

Registered number: 6663601

THAMES WATER TRUST FUND

**Unaudited Financial Statements
Year ended 31 March 2020**



THAMES WATER TRUST FUND

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THAMES WATER TRUST FUND

TRUST INFORMATION

TRUSTEES

Mrs L Perham
Mrs C E C Drury
Mr P Tutton
Mr A Ullah
Ms G M C Tregoning
Mr D Bunting (appointed 17 March 2020)
Mr M D O'Neill (appointed 17 March 2020)

COMPANY SECRETARY

Auriga Services Limited

COMPANY NUMBER

6663601

CHARITY NUMBER

1126714

REGISTERED OFFICE

Emmanuel Court
12-14 Mill Street
Sutton Coldfield
West Midlands
B72 1TJ

BANK

The Royal Bank of Scotland
London Victoria Branch
119/121 Victoria Street
London
SW1E 6RA

THAMES WATER TRUST FUND

REPORT OF THE TRUSTEES

The Trustees present their report and the unaudited financial statements for the year ended 31 March 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Thames Water Trust Fund is a company limited by guarantee and a registered charity in England and Wales. The company was incorporated on 4 August 2008 as a private company, limited by guarantee, having no share capital.

The Trustees have considered the risks to which the charity is exposed and have taken steps to mitigate those risks.

The Trustees have agreed that, as part of the induction process for new trustees, before anyone considers appointment as a trustee they should familiarise themselves with the responsibilities of charity trustees, read the Charity Commission booklet on this subject and carefully read the trust deed, the settlor's directions and the latest financial statements.

All non-administrative decisions are made by the Trustees jointly. Administrative decisions are delegated to either one of the Trustees alone or to Auriga Services Limited who act on behalf of the Trustees under an approved Scheme of Delegation.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives in setting the grant making policy for the year.

OBJECTIVES AND ACTIVITIES

The Charity's objects are the relief of financial hardship for persons who are unable to meet the cost of charges for the supply of water and/or sewerage services provided to premises used or occupied by them by Thames Water Utilities Limited or have been affected detrimentally and caused undue hardship by the operations of Thames Water Utilities Limited or by virtue of their water supply or sewerage connection and who are unable to meet the cost of any financial loss caused thereby.

ACHIEVEMENTS AND PERFORMANCE

The donations received by the Trust in the year from Thames Water Utilities Limited totalled £449,000 (2019: £654,000 from Thames Water Utilities Limited).

Help for individuals

In pursuit of charitable objectives the Trust was able to award grants toward household costs and bills. It is the policy of the Trustees that where a grant is given to assist with outstanding debt, then wherever possible, it will be paid to the person or organisation owed. The aim of the Trust was to help people out of immediate crisis and financial difficulty and, wherever possible, to encourage future financial stability. During the year the Trust received 4,227 (2019: 3,757) applications and was able to provide further assistance grants to 1,285 (2019: 1,525) individuals or families amounting to £291,794 (2019: £302,036).

Organisational funding

In pursuit of charitable objectives, the Trustees have recognised the value of long term help and support to individuals of professional money advice services, and adopted a policy of making grants available to organisations that provide free debt advice and debt counselling services. £475,681 (2019: £524,577) has been given during the year.

Measurement and the continuing achievement of the Trust's objectives by funded organisations was by a detailed application process, assessment, agreeing outputs and regular monitoring.

Payments out of this fund are generated only after positive vetting of quarterly monitoring forms.

FINANCIAL REVIEW

The Trustees consider the financial position of the Trust satisfactory.

Reserves policy

The general fund of £123,125 (2019: £147,938) held at the year-end is required to meet the future working capital requirement of the Trust. The designated fund balance was £56,398 as at 31 March 2020 (2019: £490,307). This designated fund represents amounts designated by the Trustees to meet the future costs of providing debt counselling. In total the Trust has £179,523 (2019: £638,245) unrestricted funds. Trustees have taken the view that it is appropriate to hold £94,000 (2019: £69,000) to cover contractual and legal obligations and any unforeseen contingencies and will keep this under review.

