

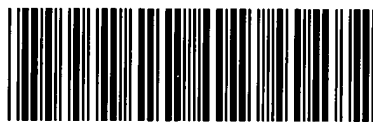
NENE PARK TRUST

(A Company Limited by Guarantee
and not having a Share Capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 January 2018

SATURDAY



A7GZJCNT

A07

20/10/2018

#180

COMPANIES HOUSE

CONTENTS	Page
Comment from the Chairman and Chief Executive	1 - 2
Report of the Board of Trustees	3 - 14
Report of the Auditors	15 - 16
Consolidated Statement of Financial Activities	17
Consolidated and Charity Balance Sheets	18
Consolidated Cash Flow Statement	19
Notes to the Accounts	20 - 32
Acknowledgements	33
Corporate Information	34 - 35

COMMENT FROM THE CHAIRMAN AND CHIEF EXECUTIVE

CHAIRMAN'S STATEMENT

I am delighted to introduce Nene Park Trusts' annual report for 2017/18. It has been a year of transition for the organisation as Trustees, staff, volunteers and our many partners have all embraced the delivery of our new strategy – 'Doing More with More'.

A number of positive trends have continued over the year including the increasing popularity of Nene Park and its many community focussed activities. In 2017/18 we have welcomed 1,853,000 visits to the Park and 74% of those visitors who completed our survey rated their experience as "very good" or "excellent", up from 71% last year. Our Trip Advisor rating is over 90% and most importantly, more than 83% of visitors expressed positive benefit to their health and wellbeing as a result of their visits. Two-thirds of visitors rated the park maintenance as very good or excellent. These figures demonstrate appreciation for the quality of Nene Park and its facilities, how well it is cared for and of course, the increasing numbers of activities that visitors can enjoy.

I am proud to be associated with Nene Park, which has again claimed its crown as one of the most visited and valued recreation sites in the region. I am especially pleased that we continue to enjoy increasing community involvement in the day-to-day operation of the Park including landscape management, education, events, outdoor activities, visitor services, projects and many others. Our volunteers and supporters enable the Park and the Trust to 'punch well above its weight'.

I am sorry to report that during the year, we have experienced more vandalism to our infrastructure. These appalling acts have again galvanised the community in helping us to repair and rebuild both our infrastructure and our faith in human nature. I would personally like to thank all those who have provided support, whatever its size and form.

I would also like to thank my Board of Trustees who have again demonstrated significant commitment to the Park and the Trust, going the extra mile to ensure that the community and visitors from further afield can enjoy the best visitor experience possible – now and in the future.

I am pleased to report that the key financial targets were met in the year and that organisationally, we continue to focus on our long-term financial security by blending as many sustainable income and funding streams as possible. If all goes to plan, we hope to begin work on some new and exciting additions to the Park in the next eighteen months.

During 2018, we will undertake a full review of our Governance arrangements to ensure that we exceed the requirements of the Charity Code of Good Governance and demonstrate to our 'investors' that we are a well-run charity, focused primarily on providing charitable impact.

I am delighted to offer my thanks and the thanks of the Board of Trustees to all our staff, contractors, volunteers, partners, funders and other supporters for their continuing contributions and hard work. Between them, they help to make Nene Park a very special and beneficial place to visit.

Jon Marsden

Chairman

CHIEF EXECUTIVE'S FOREWORD

2018 marks the 30th anniversary of the founding of Nene Park Trust and the 40th anniversary of the official opening of Ferry Meadows. Plans are already well developed to ensure that this important milestone is appropriately and vivaciously celebrated with a series of birthday events planned for the summer of 2018.

2017/18 has been a year of transition and transformation as we have embedded our new organisational structure and begun to deliver the priorities set out in our recently completed suite of strategic documents including our Park Master Plan, our new 10 year Organisational Strategy, "Doing More with More" and our 5 year Business Plan. The spatial and charitable aspirations contained in the Master Plan and Strategy demonstrate how, resources permitting, the Trust intends to address a wide variety of challenges and opportunities for the Park and its communities through a range of key projects and initiatives.

COMMENT FROM THE CHAIRMAN AND CHIEF EXECUTIVE

The new Strategy was formally approved by the Board in April and publicly launched alongside our new Nene Park brand in January 2018. The Strategy sets the direction for the Trust over the next decade and emphasises our focus on delivering our Charitable Objectives (improving the lives of our communities) and in particular, improving health, education, social cohesion, the environment and the local economy.

In order to do 'More with More', we have continued to develop productive partnerships and links with external organisations and groups. For example, locally we actively contribute to the Peterborough City Leadership Forum, Peterborough Nature Partnership, the Natural Cambridgeshire Local Nature Partnership, Peterborough Presents and Peterborough Celebrates. Nationally we participate in the Green Infrastructure Partnership. I am also Chairman of The Parks Alliance (an influential national network representing Parks) and a member of the Government's Parks Action Group.

We have built on the fundraising successes of the previous year and received Landfill Community Fund grants from both the FCC and Augean Community Funds. The Lottery funder, Sport England approved grants to help fund our equipment and infrastructure at Nene Outdoors, and staff of Greenwoods Solicitors voted Nene Park Trust their Charity of the Year and have undertaken a variety of fundraising activities. We are extremely grateful to the various charitable trusts, corporations and individuals who have donated funds during the year and we look forward to working even more closely with funders and sponsors to secure even better spaces for visitors to enjoy.

What impact did we make?

As well as maintaining visitor numbers and improving visitor 'satisfaction', our events programme, from the smaller ranger-led walks to the larger festivals again proved popular with our visitors. Our expanding offer at our outdoor activity and water-sports centre, Nene Outdoors saw large increases in visitors participating in activities. We also ran a hugely successful education programme throughout 2017 with excellent feedback and a record 6,761 children attending educational activities and events, up 75% on the previous year.

Our partners operating in the Park also saw increased participation in activities from golf to fishing, from camping to rowing, from cycling to archery, from memory walks to hot air balloons - and a whole lot more.

Our volunteers play an increasingly important role in supporting the Park and the Trust. The number of volunteer hours completed rose in the year by 48% to just over 8,200, compared to 5,500 last year. As well as the many volunteers who work on conservation tasks, we have a number of Volunteer Rangers, a volunteer Dog Ranger, and volunteers supporting our Visitor Centre, educational and outdoor activities and in our offices. The feedback from our volunteers has demonstrated not only how committed they are to the Park and its future, but the social and health benefits that they receive in return – as well as plentiful tea and biscuits!

Our two year Heritage Lottery funded 'Moments with Trees' project has demonstrated unrivalled impact in its first year. Supported by volunteers, the project has connected with more than 3,500 people and their children around the fascination of trees. The 'branching out programme' is taking the project to schools and the 'native tree trail' is providing enjoyment to everyone who visits Nene Park.

I would like to thank my fantastic team – staff, volunteers and partners for their incredible support through the year – thank you so much.

I very much hope that you enjoy reading the highlights that are set out in this report.

Matthew Bradbury

Chief Executive

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Our achievements in 2017/18

Developing our resources

Developing the Business (including a return to a sustainable financial position)

What did we set out to do?

