

**Registered number: 6663601**

**THAMES WATER TRUST FUND**

**Unaudited Financial Statements  
Year ended 31 March 2018**

# **THAMES WATER TRUST FUND**

## **CONTENTS**

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<b>Trust Information</b>	<b>1</b>
<b>Report of the Trustees</b>	<b>2</b>
<b>Independent Examiner's Report</b>	<b>5</b>
<b>Statement of Financial Activities</b>	<b>7</b>
<b>Balance Sheet</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9</b>

**THAMES WATER TRUST FUND**

**TRUST INFORMATION**

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**TRUSTEES**

Mrs L Perham  
Mrs C E C Drury  
Mr P Tutton  
Mr A Ullah  
Ms G M C Tregoning

**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**

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The Trustees present their report and the unaudited financial statements for the year ended 31 March 2018.

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

The company was incorporated on 4 August 2008 as a private, limited by guarantee, company 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 Limited or have been affected detrimentally and caused undue hardship by the operations of Thames Water 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 were from Thames Water Limited £654,000 and Auriga services Limited £18,000.

##### **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 3,317 applications and was able to provide further assistance grants to 1,293 individuals or families amounting to £299,740 (2017: £291,171).

##### **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. £309,520 (2017: £277,918) 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.

##### **Social Return on Investment Study**

Thames Water Trust Fund, in partnership with two other Trust Funds, commissioned a Social Return on Investment study. This was conducted by Ecorys, an independent company providing research, consultancy and management services.

Detailed analysis from the SROI calculated that for every £1 invested by the trust funds, £3.06 of benefits were generated for vulnerable customers. 82% of beneficiaries believed the support they received helped them to pay their future water charges. The full report was published in Oct 2017 and can be found on [www.aurigaservices.co.uk/SROI](http://www.aurigaservices.co.uk/SROI).

## THAMES WATER TRUST FUND

### REPORT OF THE TRUSTEES

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#### FINANCIAL REVIEW

The Trustees consider the financial position of the Trust satisfactory.

##### **Reserves policy**

The general fund of £166,713 (2017: £195,666) held at the year-end is required to meet the future working capital requirement of the Trust. The designated fund balance was £764,488 as at 31 March 2018 (2017: £776,660). This designated fund represents amounts designated by the Trustees to meet the future costs of providing debt counselling. In total the Trust has £931,201 (2017 £972,326) unrestricted funds. Trustees have taken the view that it is appropriate to hold £15,000 (2017: £15,000) to cover contractual and legal obligations and any unforeseen contingencies and will keep this under review.

##### **Unrestricted income fund**

The income during the period is as expected.

##### **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 £297,348 (2017: £395,828) was made to the designated fund during the year to 31<sup>st</sup> March 2018.

#### PLANS FOR FUTURE PERIODS

The donation to the Trust fund for 2018/19 will be £654,000 (2017/18: £654,000). 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. 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 bills.

#### 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 was arranged as part of the overall insurance package and included in the total premium of £2,065.

#### RISK MANAGEMENT

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

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

The Trustees review the risks on a quarterly basis. This 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.

#### 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.

## THAMES WATER TRUST FUND

### REPORT OF THE TRUSTEES

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#### TRUSTEES

The trustees of the charity have held office from 1 April 2017 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

#### RESPONSIBILITIES OF TRUSTEES

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

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
- 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: 23/4/18

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

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I report on the financial statements of Thames Water Trust Fund for the year ended 31 March 2018, which are set out on pages 7 to 13.

### **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.

### **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).

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.

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

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**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.



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

Date: 29 November 2018



THAMES WATER TRUST FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2018 (Unaudited)

	Notes	General fund £	Designated fund £	2018 £	2017 £ (Note 11)
<b>INCOME</b>					
Income from donations		672,000	-	672,000	889,328
Investment income	2	271	-	271	75
<b>TOTAL INCOME</b>		<u>672,271</u>	<u>-</u>	<u>672,271</u>	<u>889,403</u>
<b>EXPENDITURE</b>					
<b>Charitable activities</b>					
Grants payable	3	299,740	309,520	609,260	569,089
Other associated expenditure	4	104,136	-	104,136	98,761
<b>TOTAL EXPENDITURE</b>		<u>403,876</u>	<u>309,520</u>	<u>713,396</u>	<u>667,850</u>
<b>NET (EXPENDITURE) / INCOME</b>		268,395	(309,520)	(41,125)	221,553
Transfer to organisational funding	5	(297,348)	297,348	-	-
<b>NET MOVEMENTS IN FUNDS</b>		<u>(28,953)</u>	<u>(12,172)</u>	<u>(41,125)</u>	<u>221,553</u>
<b>FUND BALANCES BROUGHT FORWARD AT 1 APRIL 2017</b>		<u>195,666</u>	<u>776,660</u>	<u>972,326</u>	<u>750,773</u>
<b>FUND BALANCES CARRIED FORWARD AT 31 March 2018</b>		<u><u>166,713</u></u>	<u><u>764,488</u></u>	<u><u>931,201</u></u>	<u><u>972,326</u></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 13 form part of these financial statements.

# THAMES WATER TRUST FUND

## BALANCE SHEET

At 31 March 2018 (Unaudited)

	Notes	2018 £	2017 £
<b>CURRENT ASSETS</b>			
Debtors	6	-	-
Cash at bank and in hand		1,032,551	1,019,965
		<u>1,032,551</u>	<u>1,019,965</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	(101,350)	(47,639)
		<u>931,201</u>	<u>972,326</u>
<b>NET CURRENT ASSETS</b>			
		<u>931,201</u>	<u>972,326</u>
<b>NET ASSETS</b>		<u>931,201</u>	<u>972,326</u>
<b>FUNDS</b>			
Unrestricted income funds		<u>931,201</u>	<u>972,326</u>

For the year ended 31 March 2018, 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

23 / 11 / 18

Registered number: 6663601

## THAMES WATER TRUST FUND

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2018 (Unaudited)

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#### 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.

