

THE WYE AND USK FOUNDATION

A company limited by guarantee and not having a share capital

Registered Charity No: 1080319

Company No: 3343965

Financial Statements for the Year Ended 31st December 2005

THE WYE AND USK FOUNDATION

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THE WYE AND USK FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Company number	3343965
Charity number	1080319
Status	A company limited by guarantee and not having share capital
Governing instrument	Memorandum and Articles of Association
Trustees/Directors	N J S James Chairman F P G Aldrich-Blake (appointed 12 March 2005) N Brabner C Brain Major J P Darling J Gibbs J Heron A J Norman (appointed 21 May 2005) D Jones Powell C R King-Farlow R Murray A G Pope P Smith M Timmis
Trust C.E.O.	S J Marsh-Smith
Trust Secretary	C R King-Farlow

Registered and Principal Office

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Bankers

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West End
Builth Wells
Powys
LD2 3AH

Lloyds TSB Bank Plc
8 High Town
Hereford
Herefordshire
HR1 2AE

Registered Auditor

Mazars LLP
8 New Fields
2 Stinsford Road
Nuffield
Poole
Dorset
BH17 0NF

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2005

Structure, Governance and Management

Governing document

The trustees, who are also directors for the purpose of the Companies Act, present their report and the financial statements of the charitable company for the year ended 31 December 2005.

The financial statements have been prepared on the basis of the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association and applicable law. The financial statements are presented in the standard format required by The Charities (Accounts and Reports) Regulations 2005 and the Charity Statement of Recommended Practice 2005 (SORP 2005).

Recruitment and appointment of Management Committee

The trustees (who are also the directors of the charitable company) who held office during the accounting period from 1 January 2005 to the date of this report unless otherwise stated were:

N J S James	
F P G Aldrich-Blake	(appointed 12 March 2005)
N Brabner	
C Brain	
Major J P Darling	
J Gibbs	
J Heron	
J C O R H Hopkinson	(retired 12 March 2005)
R E James	(retired 12 March 2005)
A J Norman	(appointed 21 May 2005)
D Jones Powell	
C R King-Farlow	
R Murray	
A G Pope	
D R Shukman	(retired 12 March 2005)
P Smith	
M Timmis	

Appointment of Trustees

The Articles provide -

Any trustee who shall desire to retire shall notify such desire in writing to the secretary and thereupon his name shall be removed from the list of trustees and he shall cease to be a member of the trust but only if there remain at least three other trustees.

At the conclusion of each annual meeting of trustees one quarter or if their number is not three or a multiple of three, the number nearest to one quarter shall retire from office and unless re-elected in accordance with these articles shall on such retirement cease to be members of the trust.

The trustees to retire by rotation shall be those who have been longest in office, but as between those who became or were elected trustee on the same day those to retire shall be chosen (unless they otherwise agree among themselves) by lot.

The re-election of a trustee for a second term of office shall require the approval of a simple majority of trustees but a third or further term of office shall require the approval of a three quarters majority, such majorities are to be calculated by reference to those trustees voting at the relevant meeting.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

Structure, Governance and Management (continued)

Trustee recruitment

The recruitment of trustees is by word of mouth and selection is based on environmental or specific rivers trusts interest with the overriding objective of maintaining a broadly respected body, strong on governance and ability to add value.

Trustee induction and training

Newly appointed trustees receive a letter of appointment including appointment declaration and an induction pack which cover the working of the Trust and the rivers trust movement generally. In addition, trustees are given copies of the charity commissions – The Essential Trustee, what you need to know (CC3) and the Hallmarks of an effective charity.

For ongoing training purposes the trustees have agreed that workshops, presentations by the auditors and the board papers, will maintain standards of governance on an ongoing and timely basis.