The success of the Business Plan is dependent upon meeting the key priority of a return to a sustainable financial position. The Trust has therefore prioritised the delivery of those “enabling” projects and activities that will directly contribute to achieving a sustainable financial position by 2019/20. In particular, during 2017/18 we said:

- We will prioritise fundraising and investment that will result in the greatest return for funding our unrestricted revenue costs.
- We will prioritise those activities and resources in the Nene Park Services business plan that will directly enable the trading subsidiary to achieve its financial targets.
- We will prioritise those activities and resources that will directly contribute to the achievement of the financial targets of our watersports and activity centre, Nene Outdoors.
- We will focus on developing our work with schools and corporates to increase revenue outside the peak summer holiday period and we will begin to develop a land-based offer to complement the water based activities at Nene Outdoors.
- We will bring the sports pitches at the newly-acquired Woodlands site in Castor back into use.

What did we do?

- We received HLF funding for our “Moments with Trees” project, which implemented a wide range of events and activities to celebrate the trees of Nene Park, and we have developed a draft submission for a large “Heritage Grants” bid from the Heritage Lottery Fund
- We have launched a corporate partner scheme and our first Corporate Member has been recruited.
- We became Greenwoods Solicitors’ Charity of the Year
- We have established an online giving portal through our website
- The results for the trading subsidiary Nene Park Services Limited have shown an improvement on the previous year, with both sales and gross profit up. The Directors have been encouraged that record sales were achieved in 5 of the 8 months since June
- The shop re-fit at the Information Centre and Gift Shop was completed and a new reception area established at the Centre.
- The shop opening hours have been extended, improved signage and interpretation has been implemented and new stock buying and merchandising policies established.
- We have developed a land-based offer to complement the water-based activities at Nene Outdoors. Two mobile climbing walls have been ordered and are due to start operating from March 2018.
- Our work with schools has not grown as we had hoped for and so this remains a priority for the new year. However, new promotional materials have been distributed to schools and corporates to increase sales at Nene Outdoors outside the peak holiday period.
- Work has continued during the year to bring together a consortium of sports clubs and other interested parties to bring the sports pitches at the Woodlands site in Castor back into use

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Developing the Team

What did we set out to do?

During 2017/18 we said:

- We will invest in personal development following the reorganisation, with particular focus on line managers and those taking on new responsibilities.
- We will undertake a review of Investors In People.
- We will review and further develop the Trust's volunteer action plan growing volunteers across the organisation. We will recruit, train and support volunteers across all service areas with particular attention to Volunteer Rangers, events, the Visitor Centre and Nene Outdoors. We aim to reach a target of 780 volunteer hours in our Visitor Centre in 2017/18.

What did we do?

- A new personal development programme has been established for managers.
- A new performance management system has been launched and performance related pay introduced from February 2018. Performance is to be measured on attitudes and behaviours as well as the achievement of targets.
- A new employee handbook has been launched.
- We have undergone a re-assessment for Investors in People and in February 2018 were delighted to learn that we had retained our Silver accreditation.
- We fell short of our target for the number of volunteer hours worked in our Visitor Centre. However, volunteer action plans have been developed across Trust departments and are now being implemented. These will be formalised as part of our application for the Investors in Volunteers accreditation during 2018.

Developing the Park and the infrastructure

What did we set out to do?

During 2017/18 we said:

- We will work with key partners to develop spatial plans for the Lakeside, Thorpe Meadows and Orton Mere areas.
- We will develop the profile of Nene Park, through the creation of an organisation-wide marketing and communications strategy, new brand identity and a review and re-launch of the Trust's website.
- We will undertake an accommodation review to optimise the use of office space and re-design the Visitor Centre to establish a stronger staff presence and a more efficient and effective Visitor Centre operation.

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.)

YEAR ENDED 31 JANUARY 2018

What did we do?

- Following extensive consultation with the Trust's stakeholders, the Lakeside, Thorpe Meadows and Orton Mere spatial plans have been completed and funding opportunities have been identified.
- A new marketing and communications strategy has been approved and the new brand was launched in January 2018. The Trust's new website is scheduled to be launched in March 2018
- The accommodation review was completed and the offices re-ordered to maximise the use of space and enable the new teams to work more effectively together. The Visitor Centre has been refurbished and the Trust's main reception has been re-located into the heart of the Park.

Growing the Park

Growing funding

What did we set out to do?

During 2017/18 we said:

- We will ensure that our fundraising effort is making a significant contribution towards funding core services and work programmes. We will approach suitable sources for funding our priority projects and programmes that are to be initiated or delivered during 2017/18 and aim to raise a total of £190,000 of voluntary income.

What did we do?

- The "Moments with Trees" project received funding from the Heritage Lottery Fund.
- We have launched a corporate membership package, recruited our first corporate member and been appointed charity of the year by Greenwoods solicitors.
- We established an on-line giving portal through JustGiving.
- We raised over £101,000 towards the cost of funding our core services and work programmes
- We raised over £216,000 in voluntary income.

Building partnerships

What did we set out to do?

During 2017/18 we said:

- We will work with tenants and partners on joint Park activities, events and initiatives.
- We will expand the outdoor education and activity offer to schools and other educational establishments.

What did we do?

- A triathlon and an RNLI 24 hour sailing event have been held at Nene Outdoors. The Christmas Fair returned this year, in partnership with Craft People 2000
- Whilst our targets for the number of school visits to Nene Outdoors have not been achieved this year, improvements have been made to our Forest Schools site. We will be marketing the offer to schools more extensively in 2018.

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) **YEAR ENDED 31 JANUARY 2018**

What is our focus for 2018/19?

The focus for the new year is to begin to deliver the projects identified in our Organisational Strategy, "Doing More with More", our 5 year Business Plan and our recently completed Park Master Plan. Key priorities for the new year are areas as follows:

Developing our resources

Developing the business

- We will continue to prioritise above all else the delivery of those enabling projects and activities that will directly contribute to the Trust reaching a sustainable financial position by 2019/20. In particular, during 2018/19:
 - We will prioritise fundraising and investment that will result in the greatest return for funding unrestricted / core costs, particularly revenue costs, and raise unrestricted grants and donations of £125,000.
 - We will increase the sales of our retail operation, Nene Park Services to achieve a financial break even in 2018/19.
 - We will increase the land and water-based offer at Nene Outdoors, targeting schools and corporate groups to increase income outside the peak summer period and generating additional revenue from the introduction of two new mobile climbing walls
 - We will appraise and begin to deliver opportunities for commercial development and inward investment in the Park. Subject to a business case and the Lakeside spatial plan, we will consider a potential investment in indoor play, clip and climb and other commercial activities as identified in our Park Master Plan.
 - We will generate efficiencies, cost savings and economies of scale, including through partnership and collaboration with other organisations. In particular we will introduce a new system for litter collection and waste management.
- We will bring the Woodlands sports pitches back into use and establish a solution to allow, where possible, sports clubs to take responsibility for the ongoing maintenance of the pitches.
- We will implement the action plans in our marketing and communications strategy including the launch of our new website

Developing the team

- We will develop the effectiveness of the new Management Team through leadership development and embedding collective responsibility.
- We will develop and deliver an action plan to achieve the Investors in Volunteers accreditation standard further embedding volunteering into the Trust ways of working.
- We will work with our volunteers to set up a "Friends of" group to co-ordinate volunteer fundraising initiatives and raise capital and revenue funding for the Trust.
- We will re-establish apprenticeships within the Trust through the Nenescape project and take on two apprentices in the Autumn of 2018.