THAMES WATER TRUST FUND

REPORT OF THE TRUSTEES

Organisational funding

An organisation funding fund has been designated by the trustees for grants expected to be payable over the next twelve months and relevant successive years. A transfer of £41,772 (2019: £250,396) was made to the designated fund during the year to 31 March 2020.

PLANS FOR FUTURE PERIODS

Thames Water Utilities Limited has confirmed that the donation to the Trust fund for 2020/21 will be a minimum of £449,000 (2019/20: £449,000). The Trustees have decided to focus on continuing two very important aspects of its work to relieve poverty and hardship for those who live in the geographical boundary served by Thames Water Utilities Limited. The Trust will continue the programme of providing grants to organisations that provide free debt advice and debt counselling services. It will also continue to make Hardship Fund payments to assist individuals with household costs and the provision of essential items.

TRUSTEES' INDEMNITY

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for trustees and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have done or omitted, by them as officers or employees of the Company.

Trustee Indemnity insurance of £5,000,000 (2019: £5,000,000) was arranged as part of the overall insurance package and included in the total premium of £1,006 (2019: £1,412).

RISK MANAGEMENT

The Trustees have considered the risks to which the charity is exposed and taken steps to mitigate those risks where it is reasonable to do so.

The Trustees have considered the risk that all donations are received from Thames Water Utilities Limited and the issues that will arise from a failure to receive these donations. The risk has been mitigated by Thames Water Utilities Limited's confirmation of continued support.

The Trustees review emerging risks, if appropriate, at each Trustee meeting. The Trustees also make an annual review that involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and the likelihood of occurrence and identifying the means of mitigating those risks. As part of this process, the Trustees work closely with Auriga Services Ltd, who manage the day-to-day operations and assess the adequacy of the charity's current internal controls. Any changes to control systems would be agreed by Trustees.

IMPACT OF COVID-19

We have considered the potential impact of COVID-19 on the charity and whilst there may be significant effects for the wider economy which could in turn affect the charity's performance, we have not identified any specific risk that is material enough to require further disclosure here. The full impact following the recent emergence of the global coronavirus is still unknown.

While Thames Water Utilities Limited has confirmed that it will make a minimum donation of £449,000 for 2020/21, it has also stated its intention to increase the donation for 2020/21 to £1 million. Thames Water Utilities Limited takes its responsibilities to vulnerable customers seriously and as such is trying to raise the profile of Thames Water Trust Fund. During the early days of the COVID-19 pandemic it ceased collections activity temporarily and is already anticipating that the greatest impact on collections will come when the furlough scheme ends. As Thames Water Trust Fund receives 100% of its income from Thames Water Utilities Limited it will continue to operate in such a way that it distributes as much of the available funds as possible while adhering to the reserves policy agreed by the Trustees.

THAMES WATER TRUST FUND

REPORT OF THE TRUSTEES

FINANCIAL INSTRUMENTS

The company does not enter into any hedging transactions. The company has normal exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling.

TRUSTEES

The trustees of the charity have held office from 1 April 2019 to the date of this report, unless otherwise stated:

Mrs L Perham
Mrs C E C Drury
Mr P Tutton
Mr A Ullah
Ms G M C Tregoning
Mr D Bunting (appointed 17 March 2020)
Mr M D O'Neill (appointed 17 March 2020)

RESPONSIBILITIES OF TRUSTEES

The Trustees (who are also the Directors of the charity for purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

UK company law 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 Company and of the incoming resources and application of resources, including the income and expenditure, of the Company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- state whether applicable the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 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 Company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the system of internal control, safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These accounts have been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

**Approved by the Trustees on
and signed on their behalf by**

Linda Perham
Trustee



Date: 14/11/20

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THAMES WATER TRUST FUND

I report on the financial statements of Thames Water Trust Fund for the year ended 31 March 2020, which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(b) of the 2011 Act.

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of Thames Water Trust Fund in accordance with section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principals of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).