Organisational structure

Officers

At 31 December 2005 the principal officers of the Trust were:

Dr S J Marsh-Smith	(Chief Executive Officer)
S C A Evans	(Deputy Executive Officer)
R Littlefair	(Financial Officer)
L Macdonald Ames	(Head of Operations)
S Johnson Marshall	(Marketing Officer)
W Lodge	(Administrative Officer)

Steering Group

The direction and supervision of the work in furtherance of the Foundation's objectives have been delegated to a group comprising representatives of the partnerships in which the Foundation leads. One or more trustees are present on this group and have a final say on all issues involving liability for the Foundation. The steering group manages the various partnership projects which deliver the Foundation's objectives. The trustees are extremely grateful to the members of the steering group for the benefit of a whole range of specialist skills and experience

At the year-end the Steering Group comprised:

Nick Brabner	(Wye and Usk Foundation)
Graham Couchman	(Countryside Council for Wales)
Patrick Darling	(Wye and Usk Foundation)
Chris Dyson	(Countryside Council for Wales)
Simon Evans	(Wye and Usk Foundation)
John Gibbs	(Wye and Usk Foundation)
Peter Gough	(Environment Agency Wales)
Dyfrig Jones	(The Welsh Wildlife Trusts)
Julian Jones	(Radnorshire Wildlife Trust)
Dr Stephen Marsh-Smith	(Wye and Usk Foundation)
Seth Johnson Marshall	(Wye and Usk Foundation)
Charles Morgan	(Brecknock Wildlife trust)
Bill Purvis	(Environment Agency Wales)
Norman Tyler	(Country Landowners Association)
Tom Richards	(Keep Wales Tidy)

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

Structure, Governance and Management (continued)

Related parties

Throughout the year to 31 December 2005, the Foundation has continued working in partnership with the above organisations and their representatives and we take the opportunity to thank them all for their very considerable help and support.

Risks Review

The Trustees regularly review the major risks which the charity faces. Commercial risk is managed on an overall basis as well as on a project by project basis. Risk assessments are properly undertaken and updated, with employees receiving the appropriate training. Our insurance cover is provided by a reputable company and reviewed annually to ensure that levels of cover are adequate for our changing needs.

Objectives and Activities

The objects of the Foundation are: -

To conserve, protect, rehabilitate and improve the salmon and other indigenous species of animal and plant life of the rivers Wye and Usk, their tributaries, streams and watercourses (“the River”) and the banks, riparian lands and catchments of the river (“the River Corridor”) and..

To advance the education of the public in the conservation of rivers, river corridors and their animal and plant life and the need for conservation, protection, rehabilitation and improvement of such environments.

The activities of the Foundation centre on partnership projects to improve riparian habitats, water quality, and improve the status of the animal and plant life of Usk and Wye catchments, which include a number of designated species. The Foundation has its own workforce to deliver these improvements.

Achievements and Performance

Summary of the main achievements during the year

This year, the Foundation has progressed its two main projects pHish (Wye) and UP! (Usk) completing the set targets of both. Time has also been spent in forming new projects which include a Leader + project on the Lugg and Arrow, extensions to pHish and UP! and a bid for the English part of the Wye under the Rural Enterprise Scheme.

Performance achieved against objectives

In respect of pHish and UP!, 2005 was a very successful year with continuation of the acid waters remedial work by liming in the headwaters of Upper Wye and Irfon, plus associated monitoring, and habitat restoration of substantial sections of Wye tributaries: Hirnant, Duhonw, Upper Wye at Rhayader, Cammarch, Cnyffiad, Nantmel Dulas, Hafrenna and Upper Irfon. On the Usk: Grwyne Fawr, Menasgin, Crawnon, Cleisfer, Cynrig, Senni, Trewyryn, Bran, Ysgir Fechan,, Honddu and Rhiangoll. Six fish passes were constructed in time for the 2005 spawning. The Leader + project was approved on December 15 and commenced with a riparian survey. Litter collections have been used to highlight some the problems that our rivers face. The successful marketing of the “Wye and Usk Passport” scheme ensures that the rural economy benefits from the work of the Foundation and will be able to fund the long term maintenance of the river system.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

Achievements and Performance (continued)

Performance achieved against objectives (continued)

Access to 100km of streams and rivers hitherto unavailable is now readily accessible to any interested member of the public. Our annual meeting in October drew an audience of 110 while our winter river walk was again oversubscribed and restricted to about 90 persons who were able to see salmon spawning in both catchments.

