

Charity Registration No. 1050157

Company Registration No. 03114783 (England and Wales)

ROCKINGHAM FOREST TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

ROCKINGHAM FOREST TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-------------------|---|
| Trustees | J W Green G M Couldrake D C Watson J J Richardson P M Padley J Charlton-Jones A Woolf J Barnes |
| Secretary | HP Secretarial Services Limited |
| Charity number | 1050157 |
| Company number | 03114783 |
| Registered office | The Visitor Centre Stanwick Lakes Stanwick Northamptonshire NN9 6GY |
| Auditor | Baldwins Audit Services Limited Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP |
| Bankers | National Westminster PLC 9 Market Place Oundle Peterborough Cambridgeshire PE8 4BB |
| Solicitors | Howes Percival LLP Oxford House Cliftonville Northampton NN1 5PN |

ROCKINGHAM FOREST TRUST

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ROCKINGHAM FOREST TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The principle activity of the charity is its project work as described below. The principle activity of the trading company is delivering the services and facilities at Stanwick Lakes, ranging from adventure play and country walks to catering and retail in the cafe, and paid for activities with the rangers.

The Trust is an environmental charity that works to bring wide-ranging community benefits through creating and conserving special green spaces, and exploring local heritage, in ways which educate, involve and inspire.

The work has extended beyond the defined area of Rockingham Forest to the surrounding area, including other parts of Northamptonshire.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Overview

This last year has been the most successful yet for the Trust, with the social enterprise performing particularly strongly, and more people than ever benefiting from the Trust's charitable work, in a variety of ways.

We received the welcome news that the landscape partnership bid to the Heritage Lottery fund had been successful and thus in the last quarter of the year RFT started work on its three year heritage Project: Settlers of the Nene Valley.

Our partnership working with local organisations, communities and statutory agencies has helped us to further our work, spread our environmental and heritage messages and continue with our mission of 'connecting people and places for good.' Our closest association is with East Northamptonshire Council, whose continuing support for Stanwick Lakes is particularly valuable and appreciated. The Trust remains a member of the Local Nature Partnership, the Nene Catchment Partnership, and Destination Nene Valley.

ROCKINGHAM FOREST TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the commission.

In terms of public benefit, the Trust's work with local communities, schools, disadvantaged groups/individuals and the general public continues to deliver in a variety of ways:

Bringing people closer to nature remains a key part of the Trust's overall mission. At a time when children reportedly spend less time outdoors each day than prison inmates, our work to re-connect children with the natural world and spend time playing and burning off energy at Stanwick Lakes has never seemed more timely or important. The investment we were able to make in some much-needed new adventure play equipment saw record numbers of local families enjoying the facilities and appreciating the wildlife. From our bird events to our tots group and popular holiday club, every opportunity was enthusiastically taken up by the local community, for whom Stanwick Lakes has become a valuable social hub and environmental resource. The site received over 300,000 visits during the year.

RFT's conservation work has seen the rangers and volunteers continue with significant works to improve the habitats and landscape on the 700 acre SSSI, removing tonnes of invasive willow and opening up a wet woodland area with boardwalk and interpretation boards.

In terms of educational work, in the last year, over 1,000 school children took part in pond-dipping, mini-beast hunts, environmental art and 'exploring river valleys' with the Trust's education ranger. The new Pre-histories topic proved valuable to schools trying to teach this part of the curriculum to their youngest children.

Our Trading Places heritage project drew to a close in the autumn after four hugely eventful, fruitful and enjoyable years. The last cohort of young people was trained in traditional skills, and the 'Making History' finale heritage event brought together all the crafts people and local communities with whom the Trust had worked during the life of the project. It was enjoyed by over 2,000 local people.

As part of its work to support those at some kind of disadvantage RFT has continued to provide craft sessions for adults with a learning or physical disability, and members from two nearby care homes regularly take part. Twenty four sessions were held over the last 12 months. For those with wider health and fitness problems, our Health Walks continue to be held every Tuesday and Thursday morning, attracting approximately 70 people per week. One hundred walks were held during the year and over 50 new people signed up to take part. Not only are these walks good for physical health, but being active is also beneficial for mental wellbeing, as well as the social interaction in the café afterwards. In addition around 40 individuals with special needs took part in conservation volunteering with the rangers.