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Developing the Park and the infrastructure

- We will implement event bookings and on line payments as part of the new website.
- We will develop a plan for the phased introduction of public wi fi in areas of high footfall within Ferry Meadows.
- We will install our first electric charging points in Ferry Meadows car park.
- We will achieve Investors in the Environment Green Accreditation and ensure that we embed processes to continually improve our environmental performance.
- We will complete a Trust-wide access audit and develop an action plan to implement the recommendations.

Growing the Park

Growing funding

- We will continue implementation of the Fundraising Strategy 2017- 2022 with specific focus on:
 - Cultivating recent successes with Landfill Communities Fund distributors to provide income towards priority capital and revenue projects
 - Building membership of our Corporate Supporter scheme amongst local organisations.
 - Developing the means by which individuals can engage in charitable giving, including establishing an appeal programme.
 - Ensuring we are maximising the potential of the Countryside Stewardship and Basic Payment Scheme for our landholdings.
- We will aim to fund our priority projects and programmes that are due to be initiated or delivered during 2018/19, including:
 - Submitting an HLF Heritage Grants funding application
 - Submitting a bid to the Big Lottery to fund a new health and wellbeing project in the Park
 - Funding and sponsorship for Nene Outdoors.

Building partnerships

- We will work with tenants on joint Park activities and events, in particular Lakeside Kitchen & Bar and Peterborough City Rowing Club
- We will work as a team and with external providers to celebrate the 40th anniversary of Ferry Meadows in 2018
- We will work with others to introduce water and land based sporting events at Nene Outdoors, including open water swimming and triathlon

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Our financial story

Financial Review

The Trustees have made a return to a sustainable financial break even position the top priority over the next two years. In 2017/18 the Trust achieved an operating deficit of £144,000. The operating deficit is calculated as follows:

Net expenditure before gains and losses:	£86,000
Transfers to reimburse restricted funds:	£56,000
<i>Total operating deficit:</i>	<i>£144,000</i>

The operating deficit achieved represents a considerable improvement against the budgeted deficit of £303,000 and means that the Trust is currently on target to achieve a return to a sustainable financial break even position by 2019/20.

Group income rose by 4% to £2,651,000 and this was supported by increases in investment income, fundraising income and parking income all in line with the strategy. The Trust's continued investment in fundraising has seen voluntary income rise to a record £216,000 and income from parking charges rose by 12% to £387,000. The Trust's investment portfolio continued to provide the majority of the Trust's income, amounting to 46% of the total income in 2017/18.

Trading income also increased from £58,000 to £68,000 which reflects the Trust's investment in this area. Although a small loss of £10,579 (2017: £13,642) was made by the subsidiary company, Nene Park Services Limited, the Trustees remain satisfied that this will achieve a break even position in 2018/19 and a profit thereafter.

Total expenditure rose by 10% to £2,820,000 largely due to an increased investment in staff following the restructure last year however the trustees expect the benefits of the restructure to be experienced in 2018/19. Additional park management posts have been created to support the effective maintenance of the park and further enhance the visitor experience. This also reflects the Trust's continued investment in future income generation to support the continued sustainability of the Trust, with spend on fundraising increasing from £67,000 in 2016/17 to £138,000 in 2017/18. Despite increased investment in fundraising, the vast majority of the Trust's expenditure was on park management (90% in 2017/18).

The net realised and unrealised gains of £2,086,000 (2017: £4,247,000) reflects the rise in the Stock Market during the period, resulting in a net inflow of Funds of £1,917,000 for the Group. As a result of this and the operational deficit, total group assets increased from £36,737,000 to £38,654,000. A significant part of the Group's assets are either tied up in fixed assets (£5,093,000) integral to the running of the park operations or comprise the Trust's investment portfolio (£31,942,000) which is required to generate returns to support the continued running of the park.

Risk Management

The Trust's Risk Management Strategy incorporates a risk register which identifies the major risks to which the Trust is exposed. The risks are prioritised in terms of potential impact and likelihood of occurrence and steps to manage the risks are identified, including action points to take forward. The risk register is kept under regular review by the Trust's Senior Leadership Team and tabled annually for consideration by the Finance Committee and full Board of Trustees. For the major risks identified the trustees have taken steps to manage these risks.

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Risk Management (continued)

The principal risks have been identified as follows:

- A major accident, incident, disaster or infrastructure failure resulting in a physical risk to our visitors and the risk of reputational damage to the Trust.
- Loss of data as a result of a serious IT failure
- Failure to implement the new GDPR regulations by May 2018
- The risk that the Trust does not achieve its aim to return to a financial break even and to generate more income, particularly unrestricted income from fundraising, and to grow the income of Nene Outdoors and Nene Park Services Ltd to ensure their financial ongoing sustainability.

The Trust already has plans in place to mitigate these risks. As well as an increasing focus on our own Health and Safety resources, a Health and Safety Consultant is retained to advise the Trust on the procedures and practices required to achieve compliance with the wide range of legislation to which the Trust is subject due to the diverse nature of its activities in managing Nene Park.

Reserves

At 31 January 2018 the Group held total reserves of £38,654,000 (2017: £36,737,000) of which £101,000 was restricted (2017: £87,000) and £12,022,000 reflects the permanent endowment (2017: £11,326,000).

The Trustees have designated certain funds to safeguard the assets which are used to generate the income which is essential to fund day to day operating expenditure. A total of £25,449,000 has been designated (2017: £23,941,000), of which £19,158,000 (2017: £17,068,000) relates to the investment fund. The Trust was originally established with the intention of building up a sufficient level of reserves to fund the ongoing maintenance of Nene Park for the 999 years of the Trust's lease. The Trust relies on its investment portfolio to generate the income required to ensure the long term financial sustainability of the charity.

The remaining designated funds support the Trust's policy of seeking to make adequate provision for future liabilities so that funds are available for the replacement and refurbishment of Park buildings and structures, and for future investment in fundraising and ICT infrastructure.

The Trustees longer term aim remains to build up the level of unrestricted funds to help generate the additional income needed to fund the increasing investment in the Park's infrastructure and visitor amenities.

The Trustees' policy on reserves is subject to an annual review by the Finance Committee and approval by the full Board of Trustees. The Trustees have carefully considered the requirement to maintain an appropriate level of free reserves, being those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees have identified the key risks and uncertainties facing the charity and have sought to provide a level of free reserves sufficient to mitigate those risks. In particular:

- The projected operating deficit to be incurred over the next year.
- The risk that operating income targets are not achieved.
- The potential loss of income as a result of the failure of a major tenant's business.
- The failure to achieve fundraising targets.
- Fluctuations in investment income.
- The cash flow requirement necessary to fund the planned operating deficit next year.
- An event having a major negative reputational effect on the charity.