Intangible Income

Intangible income was secured from two main sources: Work performed by statutory bodies (who are partners in the projects) for the projects' benefit, but funded internally, such as from Environment Agency Wales, Countryside Council for Wales and Forestry Commission. Also included is the voluntary time costed at appropriate WEFO rates and given for example, by the Wye Ghillies Association and members of the United Usk Fisheries Association.

Investment performance achieved against investment objectives

The Foundation made no investments in 2005.

Financial Review

Brief review of the financial position

The Foundation was extremely well supported by its partners and donors during 2005. Funds deployed in the activities listed above resulted in the highest level of annual spending yet achieved by the Foundation on the projects pHish and UP! Both these projects were designed to meet the objectives and requirements of the European Rural Development Fund, (Objective 2 and transitional zones) under Measure 2 Priority 1, within the Powys Regeneration Partnership area.

Completion of planned expenditure against the strict timescales and targets of an EU project means that in some years there will be a net accumulation of unspent funds, while in others (usually the final year) this will balance out. In 2005, the Foundation spent slightly less than it received, but that is just a temporary fluctuation.

The number of new projects submitted for approval in this year was four with a total projected budget in excess of £1.3 million. A fifth is at an advanced state of planning. This in itself was a substantial achievement on top of the day to day task involved in running the existing projects.

Staff also took part in other river related activities such as advising on committees such as CAMS (catchment abstraction management schemes) for both Usk and Wye, Salmon Action Plan committees and advising in areas that impact on the ecology such as the Wye Navigation committee. As a founder member of ART (Association of Rivers Trusts Registered Charity 1107144) the Foundation has assisted in the further development of other rivers trusts. Our CEO chaired the Welsh Assembly Government's Inland Fisheries Stakeholder Strategy Group.

There is continuing evidence that the Foundation's work is making a significant difference to fish stocks. For the fifth consecutive year, the Environment Agency's fish counter on the Wye at Redbrook has recorded a rise in the number of returning salmon. Wye trout and grayling stocks continue at a very satisfactory level and coarse fish numbers are increasing in the upper Wye. It is too early for any significant changes to occur to Usk fish stocks. The Foundation's Passport scheme exceeded all expectations in 2005 with income more than double that of 2004.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

Financial Review (continued)

Principal funding sources

The principal funding sources for the charitable company are currently by way of income generated from projects submitted under ERDF Objective 2, including the EU contribution and contributions from statutory bodies such as Environment Agency, Countryside Council and Forestry Commission.

Policies

The Foundation's main policy is to make significant improvements to the two rivers through self financing projects which allow local communities to sustain them without continuous support. The Foundation is keen to establish partnerships in all sectors to achieve this end. Associated with this are a number of policies and practices relating to fiscal prudence. The Foundation has written policies relating to Environment, Equal Opportunities, IT, Health and Safety.

Investment power and policy

The Trust Deed confers the powers on the Trustees to invest both the capital and income of the Foundation in any manner as the Trustees in their discretion think fit. The policy is to keep any surplus funds in short term deposits or securities, which can be accessed readily.

The Foundation currently does not have investments that require a detailed review of performance and performance targets. The overriding requirement has been that funds were available for activities in pursuit of our objects.

Reserves Policy

It is the aim of the trustees to generate a level of reserves to carry out the objectives of the Foundation. Due to the nature and urgency with which our funds are applied, this is not always possible. The trustees are satisfied that adequate resources are available to meet all obligations, but they will seek to establish as soon as practicable a level of reserves sufficient to meet cash flow requirements without occasional recourse to overdraft facilities. The actual level of free reserves for the year ended 31 December 2005 is £22,830 (2004: £7,275).