**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THAMES WATER TRUST FUND**

In the course of my examination of the accounting records of the charity I have reviewed the disclosures in the accounts in respect of the impact of COVID-19 on the financial statements. I draw your attention to the trustees' view on the impact of COVID-19 as disclosed on page 3, the consideration given in the going concern basis of preparation on page 9 and post balance sheet events on page 11.

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom.

The full impact following the recent emergence of COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the charity's operations, beneficiaries and the wider economy.

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.


David Hoose (Nov 28, 2020 09:56 GMT)

David Hoose
for and on behalf of Mazars LLP, Chartered Accountants
45 Church Street
Birmingham
B3 2RT

Date: Nov 28, 2020

THAMES WATER TRUST FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2020 (Unaudited)

	Notes	General fund £	Designated fund £	2020 £	2019 £
INCOME					
Income from donations		449,000	-	449,000	654,000
Investment income	2	1,180	-	1,180	817
TOTAL INCOME		<u>450,180</u>	<u>-</u>	<u>450,180</u>	<u>654,817</u>
EXPENDITURE					
Charitable activities					
Grants payable	3	291,794	475,681	767,475	826,613
Other associated expenditure	4	141,427	-	141,427	121,160
TOTAL EXPENDITURE		<u>433,221</u>	<u>475,681</u>	<u>908,902</u>	<u>947,773</u>
NET (EXPENDITURE) / INCOME		16,959	(475,681)	(458,722)	(292,956)
Transfer to Designated Fund		(41,772)	41,772	-	-
NET MOVEMENTS IN FUNDS		<u>(24,813)</u>	<u>(433,909)</u>	<u>(458,722)</u>	<u>(292,956)</u>
FUND BALANCES BROUGHT FORWARD AT 1 April 2019		<u>147,938</u>	<u>490,307</u>	<u>638,245</u>	<u>931,201</u>
FUND BALANCES CARRIED FORWARD AT 31 March 2020		<u>123,125</u>	<u>56,398</u>	<u>179,523</u>	<u>638,245</u>

The Trust's income and expenditure all relate to continuing activities.

There are no recognised gains and losses other than those shown above.

The notes on pages 9 to 12 form part of these financial statements.

THAMES WATER TRUST FUND

BALANCE SHEET

At 31 March 2020 (Unaudited)

	Notes	2020 £	2019 £
CURRENT ASSETS			
Cash at bank and in hand		253,570	706,534
		<u>253,570</u>	<u>706,534</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	5	(74,047)	(68,289)
		<u>(74,047)</u>	<u>(68,289)</u>
NET CURRENT ASSETS		<u>179,523</u>	<u>638,245</u>
NET ASSETS		<u>179,523</u>	<u>638,245</u>
FUNDS			
Unrestricted income funds	9	179,523	638,245
		<u>179,523</u>	<u>638,245</u>

For the year ended 31 March 2020, the Company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476, and the Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised for issue by the Trustees on
and signed on their behalf by

L Perham

Linda Perham

Trustee

14/11/20

Registered number: 6663601

THAMES WATER TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 March 2020 (Unaudited)**

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards, the 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), the charities SORP (FRS 102) and the Companies Act 2006. There were no material changes from transition to the charities SORP (October 2019) from 1 April 2019.

Going concern

After considering the future potential impact of COVID-19, the trustees are of the view that there are sufficient reserves to secure the immediate future of the charity for the next 12 to 18 months and on that basis the charity is a going concern. The trustees monitor expenditure and if the charity does not have sufficient funds then it will not make grant or organisational funding payments.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Income

The principal source of income comes from donations from Thames Water Utilities Limited. Investment income is accounted for when due. All income arose in the United Kingdom.

Grants payable

Grants are recognised on award to individuals.

Charitable expenditure

Direct charitable expenditure includes the direct costs of the activities.

Governance Costs

These are costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Staff costs

The company does not directly employ any staff. Management and administration services are provided by Auriga Services Limited. The Trustees do not receive any remuneration.