Lastly, we were pleased to finally be able to install a bore hole to provide water for grey-water flushing of the toilets.

The Trust is most grateful for the financial support received during the year from Northamptonshire County Council, East Northamptonshire Council, including the Community Facilities Fund, the Heritage Lottery Fund, Awards for All (part of the Big Lottery Fund), Mick George (via Grantscape), the Northamptonshire Community Foundation and the Francis and Malsie Pryor Charitable Trust.

Future plans

We hope to make significant progress on our plans to introduce hydropower on the back channel of the River Nene. This would generate free green energy and also act as a valuable new education tool for our school visits.

Our Settlers heritage project will get fully underway, and as part of our work with communities we plan to recruit lots of new volunteers.

We should be able to start a new lottery-funded project to increase people's participation in informal sport and outdoor activity at Stanwick Lakes. It will include new equipment, as well as new initiatives for community involvement to improve health and well-being.

ROCKINGHAM FOREST TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should maintain an operational capability of a minimum of six months. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Rockingham Forest Trust is a Charitable Company limited by guarantee, incorporated on 17 October 1995 and registered as a charity on 26 October 1995.

The Charitable Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association. In the event of the Charitable Company being wound up, members are required to contribute an amount not exceeding £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J W Green
G M Couldrake
D C Watson
J J Richardson
P M Padley
J Charlton-Jones
A Woolf
J Barnes

The Trustees are recruited mainly via word of mouth by the existing Trustees after due consideration of their backgrounds and requisite skills.

Rockingham Forest Trust has established the subsidiary company RF Trust Enterprises Limited to handle the income from trading, primarily, but not exclusively, at Stanwick Lakes. The company has its own board of Directors, which includes three of the charity's trustees, plus two staff and private sector representatives. Decisions for the two entities are made separately at the respective boards, but ultimate control lies with the charity's Trustees.

Rockingham Forest Trust has a 125 year lease agreement with East Northamptonshire Council for Stanwick Lakes, and there is a separate board of management for overseeing the running of the site which includes Trustees and Council representatives.

The Trust has two separate franchise agreements with outside parties to provide fishing and bicycle hire on the site; it also has a licence agreement with a local adventure centre to provide boating activities on two of the lakes.

The Trust manages a separate nature reserve, Twywell Hills and Dales, in Partnership with the Wildlife and Woodlands Trusts, on behalf of East Northamptonshire Council.

ROCKINGHAM FOREST TRUST

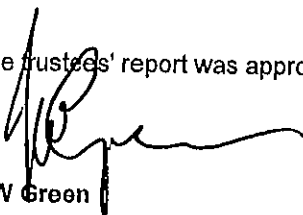
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Auditor

As a result of Rawlinsons joining the Baldwins Group, the auditors of the company have changed from Rawlinsons to Baldwins Audit Services Limited.

In accordance with the company's articles, a resolution proposing that Baldwins Audit Services Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



J W Green

Trustee

Dated: 19 July 2018

ROCKINGHAM FOREST TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors of Rockingham Forest Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts 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, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

ROCKINGHAM FOREST TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ROCKINGHAM FOREST TRUST

Opinion

We have audited the financial statements of Rockingham Forest Trust (the 'charity') for the year ended 31 March 2018 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 charitable company's affairs as at 31 March 2018 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 Companies Act 2006.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

ROCKINGHAM FOREST TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ROCKINGHAM FOREST TRUST

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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 liquidate the charitable company or 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 auditors under section 145 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services Limited

Statutory Auditor

.....