Plans for Future Periods

The Foundation plans to continue managing its main Wye and Usk Projects and has submitted bids for extensions. A successful bid for funding for the project on the Wye tributaries Lugg and Arrow in England enabled the project to start on 15th December and other bids for the main Wye in Herefordshire and the Lugg and Arrow in Radnorshire have all passed initial scrutiny. These will be the main activities for 2006, 2007 and early 2008.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

Responsibilities of the Trustees

Company Law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, for the year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provision

This report of the Trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Auditors

Mazars LLP offer themselves for re-appointment as auditors in accordance with Section 385 of the Companies Act 1985.

Approved by the Trustees and signed on their behalf by:

C R King-Farlow

Trustee

Date: 1 July 2006

THE WYE AND USK FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WYE AND USK FOUNDATION

We have audited the financial statements of the Wye and Usk Foundation for the year ended 31 December 2005 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the Wye and Usk Foundation for the purposes of company law) responsibilities for preparing the trustees' annual report and the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' annual report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read other information contained in the trustees' annual report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THE WYE AND USK FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WYE AND USK FOUNDATION (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2005 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

MAZARS LLP

Chartered Accountants and Registered Auditors

8 New Fields, 2 Stinsford Road

Nuffield

Poole

Dorset

BH17 0NF

Date: 7 August 2006

THE WYE AND USK FOUNDATION

Statement of financial activities (including the income and expenditure account) For the year ended 31 December 2005

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Incoming resources					
Voluntary income - donations		4,005	63,743	67,748	77,511
Intangible income		-	89,808	89,808	32,781
Activities for generating funds:					
Income from trading	2	311	-	311	457
Investment income	3	1,456	-	1,456	463
Income resources from charitable activities	4	27,297	700,028	727,325	590,320
Total incoming resources		<u>33,069</u>	<u>853,579</u>	<u>886,648</u>	<u>701,532</u>
Resources expended					
Cost of generating voluntary income	5	303	3,679	3,982	2,288
Cost of generating funds fundraising trading: cost of goods sold and other costs	6	284	-	284	861
Charitable activities	7	12,605	853,869	866,474	722,222
Governance costs	8	4,322	229	4,551	4,626
Total resources expended		<u>17,514</u>	<u>857,777</u>	<u>875,291</u>	<u>729,997</u>
Net income/(expenditure) in the year before transfers					
Transfer between Funds	17	15,555	(4,198)	11,357	(28,465)
		-	-	-	-
Net movement in funds		<u>15,555</u>	<u>(4,198)</u>	<u>11,357</u>	<u>(28,465)</u>
Funds at 1 January 2005	17	7,275	20,491	27,766	56,231
Funds at 31 December 2005		<u>22,830</u>	<u>16,293</u>	<u>39,123</u>	<u>27,766</u>

All of the group's activities are classed as continuing. Movements on reserves and all recognised gains and losses are shown above.

THE WYE AND USK FOUNDATION

Balance Sheet as at 31st December 2005

	Notes	2005 £	2004 £
Fixed assets			
Furniture and equipment	13	20,094	30,459
Current assets			
Stock	14	25	25
Debtors	15	57,386	28,207
Cash at bank and in hand		1,868	5,339
		<u>59,279</u>	<u>33,571</u>
Creditors: Amounts falling due within one year	16	(40,250)	(36,264)
		<u>19,029</u>	<u>(2,693)</u>
Net current assets/(liabilities)			
		<u>19,029</u>	<u>(2,693)</u>
Net assets		<u>39,123</u>	<u>27,766</u>
Funds			
Unrestricted funds:			
General fund	17	22,830	7,275
Restricted funds	17	16,293	20,491
		<u>39,123</u>	<u>27,766</u>
Total funds	18	<u>39,123</u>	<u>27,766</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Trustees on 1 July 2006

Signed on their behalf by:

N J S James

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31st December 2005

1. Principal accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Gifts in kind

Voluntary income received by way of donations to the charity is included in full in the Statement of Financial Activities when receivable. Gifts in kind are included at market value and as resources expended at the same value when distributed.