Based on the above assessment, the Trustees have estimated that the level of free reserves required to mitigate against the identifiable risks is approximately £1,106,000 at 31 January 2018, which is represented by the charity's General Fund at the balance sheet date. The Trustees therefore anticipate that the current level of free reserves will be sufficient to cover the risks to which the charity is exposed and also the expected future deficits.

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Investment management

As permitted by the charity's Memorandum of Association, the Trustees have given the investment managers discretion to manage the investment portfolios within an agreed risk profile. The investment managers submit quarterly progress reports which are scrutinised by the Finance Committee. Performance of the investments is also reviewed half-yearly with the Investment Managers with close and regular contact in the interim, allowing the Board to be fully informed of the Fund Managers' thinking and actions.

The Board of Trustees operates an ethical investment policy. The Trust is committed to investing its funds in a socially responsible way and believes that to accord with its values of promoting a healthy lifestyle and clean environment due regard must be made to environmental, social and governance issues.

In making investment decisions the Trust expects its appointed investment managers to observe responsible investment principles and to take into consideration the environmental, social, reputational and governance risk characteristics of existing and prospective investments and to encourage good behaviour through direct engagement with firms. If it comes to the Trust's attention that firms in which the Trust is directly invested are in breach of these principles, the Trust will work with its investment managers to undertake a review of those investments.

The Trustees do not wish directly to profit from, or provide capital to, activities that are materially inconsistent with the charity's aims. Specifically investment managers should exclude any direct portfolio exposure to the following areas:

- Companies in which a major part of their business activity or focus (defined as more than 10% of group revenues) derive from tobacco products.
- Companies whose activities directly result in explicit environmental damage to the local area. Examples of explicit environmental damage would include water, land or air pollution or damage to the specific environmental character of Nene Park. The local area is defined as Nene Park and its catchments.
- Companies specialising in fossil fuels associated with the highest carbon emissions (defined as more than 10% of revenue from the extraction of thermal coal and oil sands).

The Trustees recognise that this policy represents a first step and will continue to work with the Trust's investment managers to refine and develop the policy over time.

The investment aim of the General Investment Fund, a portfolio of equity and fixed interest investment, is to achieve in the longer term the capital growth needed to maintain the real value of reserves and to provide the basis for the income streams which will be needed in the future.

The aims, in order, for the Trust's investments are to:

- ensure the continuity of the Trust by providing it in the future with an income stream sufficient to protect it from falls in its other sources of income and inevitable increases in expenditure;
- ensure that the Trust will be able to meet the costs which will arise in the near and distant future from major repairs and renewals in the Park;
- maintain the real value of the Trust's investments;

During the year ended 31 January 2018, the General Investment Fund achieved a total return of 10.9%, which was better than the FTSE Private Investor Balanced Fund benchmark total return of 8.9%, but slightly below the FTSE All Share benchmark total return of 11.2%.

The Endowment Investment Fund is a permanent endowment which aims to maintain over the longer term a stable income stream in real terms and have the potential for capital growth. The Endowment Investment Fund aims to:

- achieve real growth in the annual income;
- obtain the capital growth necessary to maintain the real value of the endowed sum and to support the real growth in income.

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Investment management (continued)

Income is paid over to the Nene Park Trust as it arises with the Investment Management fees being deducted from the value of the permanent endowment. The Endowment Investment Fund achieved a total return of 10.5% during the year ended 31 January 2018, as compared to the benchmark total return of 10.3%.

Fundraising approach and performance

The Trust undertakes fundraising activity to its supporters via fundraising appeals and sponsored events and email marketing. We are registered with the Fundraising Regulator, adhere to the standards of the Fundraising Code of Practice and have a complaints policy in place to deal with any issues that may arise. No complaints about fundraising activity were received in the year.

The Trust employed an Individual and Corporate Giving Fundraiser during the course of the year, to bring the number of fundraisers employed to two. The Trust's continued investment in fundraising has seen voluntary income rise to a record £216,000, giving a return on investment of 56%. We were pleased that our fundraising success rate was better than anticipated.

Structure, Governance and Management

Objects and Nature of Activities

The objects of the Trust are to provide for the public benefit a park and recreation ground for the inhabitants of Peterborough and visitors with the object of improving the conditions of life for such persons. The trustees have had due regard to the Charity Commission's guidance in relation to public benefit.

Nene Park was originally conceived as an integral element of the Peterborough Development Corporation Masterplan for the expansion of the City of Peterborough, and was consequently created in the late 1970's to provide an accessible network of open space and waterways, and a gateway to the open countryside for the people of Peterborough. As the work of the Peterborough Development Corporation wound down in the mid 1980's, there was a need to ensure that the Park would be managed, on a long term basis, by a secure and financially stable organisation solely dedicated to this task. Consequently Nene Park Trust was established as an independent charity in 1988. Along with a 999 year lease on the Park, the Trust was endowed with commercial properties and other assets to enable the Trust to generate the income required to manage Nene Park.

The 1725 acre Nene Park contains a wide variety of landscapes, buildings, infrastructure and visitor facilities. The Trust directly manages and maintains a 500 acre country park at Ferry Meadows as well as smaller open spaces at Thorpe Meadows and Orton Mere and Woodston Reach. The remainder of the Park comprises the Trust's rural estate stretching along the River Nene as far as Sutton. Nene Park also contains a number of visitor facilities and commercial properties that are managed by tenants and licensees.

The Trust fulfils its objects through the provision of high quality natural landscape, wildlife habitats and visitor amenities for the enjoyment, health and wellbeing of visitors to the Park. The Board of Trustees consider that all of the work undertaken by the Trust is for the benefit of the public. During the 2017 calendar year, it is estimated that over 1.8 million visits were made to Nene Park, of which nearly 1.2 million were to Ferry Meadows Country Park.

Structure

Nene Park Trust is a company limited by guarantee registered in England under number 2288607, incorporated under the Companies Act 2006 and governed by a Memorandum and Articles of Association as prescribed by the Act. The Trust is a registered charity, number 800067.

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Structure (continued)

The charity's wholly owned trading subsidiary, Nene Park Services Limited, is a limited company registered in England under number 09746744. The principal activity of the company is the operation of a shop at the Ferry Meadows Visitor Centre. The Trust holds 65,000 £1 ordinary shares in the company.

On 7 March 2016, the charity established a new trading subsidiary, Nene Outdoors Limited (Company number 10045686). The company did not trade and has remained dormant throughout the year.

Nene Park Trust is the Corporate Trustee of the unincorporated Charity "Endowment held in Connection with Nene Park", registered charity number 1085421, which is governed by a Charity Commission Scheme dated 26 January 2001. The unincorporated Charity was established to accept the transfer of the property of Nene Park Endowment Properties (3963975) to the Corporate Trustee to be managed as a separate charity. Its activity is the investment of that property, held as permanent endowment, to produce income to be used by the beneficiary, Nene Park Trust, in the operation of Nene Park.

The unincorporated charity (no 1085421) is treated as forming part of the incorporated charity (no 800067) for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011 following the issue of a Uniting Direction for accountancy and legal purposes, which was issued on 12 November 2013. The Trustees prepare a single set of financial statements for the whole entity, within which the individual parts are reported separately.