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Baldwins Audit Services Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

ROCKINGHAM FOREST TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

| | Notes | Unrestricted funds general £ | Designated funds £ | Restricted funds £ | Total 2018 £ | Total 2017 £ |
|---|-------|---------------------------------------|--------------------------|--------------------------|--------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | | |
| Generated funds | 3 | 64,459 | - | 46,258 | 110,717 | 194,000 |
| Charitable activities | 5 | - | - | 72,370 | 72,370 | 141,261 |
| Commercial trading operations in trading subsidiary | 4 | 909,890 | - | - | 909,890 | 892,823 |
| Investments | 6 | 540 | - | - | 540 | 1,056 |
| Other income | 8 | 5,597 | - | - | 5,597 | 1,073 |
| Total Income and endowments | | 980,486 | - | 118,628 | 1,099,114 | 1,230,213 |
| <u>Expenditure on:</u> | | | | | | |
| Commercial trading operations in trading subsidiary | 9 | 809,574 | - | - | 809,574 | 748,881 |
| Charitable activities | 7 | 100,072 | 57,133 | 214,992 | 372,197 | 294,176 |
| Net interest on defined benefit pension scheme | | 1,000 | - | - | 1,000 | 3,000 |
| Total resources expended | | 910,646 | 57,133 | 214,992 | 1,182,771 | 1,046,057 |
| Net Incoming/(outgoing) resources before transfers | | 69,840 | (57,133) | (96,364) | (83,657) | 184,156 |
| Gross transfers between funds | | (92,573) | 54,233 | 38,340 | - | - |
| Net (expenditure)/income for the year/ Net (outgoing)/Incoming resources | | (22,733) | (2,900) | (58,024) | (83,657) | 184,156 |
| <u>Other recognised gains and losses</u> | | | | | | |
| Actuarial gain/(loss) on defined benefit pension scheme | | 13,000 | - | - | 13,000 | 28,000 |
| Net movement in funds | | (9,733) | (2,900) | (58,024) | (70,657) | 212,156 |
| Fund balances at 1 April 2017 | | 168,874 | 241,759 | 2,402,280 | 2,812,913 | 2,600,757 |
| Fund balances at 31 March 2018 | | 159,141 | 238,859 | 2,344,256 | 2,742,256 | 2,812,913 |

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ROCKINGHAM FOREST TRUST

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|--|-------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 15 | | 2,400,021 | | 2,424,936 |
| Current assets | | | | | |
| Stocks | 17 | 20,008 | | 19,974 | |
| Debtors | 18 | 69,070 | | 83,631 | |
| Cash at bank and in hand | | 490,249 | | 562,009 | |
| | | 579,327 | | 665,614 | |
| Creditors: amounts falling due within one year | 19 | (153,705) | | (205,076) | |
| Net current assets | | | 425,622 | | 460,538 |
| Total assets less current liabilities | | | 2,825,643 | | 2,885,474 |
| Creditors: amounts falling due after more than one year | 20 | | (27,387) | | (15,561) |
| Defined benefit pension liability | 25 | | (56,000) | | (57,000) |
| Net assets | | | 2,742,256 | | 2,812,913 |
| Income funds | | | | | |
| Restricted funds | 23 | | 2,344,256 | | 2,402,280 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 22 | 238,859 | | 241,759 | |
| General unrestricted funds | | 159,141 | | 168,874 | |
| | | | 398,000 | | 410,633 |
| | | | 2,742,256 | | 2,812,913 |

ROCKINGHAM FOREST TRUST

CONSOLIDATED BALANCE SHEET

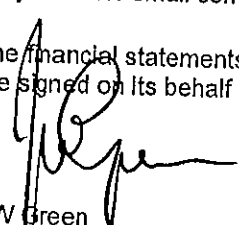
AS AT 31 MARCH 2018

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 19 July 2018 and are signed on its behalf by:



J W Green
Trustee



D C Watson
Trustee

Company Registration No. 03114783

ROCKINGHAM FOREST TRUST

BALANCE SHEET

AS AT 31 MARCH 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|--|-------|-----------|---|-----------|---|
| Fixed assets | | | | | |
| Tangible assets | 15 | 2,400,021 | | 2,424,936 | |
| Investments | 16 | | 1 | | 1 |
| | | 2,400,022 | | 2,424,937 | |
| Current assets | | | | | |
| Debtors | 18 | 241,740 | | 171,941 | |
| Cash at bank and in hand | | 221,417 | | 384,930 | |
| | | 463,157 | | 556,871 | |
| Creditors: amounts falling due within one year | 19 | (37,536) | | (96,334) | |
| Net current assets | | 425,621 | | 460,537 | |
| Total assets less current liabilities | | 2,825,643 | | 2,885,474 | |
| Creditors: amounts falling due after more than one year | 20 | (27,387) | | (15,561) | |
| Defined benefit pension liability | 25 | (56,000) | | (57,000) | |
| Net assets | | 2,742,256 | | 2,812,913 | |
| Income funds | | | | | |
| Restricted funds | 23 | 2,344,256 | | 2,402,280 | |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 22 | 238,859 | | 241,759 | |
| General unrestricted funds | | 159,141 | | 168,874 | |
| | | 398,000 | | 410,633 | |
| | | 2,742,256 | | 2,812,913 | |

ROCKINGHAM FOREST TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 19 July 2018 and are signed on its behalf by:

J W Green
Trustee

D C Watson
Trustee

Company Registration No. 03114783

ROCKINGHAM FOREST TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|---|-------|-----------|----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 28 | | (34,875) | | 340,167 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (62,228) | | (76,293) | |
| Interest received | | 540 | | 1,056 | |
| Net cash used in investing activities | | | (61,688) | | (75,237) |
| Financing activities | | | | | |
| Payment of obligations under finance leases | | 24,803 | | (466) | |
| Net cash generated from/(used in) financing activities | | | 24,803 | | (466) |
| Net (decrease)/Increase in cash and cash equivalents | | | (71,760) | | 264,464 |
| Cash and cash equivalents at beginning of year | | | 562,009 | | 297,545 |
| Cash and cash equivalents at end of year | | | 490,249 | | 562,009 |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity Information

Rockingham Forest Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Visitor Centre, Stanwick Lakes, Stanwick, Northamptonshire, NN9 6GY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The group financial statements consolidate those of the charity and of its subsidiary undertaking RF Trust Enterprises Limited drawn up to 31 March 2018. Surpluses or deficits on intra group transactions are eliminated in full.

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 unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources represent the amount receivable during the year in respect of grants, donations and investment income.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (charitable activities)
- expenditure incurred directly in the effort to raise voluntary contributions (cost of raising voluntary income)
- expenditure incurred in meeting the constitutional and statutory requirements of the charity and include the audit fees and the costs related to the strategic management of the charity (governance costs)

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis that reflects the use of the resource.

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:

| | |
|--------------------------------|---------------|
| Leasehold property | 15 - 50 years |
| Plant and machinery | 10 years |
| Fixtures, fittings & equipment | 4 - 8 years |
| Office equipment | 2 - 4 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 net income/(expenditure) for the year.

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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 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 and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.12 Retirement benefits

Defined contribution pension scheme

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

Defined benefit pension scheme

The charity also operates a defined benefit pension scheme which is part of the Local Government Pension Scheme. The pension charge is based on a full actuarial valuation dated 31 March 2016.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the Charitable Company.

The current service cost and costs from settlements and curtailments are charged in the statement of financial activities. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs/ (income). Actuarial gains and losses are reported in the statement of financial activities.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14 Fund accounting

Restricted funds are to be used for the specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Other resources receivable without external restriction are designated by the trustees for particular purposes as deemed appropriate.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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.

3 Generated funds

| | Unrestricted funds | Restricted funds | Total 2018 | Total 2017 |
|---------------------------------------|--------------------|------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Donations and gifts | 165 | - | 165 | 100,000 |
| Grants receivable for core activities | 64,294 | 46,258 | 110,552 | 94,000 |
| | <u>64,459</u> | <u>46,258</u> | <u>110,717</u> | <u>194,000</u> |
| For the year ended 31 March 2017 | <u>125,000</u> | <u>69,000</u> | | <u>194,000</u> |

4 Commercial trading operations in trading subsidiary

| | 2018 £ | 2017 £ |
|------------------------------|----------------|----------------|
| RF Trust Enterprises Limited | <u>909,890</u> | <u>892,823</u> |