##### **Accounting convention**

The financial statements are prepared under the historical cost convention.

##### **Income**

The principal source of income comes from donations from Thames Water Plc. Investment income is accounted for when due.

##### **Grants payable**

Grants are recognised on award to individuals.

##### **Charitable expenditure**

Direct charitable expenditure includes all costs incurred by the Trust Fund.

##### **Governance Costs**

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

##### **Going concern**

The Trustees are of a view that there are sufficient reserves to secure the immediate future of the Trust for the next 12 to 18 months and on that basis the charity is a going concern.

##### **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 2018 (Unaudited)

### 2. INVESTMENT INCOME

	2018 £	2017 £
Business reserve account interest	271	75

### 3. GRANTS PAYABLE

	2018 £	2017 £
<b>Payable to individual beneficiaries or direct to creditors in respect of debts owed*</b>		
Household Needs	289,034	277,718
Bankruptcy and Debt Relief Orders	10,650	12,090
Rent / Mortgage	-	1,000
Gas / Electricity	-	363
Council Tax	56	-
	299,740	291,171
Organisational funding grants paid	309,520	277,918
<b>Total</b>	<b>609,260</b>	<b>569,089</b>

\* 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

	2018 £	2017 £
<b>Support costs</b>		
Insurance	2,065	2,019
Bank charges	841	893
Management charge from Auriga Services Limited	90,614	85,280
Discount received	-	(249)
Other expenses	4,281	7,578
Audit fees	-	3,240
Independent examination fees	2,400	-
Other professional fees recognised in the year	3,935	-
	104,136	98,761

None of the trustees received any remuneration as trustees during either year. The Trust paid £2,065 (2017: £2,019) for the premium on the Trustees indemnity insurance.

The Trustees were reimbursed expenses of £618 in the year (2017: £789). These relate to the reimbursement of travel costs for 3 Trustees (2017: 3).

Trustee Indemnity insurance of £5,000,000 (2017: £5,000,000) was arranged as part of the overall insurance package and included in the total premium of £2,065 (2017: £2,019).

# THAMES WATER TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018 (Unaudited)

### 5. TRANSFER TO DESIGNATED FUND

	2018 £	2017 £
Transfer to Organisational Funding	<u>297,348</u>	<u>395,828</u>

The transfer above is the balance of the amount donated by Thames Water for the period, after removing amounts allocated to the following purposes per budgeted figures, as approved by the Trustees;

	2018 £	2017 £
Thames Water donation	654,000	864,328
Individual hardship / crisis payments	(305,217)	(250,000)
Individual hardship / crisis payments – additional allocation	(25,000)	(100,000)
Fees from Auriga Services Limited	(85,280)	(86,500)
Governance costs	(17,000)	(17,000)
Contingency / Reserves *	<u>75,845</u>	<u>(15,000)</u>
	<u>297,348</u>	<u>395,828</u>

\* (£75,845 transferred from contingency/reserves to fund the 17/18 organisational funding grants)

### 6. DEBTORS

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	<u>-</u>	<u>-</u>

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	55,958	23,313
Accruals	<u>45,392</u>	<u>24,326</u>
	<u>101,350</u>	<u>47,639</u>

### 8. TAXATION

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

## THAMES WATER TRUST FUND

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018 (Unaudited)

#### 9. RELATED PARTY TRANSACTIONS

Auriga Services Limited is the company secretary for the Trust. The company made a donation of £18,000 (2017: £25,000) to the Trust during the year. There were no balances receivable from Auriga Services Limited as at 31 March 2018 (2017: £Nil). Auriga Services Limited charged the Trust £90,614 (2017: £82,280) during the year for administrative and professional services. As at 31 March 2018, the Trust owed Auriga Services Limited £26,975 (2017: £Nil).

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

#### 10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Current assets	Total liabilities	Total net assets
	£	£	£
<b>Unrestricted Funds</b>			
- General Funds	268,063	(101,350)	166,713
- Designated Funds	764,488	-	764,489
	<u>1,032,551</u>	<u>(101,350)</u>	<u>931,201</u>

# THAMES WATER TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018 (Unaudited)

### 11. STATEMENT OF FINANCIAL ACTIVITIES COMPARATIVES

(Including an Income & Expenditure Account) for the year end 31 March 2017

	Notes	General fund £	Designated fund £	2017 £
<b>INCOME</b>				
Income from donations		889,328	-	889,328
Investment income	2	75	-	75
<b>TOTAL INCOME</b>		<b>889,403</b>	<b>-</b>	<b>889,403</b>
<b>EXPENDITURE</b>				
<b>Charitable activities</b>				
Grants payable	3	291,171	277,918	569,089
Other associated expenditure	4	98,761	-	98,761
<b>TOTAL EXPENDITURE</b>		<b>389,932</b>	<b>277,918</b>	<b>667,850</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>499,471</b>	<b>(277,918)</b>	<b>221,553</b>
Transfer to organisational funding	5	(395,828)	395,828	-
<b>NET MOVEMENTS IN FUNDS</b>		<b>103,643</b>	<b>117,910</b>	<b>221,553</b>
<b>FUND BALANCES BROUGHT FORWARD AT 1 APRIL 2016</b>		<b>92,023</b>	<b>658,750</b>	<b>750,773</b>
<b>FUND BALANCES CARRIED FORWARD AT 31 March 2017</b>		<b>195,666</b>	<b>776,660</b>	<b>972,326</b>