Governance

The work of the Trust is overseen by a Board of Trustees. Members are nominated by a range of national and local institutions and individuals and appointed by the Board of Trustees. A list of the Members of the Board of Trustees and their nominating bodies at the date of this report and those who served during the year to 31 January 2018 is on page 34.

The role of the Board is to develop and agree the Trust's vision, values, master plan and strategy. The Board is responsible for implementing and monitoring the master plan and strategy through the business plan.

The Chairman is elected from within the Board. On joining the Board, new Board Members receive a comprehensive induction on the Trust and Nene Park. This is complemented by an ongoing programme of briefing events and site visits for Board Members, and periodic reviews of the various aspects of the Trust's operation of Nene Park as part of an ongoing cycle of reviews of the Trust's strategic priorities. Regular reports are made to the Board on the Trust's financial progress in relation to agreed budgets, its investments, property matters and operational matters on which it needs to be briefed.

The main Board meets quarterly, with a Finance Committee also meeting quarterly and delegated to ensure the effective financial management of the charity and to report back to each Board meeting.

The Trustees take their obligations seriously and are considering the implications of the Charity Code of Good Governance as part of a wider governance review during 2018 and 2019.

Management

The Chief Executive is responsible to the Board for the management of the Trust and the conduct of the Trust's business in accordance with policies and budgets set by the Board of Trustees. He is responsible for the day to day operation of the Trust within this framework and is authorised to act on behalf of the Trust on all matters other than those which by law are required to be decided by the Board of Trustees. The Chief Executive is supported by a senior leadership team, which during the year consisted of a Head of Operations, Head of Fundraising and Director of Business Services who also acts as Company Secretary. The Trust also engages a number of professional advisers to assist in its work.

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

Pay policy for senior staff

The Board considers that the Trustees and the Senior Leadership Team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses are disclosed in note 5 and related party transactions in note 17 of the accounts. As part of the review of the organisational structure undertaken during 2016/17, all senior staff agreed new job descriptions and received revised terms and conditions of employment. The pay of the senior staff was reviewed as part of an organisational benchmarking exercise undertaken by an independent consultant, which considered the earnings for comparable roles in similar organisations, and was adjusted in accordance with the consultant's recommendations.

Statement of Trustees Responsibilities

The Trustees (who are also the directors of Nene Park Trust for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the Trust for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Board of Trustees is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the members of the Board of Trustees are aware:

- there is no relevant audit information of which the Trust's auditors are unaware; and
- the members of the Board of Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

NENE PARK TRUST

REPORT OF THE BOARD OF TRUSTEES (Contd.) YEAR ENDED 31 JANUARY 2018

In preparing the Report of the Board of Trustees, the Trustees' have taken advantage of the exemption available to small companies and have not prepared a strategic report.

Signed by order of the Board of Trustees



J C Marsden

Chairman

Approved by the Board on 1 May 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF NENE PARK TRUST

Opinion

We have audited the financial statements of Nene Park Trust for the year ended 31 January 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and 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 group's and of the parent charitable company's affairs as at 31 January 2018 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, 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 financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes 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 group's and the parent charitable company'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 group or the parent 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

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

NENE PARK TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF NENE PARK TRUST

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 group's or the parent charitable company'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 Report of the Board of Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Board of Trustees (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Trustees (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees, the Chairman's Statement and the Chief Executive's Foreword.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.



Samantha Coutinho (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors
1 May 2018

10 Queen Street Place
London
EC4R 1AG

NENE PARK TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account) Year ended 31 January 2018

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment £'000	Group 2018 £'000	Group 2017 £'000
Income						
Investment income		1,208	-	-	1,208	1,113
Grants and donations		67	149	-	216	148
Charitable activities						
Income from tenants		591	-	-	591	717
Operating income		568	-	-	568	510
Trading income		68	-	-	68	58
Total Income		2,502	149	-	2,651	2,546
Expenditure						
Costs of raising funds						
Trading cost of sales		78	-	-	78	72
Investment management costs		34	-	39	73	64
Fundraising costs		42	96	-	138	67
Expenditure on charitable activities						
Park management		2,434	97	-	2,531	2,355
Total expenditure	2	2,588	193	39	2,820	2,558
Net (expenditure) / income before investment gains / (losses)		(86)	(44)	(39)	(169)	(12)
Net investment gains / (losses)		1,351	-	735	2,086	4,247
Net income / (expenditure)	5	1,265	(44)	696	1,917	4,235
Transfers		(58)	58	-	-	-
Net movement in funds	5	1,207	14	696	1,917	4,235
Funds brought forward 1 February 2017		25,324	87	11,326	36,737	32,502
Funds carried forward 31 January 2018		26,531	101	12,022	38,654	36,737

The statement of financial activities includes all gains and losses recognised in the year.
All amounts relate to continuing activities. The accompanying notes form part of these financial statements.
Full comparative figures for the year ended 31 January 2017 are shown in note 21

NENE PARK TRUST

CONSOLIDATED AND CHARITY BALANCE SHEETS

As at 31 January 2018

Note	Group £'000	2018 Charity £'000	Group £'000	2017 Charity £'000
	FIXED ASSETS			
7	Tangible assets	5,093	5,093	5,235
8	Investments	31,942	19,895	30,911
		<u>37,035</u>	<u>24,988</u>	<u>36,146</u>
	CURRENT ASSETS			
9	Stocks	11	1	18
10	Debtors	202	284	146
11	Cash at bank and in hand	2,256	2,224	1,185
		<u>2,469</u>	<u>2,509</u>	<u>1,349</u>
	CREDITORS : Amounts falling due within one year	(331)	(322)	(371)
		<u>2,138</u>	<u>2,187</u>	<u>978</u>
	NET CURRENT ASSETS			
		<u>2,138</u>	<u>2,187</u>	<u>978</u>
	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>39,173</u>	<u>27,175</u>	<u>37,124</u>
13	CREDITORS : Amounts falling due after more than one year	(519)	(519)	(387)
		<u>38,654</u>	<u>26,656</u>	<u>36,737</u>
	NET ASSETS			
		<u>38,654</u>	<u>26,656</u>	<u>36,737</u>
14	FUNDS			
	<i>Nene Park Trust</i>			
	Restricted Funds	101	101	87
	Unrestricted Funds			
	General Funds	1,082	1,106	1,383
	Designated Funds	25,449	25,449	23,941
	Endowment Held in Connection with Nene Park			
	Permanent Endowment	12,022	-	11,326
		<u>38,654</u>	<u>26,656</u>	<u>36,737</u>
		<u>38,654</u>	<u>26,656</u>	<u>25,425</u>

Includes revaluation surplus of £7.75m (2017: £6.89m) for the Group and £6.21m (2017: £5.63m) for the Charity. The Trust has taken the exemption available under section 408 of the Companies Act 2006 from presenting the parent charity SOFA. The net income / (expenditure) of the parent charity was £1,231,000 (2017: £3,310,000).