5 Charitable activities

| | 2018 £ | 2017 £ |
|----------------------------|---------------|----------------|
| Performance related grants | <u>72,370</u> | <u>141,261</u> |
| Trading places | 66,000 | 110,261 |
| Awards for All | - | 9,800 |
| Dulverton Trust | - | 13,700 |
| Tesco | - | 7,500 |
| Settlers | 6,370 | - |
| | <u>72,370</u> | <u>141,261</u> |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

6 Investments

| | 2018 £ | 2017 £ |
|---------------------|-----------|-----------|
| Interest receivable | 540 | 1,056 |

7 Charitable activities

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Staff costs | 126,639 | 135,698 |
| Depreciation and impairment | 87,143 | 79,839 |
| Project costs, equipment and materials | 47,367 | 39,011 |
| Printing and stationary | 1,081 | 1,001 |
| Telephone and postage | 1,217 | 964 |
| Travel and subsistence | 1,477 | 3,832 |
| Fundraising and publicity | 711 | 1,826 |
| Event costs and venue hire | 155 | 1,020 |
| Premises | 86,341 | 11,950 |
| Consultancy | 5,317 | 4,382 |
| Subscriptions | 167 | 348 |
| Sundries | 3,025 | 1,380 |
| | 360,640 | 281,251 |
| Share of governance costs (see note 11) | 11,557 | 12,925 |
| | 372,197 | 294,176 |

8 Other Income

| | 2018 £ | 2017 £ |
|--------------|-----------|-----------|
| Other income | 5,597 | 1,073 |

9 Costs of raising funds

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Commercial trading operations in trading subsidiary | 809,574 | 748,881 |

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year for their role as trustee.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Governance costs

| | 2018 £ | 2017 £ |
|------------------------------------|---------------|---------------|
| Audit fees | 9,025 | 8,800 |
| Auditors fees - non audit services | 836 | 435 |
| Legal and professional | 1,696 | 3,690 |
| | <u>11,557</u> | <u>12,925</u> |
| Analysed between | | |
| Charitable activities | <u>11,557</u> | <u>12,925</u> |

12 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

| | 2018 £ | 2017 £ |
|---|--------------|--------------|
| Audit of the company's annual accounts | 6,350 | 6,200 |
| Other services to the group - the audit of the company's subsidiaries | <u>2,675</u> | <u>2,600</u> |
| Total audit fees | <u>9,025</u> | <u>8,800</u> |

13 Taxation

By virtue of its charitable status, the Charity is not liable for corporation tax under section Part 2 of the Corporation Taxes Act 2010.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

14 Employees

Number of employees

The average monthly number employees during the year was:

| | 2018 Number | 2017 Number |
|----------------|----------------|----------------|
| Staff employed | 49 | 42 |

Employment costs

| | 2018 £ | 2017 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 432,298 | 398,976 |
| Social security costs | 25,640 | 24,436 |
| Other pension costs | 32,445 | 28,822 |
| | 490,383 | 452,234 |

There were no employees whose annual remuneration was £60,000 or more.

15 Tangible fixed assets

The Group and the Charity

| | Leasehold property £ | Plant and machinery £ | Fixtures, fittings & equipment £ | Office equipment £ | Total £ |
|------------------------------------|----------------------------|-----------------------------|---|--------------------------|------------|
| Cost | | | | | |
| At 1 April 2017 | 2,873,292 | 84,400 | 47,492 | 30,838 | 3,036,022 |
| Additions | 53,716 | - | 7,183 | 1,329 | 62,228 |
| At 31 March 2018 | 2,927,008 | 84,400 | 54,675 | 32,167 | 3,098,250 |
| Depreciation and Impairment | | | | | |
| At 1 April 2017 | 507,534 | 43,060 | 31,127 | 29,365 | 611,086 |
| Depreciation charged in the year | 73,529 | 8,444 | 4,114 | 1,056 | 87,143 |
| At 31 March 2018 | 581,063 | 51,504 | 35,241 | 30,421 | 698,229 |
| Carrying amount | | | | | |
| At 31 March 2018 | 2,345,945 | 32,896 | 19,434 | 1,746 | 2,400,021 |
| At 31 March 2017 | 2,365,758 | 41,340 | 16,365 | 1,473 | 2,424,936 |