Cash at bank and in hand

Cash at bank and cash in hand includes cash which is available.

Creditors and accruals

Creditors and accruals are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Organisational funding designated fund

This reserve represents amounts designated by the Trustees to meet the future costs of providing organisational funding.

Statement of Cash flows exemption

A Statement of Cash Flows has not been produced as the Trust is within the small company and charity thresholds.

Judgements and estimations

Management has not made any significant judgements in the process of applying the accounting policies and there are no areas of estimation that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

THAMES WATER TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020 (Unaudited)

2. INVESTMENT INCOME

	2020 £	2019 £
Business reserve account interest	<u>1,180</u>	<u>817</u>

3. GRANTS PAYABLE

	2020 £	2019 £
Payable to individual beneficiaries or direct to creditors in respect of debts owed.*		
Bankruptcy and Debt Relief Orders	17,880	12,370
Household needs	273,914	289,231
Gas / Electricity	-	435
	<u>291,794</u>	<u>302,036</u>
Organisational funding grants paid	<u>475,681</u>	<u>524,577</u>
Total	<u>767,475</u>	<u>826,613</u>

* It is the policy of the Trustees that wherever possible a beneficiary's grant will be paid direct to the relevant creditor.

4. OTHER ASSOCIATED EXPENDITURE

	2020 £	2019 £
Support costs		
Insurance	1,006	1,412
Bank charges	346	701
Management charge from Auriga Services Limited	130,576	119,860
Other expenses	7,139	274
Independent examination fees	2,360	(1,100)
Other professional fees recognised in the year	-	13
	<u>141,427</u>	<u>121,160</u>

The Trustees were reimbursed expenses of £667 in the year (2019: £274). These relate to the reimbursement of travel costs for 3 Trustees (2019: 2).

Trustee Indemnity insurance of £5,000,000 (2019: £5,000,000) was arranged as part of the overall insurance package and included in the total premium of £1,006 (2019: £1,412).

THAMES WATER TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020 (Unaudited)

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	47,058	45,851
Accruals	26,989	22,438
	<u>74,047</u>	<u>68,289</u>

6. TAXATION

The company is exempt for the purposes of income tax and corporation tax under Section 360 ICTA 1970.

7. RELATED PARTY TRANSACTIONS

Auriga Services Limited is the company secretary for the Trust. Auriga Services Limited charged the Trust £130,576 (2019: £119,860) during the year for administrative and professional services. As at 31 March 2020, the Trust owed Auriga Services Limited £23,302 (2019: £23,119).

There were no other related party transactions during the current or prior year.

8. POST BALANCE SHEET EVENTS

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020, has developed further since the year end, and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Current assets £	Total liabilities £	Total net assets £
Unrestricted Funds			
- General Funds	197,172	(74,047)	123,125
- Designated Funds	56,398	-	56,398
As at 31 March 2020	<u>253,570</u>	<u>(74,047)</u>	<u>179,523</u>

THAMES WATER TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020 (Unaudited)

10. STATEMENT OF FINANCIAL ACTIVITIES COMPARATIVES (Including an Income & Expenditure Account) for the year end 31 March 2019

	Notes	General fund £	Designated fund £	2019 £
INCOME				
Income from donations		654,000	-	654,000
Investment income	2	817	-	817
TOTAL INCOME		654,817	-	654,817
EXPENDITURE				
Charitable activities				
Grants payable	3	302,036	524,577	826,613
Other associated expenditure	4	121,160	-	121,160
TOTAL EXPENDITURE		423,196	524,577	947,773
NET INCOME / (EXPENDITURE)		231,621	(524,577)	(292,956)
Transfer to organisational funding		(250,396)	250,396	-
NET MOVEMENTS IN FUNDS		(18,775)	(274,181)	(292,956)
FUND BALANCES BROUGHT FORWARD AT 1 April 2018		166,713	764,488	931,201
FUND BALANCES CARRIED FORWARD AT 31 March 2019		147,938	490,307	638,245