The accounts were approved by the Board of Trustees and authorised for issue on 1 May 2018 and signed on their behalf by:

Mr J C Marsden
Director



Company registration no. 2288607. The accompanying notes form part of these financial statements

NENE PARK TRUST

CONSOLIDATED CASH FLOW STATEMENT Year ended 31 January 2018

	Note	2018 Group £'000	2017 Group £'000
Cash used in operating activities	18	(994)	(705)
Cash flows from investing activities			
Investment income		1,208	1,113
Purchase of investments		(3,287)	(7,567)
Sale of investments		4,306	7,888
Purchase of tangible fixed assets		(209)	(209)
Sale of tangible fixed assets		11	4
Cash provided by (used in) investing activities		2,029	1,229
 Increase in cash and cash equivalents in the year		1,035	524
Cash and cash equivalents at the beginning of the year		1,436	912
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	2,471	1,436

NOTE A: Analysis of cash

	2018 Group £'000	2017 Group £'000
Cash at bank at 31 January	2,256	1,185
Cash at investment managers at 31 January	215	251
	2,471	1,436

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2018

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2017) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Nene Park Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The principal accounting policies, judgements and key sources of estimation uncertainty adopted in the preparation of the financial statements are set out below.

1.2 Consolidation

The financial statements consolidate the results of the charitable company no 800067, the unincorporated charity no 1085421 and the trading subsidiary no 09746744. The individual parts are reported separately as either unrestricted funds, restricted funds or permanent endowment.

1.3 Income

All income is included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises the costs of sales of the trading subsidiary, investment management and fundraising costs
- Expenditure on charitable activities comprises the cost of park management. This includes costs of park staff, visitor services, routine maintenance and conservation.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of the overall direction and administration of each activity is apportioned based on staff time attributable to each activity.

1.5 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 3.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2018

1 ACCOUNTING POLICIES (contd.)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised at cost. Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives as follows:

Buildings : Leasehold	5-40 years on a straight line basis
Freehold	5-40 years on a straight line basis
Plant and Machinery	4% to 20% per annum on a straight line basis
Motor Vehicles	20% per annum on a straight line basis
Office Equipment	25% per annum on a straight line basis

Depreciation is not charged on Assets in the Course of Construction until practical completion.

1.7 Investments

Listed investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Unlisted investments are stated at cost.

1.8 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.9 Creditors and provisions

Creditors and provisions 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Critical accounting judgments and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2018

1 ACCOUNTING POLICIES (contd.)

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

1.13 Stock

Stock consists of purchased good for resale. These are valued on a first in first out basis at the lower of cost and net realisable value.

1.14 Preparation of the accounts on a going concern basis

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern for the foreseeable future.

1.15 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes. General funds also include the investment income earned by the unincorporated Charity "Endowment held in Connection with Nene Park". In the unincorporated charity this is restricted for the benefit of the incorporated charity, however in the incorporated charity and group this income is unrestricted. All amounts received during the year have been applied for this purpose.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Details of each designated fund are given within Note 14 of the accounts.

Restricted Funds relate to grants received for specific purposes.

The **Permanent Endowment Fund** arises from the transfer to the unincorporated Charity of the proceeds of the disposal of the endowed properties by Peterborough City Council. These proceeds are held by the unincorporated Charity as permanent endowment in accordance with the Charity's governing scheme. The costs of managing the investments within the unincorporated Charity are charged against this fund.

1.16 Deferred income

Premiums on long leases have been received, portions of which are being credited to the Statement of Financial Activities over the periods of the leases, on a basis to reflect the diminution in their value.

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.) Year ended 31 January 2018

2 ANALYSIS OF GROUP EXPENDITURE

	Direct costs – Staff	Other direct costs	Depreciation	Support and governance costs	Total 2018	Total 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds						
Costs of sales	19	59	-	-	78	72
Investment management costs	-	73	-	-	73	64
Fundraising costs	77	41	-	20	138	67
Charitable expenditure						
Park management	869	752	341	569	2,531	2,355
	<u>965</u>	<u>925</u>	<u>341</u>	<u>589</u>	<u>2,820</u>	<u>2,558</u>

3 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Staff costs £'000	Other costs £'000	Depre- ciation £'000	Total 2018 £'000	Total 2017 £'000
Support costs					
Office and administration	43	87	5	135	90
Chief Executive and team	130	15	-	145	138
Business Services	177	11	1	189	158
Other organisational costs	-	86	-	86	86
Total support costs	<u>350</u>	<u>199</u>	<u>6</u>	<u>555</u>	<u>472</u>
Governance costs	10	24	-	34	33
Total support & governance costs	<u>360</u>	<u>223</u>	<u>6</u>	<u>589</u>	<u>505</u>

4 STAFF NUMBERS AND COSTS

The average number of employees, analysed by function, (excluding Members of the Board of Trustees) was as follows:

	2018 No.	2017 No.
Park management	35	38
Development team	5	-
Support services and fundraising team	11	8
	<u>51</u>	<u>46</u>

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Year ended 31 January 2018

4 STAFF NUMBERS AND COSTS (continued)

The aggregate payroll costs were as follows:

	2018 £'000	2017 £'000
Wages and salaries	1,110	999
Social Security costs	92	80
Pension costs	108	92
	1,310	1,171
Other staff costs	15	23
	1,325	1,194

The number of employees whose emoluments for the year exceeded £60,000 are within the following bands:

	2018 No.	2017 No.
£60,001 to £70,000		1
£70,001 to £80,000	1	
£90,001 to £100,000	1	1

The key management personnel of the Group comprise the Trustees, who received no remuneration (2017: £nil) and the Senior Leadership Team, comprising the Chief Executive, Director of Business Services, Head of Operations, Head of Fundraising and Development Manager. The total employee benefits of the key management personnel of the Trust were £301,629 (2017: £300,838).

There were no non-contractual payments to staff in the year (£2,000 in 2017)

5 NET INCOME / (EXPENDITURE)

	2018 £'000	2017 £'000
This is stated after charging the following:		
Auditors remuneration	10	10
Non audit services	3	3
Depreciation of tangible fixed assets	347	367
(Profit) / Loss on disposals of tangible fixed assets	(7)	9

Members of the Board of Trustees act in a trustee capacity and therefore may not receive remuneration. During the year expenses for travel and subsistence totalling £3 (2017: £178) were reimbursed to 1 (2017:1) Trustee.