The charity occupies land under a 125 year lease, commencing 4 October 2002 for a peppercorn rent. The value of this lease has not been included in these accounts.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

16 Fixed asset investments

The Charity

| Notes | 2018 £ | 2017 £ |
|-----------------------------|-----------|-----------|
| Investments in subsidiaries | 1 | 1 |

The charity holds 100% of RF Trust Enterprises Limited, a company incorporated in England and Wales. The principle activity of the company is running the operations of Stanwick Lakes.

During the year RF Trust Enterprises Limited made a profit of £96,050 (2017 - £138,938). The company donates all of its surplus to Rockingham Forest Trust by dividend. At the balance sheet date the company's total capital and reserves were £1 (2017 - £1).

17 Stocks

| | 2018 £ | The Group 2017 £ | 2018 £ | The Charity 2017 £ |
|-------------------------------|-----------|------------------------|-----------|--------------------------|
| Raw materials and consumables | 20,008 | 19,974 | - | - |

18 Debtors

| Amounts falling due within one year: | 2018 £ | The Group 2017 £ | 2018 £ | The Charity 2017 £ |
|--|-----------|------------------------|-----------|--------------------------|
| Trade debtors | 1,016 | 2,999 | - | - |
| Amounts due from subsidiary undertakings | - | - | 217,607 | 110,722 |
| Other debtors | 50,532 | 40,067 | 15,729 | 20,654 |
| Prepayments and accrued income | 17,522 | 40,565 | 8,404 | 40,565 |
| | 69,070 | 83,631 | 241,740 | 171,941 |

19 Creditors: amounts falling due within one year

| Notes | 2018 £ | The Group 2017 £ | 2018 £ | The Charity 2017 £ |
|----------------------------------|-----------|------------------------|-----------|--------------------------|
| Obligations under finance leases | 16,950 | 3,973 | 16,950 | 3,973 |
| Deferred income | 47,546 | 61,264 | - | 15,000 |
| Trade creditors | 38,593 | 97,032 | 5,764 | 60,940 |
| Other creditors | 27,470 | 26,111 | 6,965 | 9,602 |
| Accruals | 23,146 | 16,696 | 7,857 | 6,819 |
| | 153,705 | 205,076 | 37,536 | 96,334 |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

20 Creditors: amounts falling due after more than one year

| | 2018 £ | The Group 2017 £ | 2018 £ | The Charity 2017 £ |
|----------------------------------|-----------|------------------------|-----------|--------------------------|
| Obligations under finance leases | 27,387 | 15,561 | 27,387 | 15,561 |

21 Deferred Income

| | 2018 £ | The Group 2017 £ | 2018 £ | The Charity 2017 £ |
|--------------------------------|-----------|------------------------|-----------|--------------------------|
| Arising from government grants | - | 15,000 | - | 15,000 |
| Other deferred income | 47,546 | 46,264 | - | - |
| | 47,546 | 61,264 | - | 15,000 |

Deferred income is included in the financial statements as follows:

| | 2018 £ | The Group 2017 £ | 2018 £ | The Charity 2017 £ |
|---------------------|-----------|------------------------|-----------|--------------------------|
| Current liabilities | 47,546 | 61,264 | - | 15,000 |
| | 47,546 | 61,264 | - | 15,000 |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 April 2017 £ | Movement in funds | | Transfers £ | Balance at 31 March 2018 £ |
|---------------------------------------|---------------------------------|----------------------------|----------------------------|----------------|----------------------------------|
| | | Incoming resources £ | Resources expended £ | | |
| Stanwick Operations | 60,000 | - | (54,233) | 54,233 | 60,000 |
| Fixed Asset Fund | 16,759 | - | (2,900) | - | 13,859 |
| Trading Subsidiary Working Capital | 15,000 | - | - | - | 15,000 |
| Hydropower Development Fund | 150,000 | - | - | - | 150,000 |
| | <u>241,759</u> | <u>-</u> | <u>(57,133)</u> | <u>54,233</u> | <u>238,859</u> |

The Stanwick Operations fund is held to support the cost of replacing assets of the charity.

