<b>Unrestricted funds</b>					
General fund	24,637	4,186	(2,717)	(411)	25,695
Fishing rights fund	200,000	-	-	-	200,000
<b>Unrestricted funds</b>	224,637	4,186	(2,717)	(411)	225,695
<b>Restricted funds</b>	8,200	-	(176)	-	8,024
<b>Total</b>	232,837	4,186	(2,893)	(411)	233,719

The unrestricted funds are available to be spent for any of the purposes of the Charity.

The general fund represents the free funds available for the Charity to use as the Committee members wish.

The fishing rights funds represents the net book value of the fishing rights.

The restricted fund was established during 2018 following a donation with the specific purpose of assisting towards the eradication of Japanese Knotweed on the river.

**THE RIVER EARN IMPROVEMENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 JANUARY 2019**

**6 PRIOR YEAR ANALYSIS OF INCOME AND EXPENDITURE**

In accordance with the Charities Statement of Recommended Practice (FRS102), comparatives for each class of funds are required for each line on the Statement of Financial Activities (SoFA). The note below illustrates the SoFA for the year to 31 January 2019.

	<b>Unrestricted Funds 2018 £</b>	<b>Restricted Funds 2018 £</b>	<b>Total Funds 2018 £</b>
<b>INCOMING RESOURCES</b>			
Subscriptions	585	-	585
Donations	200,204	10,000	210,204
Gift aid	118	-	118
Interest	86	-	86
Dividends	228	-	228
Duncrub Fishings	1,150	-	1,150
<b>TOTAL INCOMING RESOURCES</b>	<b>202,371</b>	<b>10,000</b>	<b>212,371</b>
<b>RESOURCES EXPENDED</b>			
<i>Charitable expenditure:</i>			
Habitat improvement	900	1,800	2,700
Sundries	114	-	114
Insurance	334	-	334
Equipment	481	-	481
			-
<i>Support &amp; governance cost:</i>			
Secretarial costs (incl meetings)	128	-	128
Legal fees	4,790	-	4,790
Independent examiners' fee	345	-	345
<b>TOTAL RESOURCES EXPENDED</b>	<b>7,092</b>	<b>1,800</b>	<b>8,892</b>
<b>NET OUTGOING RESOURCES BEFORE GAINS AND LOSSES ON INVESTMENTS</b>	<b>195,279</b>	<b>8,200</b>	<b>203,479</b>
Unrealised (loss)/gain on revaluation of investments	(461)	-	(461)
<b>NET MOVEMENT IN FUNDS</b>	<b>194,818</b>	<b>8,200</b>	<b>203,018</b>
<b>TOTAL FUNDS AT 1 FEBRUARY 2017</b>	<b>29,819</b>	<b>-</b>	<b>29,819</b>
<b>TOTAL FUNDS AT 31 JANUARY 2018</b>	<b>224,637</b>	<b>8,200</b>	<b>232,837</b>

## **THE RIVER EARN IMPROVEMENT ASSOCIATION**

### **THE INDEPENDENT EXAMINER'S REPORT ON THE UNAUDITED FINANCIAL STATEMENTS OF THE RIVER EARN IMPROVEMENT ASSOCIATION FOR THE YEAR ENDED 31 JANUARY 2019**

I report on the accounts of the Charity for the year ended 31 January 2019 which are set out on pages 5 to 11.

#### **Respective responsibilities of committee members and examiner**

The Charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion of the view given by the accounts.

#### **Independent examiner's statement**

In the course of my examination no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements;
  - to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

**David Holt ACA  
Consilium Chartered Accountants  
169 West George Street  
Glasgow  
G2 2LB**

**\_\_ April 2019**