6 TAXATION

The Trust is a registered charity (no. 800067) and is considered to meet the definition in Schedule 6 Finance Act 2010 of a charitable company for UK corporation tax purposes. Therefore the Trust is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or section 256 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.) Year ended 31 January 2018

7 TANGIBLE FIXED ASSETS

Cost	Freehold Land & Buildings £'000	Leasehold Land & Buildings £'000	Plant & Machinery £'000	Motor Vehicles £'000	Office Equipment £'000	Assets in the course of construction £'000	Total £'000
At 1 February 2017	397	5,154	1,309	144	124	33	7,161
Transfers	-	17	7	-	-	(24)	-
Additions	-	83	9	32	-	85	209
Disposals	-	(2)	(7)	(26)	(16)	-	(51)
At 31 January 2018	397	5,252	1,318	150	108	94	7,319
Depreciation							
At 1 February 2017	203	840	649	118	116	-	1,926
Charged in year	11	182	130	18	6	-	347
On disposals	-	-	(5)	(26)	(16)	-	(47)
At 31 January 2018	214	1,022	774	110	106	-	2,226
Net book value							
At 31 January 2018	183	4,230	544	40	2	94	5,093
At 31 January 2017	194	4,314	660	26	8	33	5,235

- 1 The Trust occupies property and buildings known as Nene Park, which is situated in the City of Peterborough, under the provision of a lease between the Trust and the Peterborough Development Corporation dated 23 September 1988. The lease is for a duration of 999 years from 31 March 1988 and includes covenants restricting the use and disposal of property. In view of these restrictive covenants, no value has been put on the lease in these accounts.
- 2 Transfers during the year relate to assets in the course of construction at 1 February 2017 which have since been brought into use during the year.
- 3 All the fixed assets are held for the use of the Group.

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.) Year ended 31 January 2018

	2018		2017	
	Group £'000	Charity £'000	Group £'000	Charity £'000
8 INVESTMENTS				
<i>Listed investments</i>				
Market value at 1 February	30,911	19,532	27,006	16,596
Additions	3,287	1,645	7,567	2,204
Disposals	(4,306)	(2,581)	(7,888)	(2,664)
Net unrealised investment gains / (losses)	2,062	1,396	4,109	3,313
Net realised investment gains / (losses)	24	(45)	138	(31)
Movements in cash held by investment manager	(36)	(117)	(21)	114
Market value at 31 January	31,942	19,830	30,911	19,532
<i>Unlisted investments:</i>				
65,000 £1 shares in trading subsidiary at cost	-	65	-	65
Investments at 31 January	31,942	19,895	30,911	19,597
Historical cost as at 31 January	24,191	13,684	24,022	13,898

Analysis of listed securities at 31 January 2018:

	Group £'000
Fixed Interest securities	3,046
UK Equities	18,081
Global securities	7,244
Property	1,438
Other assets	1,918
Cash held by investment manager	215
	31,942

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.) Year ended 31 January 2018

		2018		2017	
		Group	Charity	Group	Charity
		£'000	£'000	£'000	£'000
9	STOCKS				
	Goods for resale	11	1	18	-
10	DEBTORS				
	Trade debtors	118	118	88	88
	Other debtors	44	44	25	25
	Prepayments	40	40	33	33
	Owed by Endowment Held in Connection with Nene Park	-	80	-	45
	Owed by trading subsidiary	-	2	-	3
		<u>202</u>	<u>284</u>	<u>146</u>	<u>194</u>
11	CASH AT BANK AND IN HAND				
	Deposit Account	2,256	2,224	1,185	1,161
12	CREDITORS: Amounts falling due within one year				
	Other creditors	185	175	210	202
	Other taxation and Social Security	26	26	22	22
	Accruals	41	39	26	23
	Deferred income	79	79	113	113
	Owed to trading subsidiary	-	3	-	15
		<u>331</u>	<u>322</u>	<u>371</u>	<u>375</u>
13	CREDITORS: Amounts falling due after more than one year				
	Deferred Income				
	Premiums on long leases	519	519	387	387
	Included within Creditors:				
	Deferred income at 1 February	500	500	459	459
	Released in year	(116)	(116)	(68)	(68)
	Deferred in year	214	214	109	109
		<u>598</u>	<u>598</u>	<u>500</u>	<u>500</u>
	Deferred income at 31 January				

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.) Year ended 31 January 2018

14 FUNDS

A) Movement in Funds		Balance at 1 February 2017 £'000	Income £'000	Expenditure £'000	Investment Gains/ (Losses) £'000	Transfers £'000	Balance at 31 January 2018 £'000
Unincorporated charity							
Permanent Endowment		11,326	-	(39)	735	-	12,022
Charity							
Restricted Funds	(i)	87	149	(193)	-	58	101
Unrestricted Funds							
<i>Designated Funds</i>							
Tangible Fixed Assets Fund	(ii)	5,235	-	-	-	(142)	5,093
Investment Fund	(iii)	17,068	-	-	-	2,090	19,158
Woodlands	(iv)	129	-	-	-	(4)	125
Maintenance Fund							
Park Works Fund	(v)	1,106	-	-	-	(306)	800
Trust Infrastructure Fund	(vi)	403	-	-	-	(130)	273
Total Designated Funds		23,941	-	-	-	1,508	25,449
<i>General Funds</i>							
Nene Park Services Ltd		(14)	68	(78)	-	-	(24)
General Funds		1,397	2,434	(2,510)	1,351	(1,566)	1,106
Total General Funds		1,383	2,502	(2,588)	1,351	(1,566)	1,082
Total Funds		36,737	2,651	(2,820)	2,086	-	38,654

Full comparative figures for the split of net assets by fund and the movement of funds are shown in the Trust's audited accounts for the year ended 31 January 2017, available from the Charity Commission.

- (i) **Restricted funds** – the net transfer to restricted funds of £58,000 comprises £96,000 of fundraising costs incurred in generating the restricted income but which are not directly recoverable from the funder, less £38,000 of restricted income released to general funds at the year end once the original grant restriction had been satisfied.
- (ii) **Tangible Fixed Assets Fund** – represents the net book value of tangible fixed assets which could only be realised by disposing of the assets the charity requires to operate Nene Park.
- (iii) **Investment Fund** – represents the amount set aside which is required to produce an essential income stream to fund the work of the charity. It remains the Trustees' intention over time to build up this fund to cover the full market value of the General Fund investments
- (iv) **Woodlands Maintenance Fund** – represents the amounts set aside for the potential future demolition costs of the Woodlands Sports Centre building in Castor, in the event of a default by the Trust's tenant of the building. The Fund includes the balance after costs of the Trust's share of the initial premium on the granting of the new lease of the premises.
- (v) **Park Works Fund** – provides the funding to underwrite the estimated costs of replacing or refurbishing specific Park buildings and structures over the next 3 years.

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Year ended 31 January 2018

14 FUNDS (continued)

- (vi) **Trust Infrastructure Fund** – provides the funding to underwrite the estimated investment in fundraising over the next 3 years in order to diversify income streams, and also the likely investment in improving the Trust's ICT infrastructure.

b) Analysis of assets between Funds:

	Tangible Fixed Assets £'000	Investments £'000	Net current Assets £'000	After more Than 1 year £'000	Intra fund balances £'000	Total £'000
Unincorporated charity						
Permanent Endowment Charity	-	12,112	(10)	-	(80)	12,022
Restricted Funds	-	-	6	-	95	101
Unrestricted Funds	5,093	19,830	2,102	(519)	(16)	26,490
Nene Park Services	-	-	40	-	1	41
Total Funds	5,093	31,942	2,138	(519)	-	38,654

15 CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the end of the year was £nil (2017: £nil).

16 PENSION SCHEME

The Trust administers a Group Personal Pension for the benefit of qualifying employees. The funds of the scheme are separate from the Trust. The pension scheme cost charged to the accounts represents the employer's contributions payable to the fund. Contributions made during the year by the employer amounted to £106,838 (2017: £92,239). £13,547 of contributions remained outstanding at the year end (2017: nil).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2018

17 RELATED PARTY TRANSACTIONS

Expenses paid to trustees are disclosed in note 5. £931 (2017: £2,048) was paid to Mrs V Bradbury, who undertook a review of the retail operation at the visitor centre. Mrs Bradbury is the wife of Chief Executive Mr M Bradbury.