The Fixed Asset fund represents the net book value of fixed assets not covered by the corresponding restricted fund.

The Hydropower fund represents the allocation of funds for the works necessary to generate electricity from hydropower for Stanwick Lakes.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

23 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:

| | Movement in funds | | | |
|-------------------------------|----------------------------|-----------------------|-----------------------|------------------|
| | Balance at 1 April 2017 | Incoming resources | Resources expended | Transfers |
| | £ | £ | £ | £ |
| Stanwick Development | 2,388,177 | - | (84,243) | 37,891 |
| Health & Well Being | - | 8,158 | (5,727) | - |
| Trading Places | 4,303 | 66,600 | (70,431) | (472) |
| Tesco Community Fund | - | 2,500 | (2,500) | - |
| Awards for All | 9,800 | - | (9,800) | - |
| Settlers | - | 6,370 | (7,291) | 921 |
| Capital Funding (Mick George) | - | 35,000 | (35,000) | - |
| | <u>2,402,280</u> | <u>118,628</u> | <u>(214,992)</u> | <u>38,340</u> |
| | | | | <u>2,344,256</u> |

The transfers above reflect the transfer of capital additions to the Stanwick Development fund.

The restricted funds comprise the following:

Stanwick Development: Development of a nature reserve and countryside attraction. The fund balance represents the NBV of costs in developing the Visitor Centre and Education Wing have been capitalised as leasehold improvements. This is classified as a restricted fund as the relevant assets are attached to the leasehold land. The transfers relate to fixed assets financed from restricted grants.

Health & Well Being: Providing tailor-made visits for local disadvantaged groups to improve the health and well being of participants.

Trading Places: Training in traditional skills and trades for young unemployed people and providing activities with communities focussed on occupations, lives and changes of the Nene Valley. Trading places also provides activities to Schools based around a local heritage theme.

Tesco Community Fund: Funding for a new pond-dipping platform and play fort.

Awards for All: A project to open up the wet woodland with a boardwalk, interpretation and nature sculptures.

Settlers: A community project to explore, re-create and celebrate the lives of Settlers in the Nene Valley as they travelled, settled and traded over the last 5,000 years

Capital funding: To upgrade the existing central play area with a new addition to the climbing tower.

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

24 Analysis of net assets between funds

| | Unrestricted £ | Designated £ | Restricted £ | Total £ |
|--|-------------------|-----------------|------------------|------------------|
| Fund balances at 31 March 2018 are represented by: | | | | |
| Tangible assets | - | 13,859 | 2,386,162 | 2,400,021 |
| Current assets/(liabilities) | 215,141 | 225,000 | (14,519) | 425,622 |
| Long term liabilities | - | - | (27,387) | (27,387) |
| Defined benefit pension liability | (56,000) | - | - | (56,000) |
| | <u>159,141</u> | <u>238,859</u> | <u>2,344,256</u> | <u>2,742,256</u> |

The Stanwick Operations Fund represents funds set aside for ongoing improvements to the site.

The Fixed Asset Fund represents the net book value of assets held other than those held within the Stanwick Development restricted fund.

25 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Defined benefit schemes

Rockingham Forest Trust is part of the Local Government Pension Scheme (LGPS). This is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008. It is contracted out of the state second pension.

The assets of the scheme are administered by the trustees in a fund independent from the assets of the group. The scheme was closed to new members in 2009/10.

The pension cost and provision for the year ending 31 March 2018 are based on the advice of a professionally qualified actuary. A full actuarial valuation was carried out 31 March 2016.

The contribution made for the year ended 31 March 2018 was £35,000 (2017 - £28,000). The company is continuing to pay at rates advised by the actuary.

Key assumptions

| | 2018 % | 2017 % |
|--|------------|------------|
| Discount rate | | |
| Expected rate of increase of pensions in payment | 2.7 | 2.6 |
| Expected rate of salary increases | 2.4 | 2.4 |
| | <u>2.7</u> | <u>2.7</u> |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

25 Retirement benefit schemes

(Continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

| | 2018 Years | 2017 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 22.1 | 22.1 |
| - Females | 24.2 | 24.2 |
| Retiring in 20 years | | |
| - Males | 23.9 | 23.9 |
| - Females | 26.1 | 26.1 |

Amounts recognised in the profit and loss account:

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Current service cost | 46,000 | 30,000 |
| Net interest on defined benefit liability/(asset) | 1,000 | 3,000 |
| Total costs | 47,000 | 33,000 |

Amounts taken to other recognised gains and losses

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Actual return on scheme assets | (14,000) | (95,000) |
| Less: calculated interest element | 18,000 | 20,000 |
| Return on scheme assets excluding interest income | 4,000 | (75,000) |
| Actuarial changes related to obligations | (17,000) | 47,000 |
| Total costs/(income) | (13,000) | (28,000) |

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Present value of defined benefit obligations | 773,000 | 720,000 |
| Fair value of plan assets | (717,000) | (663,000) |
| Deficit in scheme | 56,000 | 57,000 |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

25 Retirement benefit schemes

(Continued)

Movements in the present value of defined benefit obligations:

| | 2018 £ |
|-----------------------------------|----------------|
| Liabilities at 1 April 2017 | 720,000 |
| Current service cost | 46,000 |
| Benefits paid | (2,000) |
| Contributions from scheme members | 7,000 |
| Actuarial gains and losses | (17,000) |
| Interest cost | 19,000 |
| At 31 March 2018 | <u>773,000</u> |

The defined benefit obligations arise from plans which are wholly unfunded.

Movements in the fair value of plan assets:

| | 2018 £ |
|--|----------------|
| Fair value of assets at 1 April 2017 | 663,000 |
| Interest income | 18,000 |
| Return on plan assets (excluding amounts included in net interest) | (4,000) |
| Benefits paid | (2,000) |
| Contributions by the employer | 35,000 |
| Contributions by scheme members | 7,000 |
| At 31 March 2018 | <u>717,000</u> |

The fair value of plan assets at the reporting period end was as follows:

| | 2018 £ | 2017 £ |
|--------------------|----------------|----------------|
| Equity instruments | 523,410 | 490,620 |
| Debt instruments | 114,720 | 112,710 |
| Property | 57,360 | 46,410 |
| Cash | 21,510 | 13,260 |
| | <u>717,000</u> | <u>663,000</u> |

ROCKINGHAM FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2018 £ | 2017 £ |
|-----------------|-----------|-----------|
| Within one year | 15,148 | 21,922 |

27 Related party transactions

During the year the charity entered into the following transactions with related parties:

During the year Rockingham Forest Trust made sales/charges to RF Trust Enterprises Limited of £1,000 (2017 - £1,000).

During the year Rockingham Forest Trust recharged salary costs to RF Trust Enterprises Limited of £375,803 (2017 - £341,410).

During the year Rockingham Forest Trust received dividends from RF Trust Enterprises Limited of £96,050 (2017 - £138,938).

At the year end the amount owed by RF Trust Enterprises Limited was £217,607 (2017 - £110,722).

No guarantees have been given or received.

28 Cash generated from operations

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| (Deficit)/surplus for the year | (83,657) | 184,156 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (540) | (1,056) |
| Depreciation and impairment of tangible fixed assets | 87,143 | 79,839 |
| Difference between pension charge and cash contributions | 12,000 | 5,000 |
| Movements in working capital: | | |
| (Increase) in stocks | (34) | (6,147) |
| Decrease/(Increase) in debtors | 14,561 | (6,744) |
| (Decrease)/increase in creditors | (50,630) | 72,063 |
| (Decrease)/increase in deferred income | (13,718) | 13,056 |
| Cash (absorbed by)/generated from operations | (34,875) | 340,167 |