Transactions between the charity and members of the group are as follows:

	2018 £'000	2017 £'000
Salaries of shop staff recharged by Nene Park Trust to Nene Park Services Ltd	19	28
Administrative expenses paid by Nene Park Trust on behalf of Nene Park Services Ltd	19	9
	<u>38</u>	<u>37</u>

Amounts owed to and from Nene Park Services are shown in notes 10 and 11.

There were no other related party transactions during the year (2017: nil)

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2018 Group £'000	2017 Group £'000
Net movement in funds	1,917	4,235
Add back depreciation charge	347	367
Deduct investment income shown in investing activities	(1,208)	(1,113)
Deduct gains on investments	(2,086)	(4,247)
(Profit) / Loss on disposal of tangible fixed assets	(7)	9
Increase in debtors	(56)	(31)
Increase in creditors	92	61
Decrease in stock	7	14
Net cash used in operating activities	<u>(994)</u>	<u>(705)</u>

19 CONTINGENT LIABILITY

The Trust received a premium on the granting of a new lease for the Woodlands Sports Centre in Castor. Under the terms of the Trust's head lease, a proportion of the premium (net of costs) is potentially due to the Homes and Communities Agency. The value of the clawback at 31 January 2018 is £25,001 (2017: £25,001).

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Year ended 31 January 2018

20 TRADING SUBSIDIARY

The Trust has a wholly owned trading subsidiary, Nene Park Services Limited (Company number 09746744). The summary results for the year are as follows:

Profit and loss account

	2018 £'000	2017 £'000
Shop sales	68	58
Less: Cost of sales	(40)	(34)
	<u>28</u>	<u>24</u>
Other expenses	(38)	(38)
	<u>(10)</u>	<u>(14)</u>
Loss for the year	<u>—</u>	<u>—</u>

Balance Sheet

	2018 £'000	2017 £'000
Current assets	45	57
Current liabilities	(4)	(6)
Net assets	<u>41</u>	<u>51</u>
Capital and reserves:		
Profit and loss account	(24)	(14)
Share Capital	65	65
	<u>41</u>	<u>51</u>

The Trust also has a wholly owned subsidiary, Nene Outdoors Limited (Company number 10045686) which has remained dormant throughout the year.

NENE PARK TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.) Year ended 31 January 2018

21. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (2017)

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment £'000	Group 2017 £'000
Income				
Investment income	1,113	-	-	1,113
Grants and donations	7	141	-	148
Charitable activities				
Income from tenants	717	-	-	717
Operating income	510	-	-	510
Trading income	58	-	-	58
Total Income	2,405	141	-	2,546
Expenditure				
Costs of raising funds				
Trading cost of sales	72	-	-	72
Investment management costs	36	-	28	64
Fundraising costs	22	45	-	67
Expenditure on charitable activities				
Park management	2,288	67	-	2,355
Total expenditure	2,418	112	28	2,558
Net (expenditure) / income before investment gains / (losses)	(13)	29	(28)	(12)
Net investment gains / (losses)	3,282	-	965	4,247
Net income / (expenditure)	3,269	29	937	4,235
Transfers	(27)	27	-	-
Net movement in funds	3,242	56	937	4,235
Funds brought forward 1 February 2016	22,082	31	10,389	32,502
Funds carried forward 31 January 2017	25,324	87	11,326	36,737

NENE PARK TRUST

ACKNOWLEDGEMENTS

We are grateful for the support received and would particularly like to acknowledge the following:

Statutory sector and other public bodies

Arts Council England
Department of Environment, Food & Rural Affairs
Environment Agency
Natural England
Rural Payments Agency
Forestry Commission
Heritage Lottery Fund
Sport England

Landfill Communities Fund

FCC Community Action Fund
Mick George Community Fund
Augean Community Fund

Business supporters

BGL
The Co-operative Group
Cross Keys Homes
Greenwoods Solicitors
Santander
Viridor

Charitable trusts, non-governmental organisations and individual donors

Chapman Charitable Trust
Ernest Kleinwort Charitable Trust
Fitzwilliam Charitable Trust
Peterborough Bird Club
The Banister Charitable Trust
The Hamelis Trust
The Jack Patston Charitable Trust

And all our individual supporters and volunteers

NENE PARK TRUST

CORPORATE INFORMATION

MEMBERS OF THE BOARD OF TRUSTEES AND THEIR NOMINATING BODIES

NAME	NOMINATING BODY
Mr J C Marsden (Chairman)	Board of Trustees
Dr C Prosser (Deputy Chairman)	Natural England
Dr J Allister	Bishop of Peterborough
Mr S Barkham	Peterborough City Council
Mr T M D Bingham	Board of Trustees
Mr G Casey	Peterborough City Council
Mr M Chillcott	Board of Trustees
Mr T Cooper (from 9 March 2017)	Lord Lieutenant of Cambridgeshire
Prof I D Hodge	Department of Land Economy of the University of Cambridge
Mr S P Leatham DL (to 9 March 2017)	Lord Lieutenant of Cambridgeshire
Mr P Simmons (from 24 July 2017)	Board of Trustees
Mr A Simpson	Royal Town Planning Institute
Mrs J Stokes	Peterborough City Council
Mr M Williams (to 24 July 2017)	The Law Society
Vacant	Royal Institution of Chartered Surveyors

The following nominating bodies are members of the charitable company:

Peterborough City Council

Natural England

Department of Land Economy of the University of Cambridge

MEMBERS OF COMMITTEES

Finance Committee

Dr C Prosser	(Chairman)
Mr G Casey	
Mr S P Leatham DL (to 9 March 2017)	
Mr J C Marsden	
Mr P Simmons (from 24 July 2017)	

CHARITY REGISTRATION NUMBER 800067

COMPANY REGISTRATION NUMBER 2288607

NENE PARK TRUST

CORPORATE INFORMATION (Contd.)

CHIEF EXECUTIVE:	Mr M Bradbury
COMPANY SECRETARY:	Mr P H Rolfe
PRINCIPAL AND REGISTERED OFFICE:	Nene Park Trust Ham Farm House Ham Lane Peterborough PE2 5UU
BANKERS:	Lloyds Bank plc 65 High Street Stamford PE9 2AT
AUDITORS:	haysmacintyre 10 Queen Street Place London EC4R 1AG
INVESTMENT MANAGERS:	Charles Stanley & Co Ltd 25 Luke Street London EC2A 4AR Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
SOLICITORS:	Greenwoods Solicitors LLP Monkstone House City Road Peterborough PE1 1JE
COMMERCIAL AGENTS:	Savills Stuart House City Road Peterborough PE1 1QF
LAND AGENT:	J A B Gresty MA MRICS Ryhall Heath Stamford PE9 4EF