1.3 Intangible income

During the year the Foundation received substantial support by way of donated services. The policy regarding this support has changed so that donated services given to projects is recognised as intangible income in the period to which it relates and valued according to accepted project rates. No income is recognised when there is no financial cost borne by a third party.

1.4 Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

In accordance with this policy, legacies are included if and when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

1.5 Grants receivable

Government grants are accrued on a linear basis in line with the expected expenditure profile. Therefore, grant income for a period immediately prior to the year end, where expenditure has been defrayed but not recovered, is accrued for.

1.6 Charitable expenditure and basis of allocation of costs

Comprises those costs incurred by the charity in the delivery of its activities and services to enable the Charity to meet its charitable aims and objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities, over and above a material de-minimis.

1.7 Governance costs

Includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31st December 2005

1.8 Resources expended and basis of allocation of costs

Expenditure on operational programmes is recognised in the period in which it is incurred. Grants payable to partner organisations for projects are included in the Statement of Financial Activities, when approved by the Trustees and agreed with the other organisation.

1.9 Fund-raising costs

These include the salaries, direct expenditure and overhead costs of the staff who promote fund-raising, including events.

1.10 Funds accounting

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in notes 17 and 18 to the accounts.

1.11 Transfers

For funds held on behalf of other organisations, transfers between projects are executed at the fund holders' request, provided adequate justification and supporting evidence is supplied.

For funds held for the Trust, transfers are executed for projects which have been completed, but have a remaining surplus. Transfers only take place with the funders' consent.

1.12 Leasing

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

1.13 Stock

Stock is valued at the lower of cost and net realisable value.

1.14 Fixed Assets

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

	Annual rate
Plant & machinery	25%
Office Equipment	25%
Computer hardware	50%

Equipment purchased under project funds has been written off at the point of purchase in line with the nature of the funding stream. Assets purchased outside projects costing £500 or more are capitalised. All assets are examined annually for potential impairment and any material reductions in value are written down at the year end

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2005

1.15 Irrecoverable Value Added Taxation

Irrecoverable Value Added Taxation is aggregated with the expenditure to which it relates.

2. Income from trading

	Unrestricted £	Restricted £	2005 £	2004 £
Sale of merchandise	<u>311</u>	<u>-</u>	<u>311</u>	<u>457</u>

3. Investment income

	Unrestricted £	Restricted £	2005 £	2004 £
Deposit interest	<u>1,456</u>	<u>-</u>	<u>1,456</u>	<u>463</u>

4. Income resources from charitable activities

	Unrestricted £	Restricted £	2005 £	2004 £
Grants and other income	-	404,843	404,843	374,294
Contribution in kind	-	210,097	210,097	188,317
Fishing schemes	11,417	25,619	37,036	16,050
Contract income	2,083	56,693	58,776	1,918
Miscellaneous	13,797	2,776	16,573	9,741
	<u>27,297</u>	<u>700,028</u>	<u>727,325</u>	<u>590,320</u>

5. Cost of generating voluntary income

	Unrestricted £	Restricted £	Total £	2005 £
Printing	-	1,740	1,740	-
Advertising	292	1,154	1,446	2,288
Website	11	785	796	-
	<u>303</u>	<u>3,679</u>	<u>3,982</u>	<u>2,288</u>

6. Cost of generating funds

	Unrestricted £	Restricted £	Total £	2005 £
Merchandise	<u>284</u>	<u>-</u>	<u>284</u>	<u>861</u>

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2005

7. Charitable activities

	Unrestricted £	Restricted £	Total £	Basis of allocation £
Habitat expenses	415	136,161	136,576	Actual
Habitat staff costs	608	330,786	331,394	Hours
Fishing scheme	3,117	27,080	30,197	Actual
Putchers	-	3,500	3,500	Actual
	<u>4,140</u>	<u>497,527</u>	<u>501,667</u>	
Support costs				
Staff	2,278	141,471	143,749	Hours
Office	3,243	169,020	172,263	Actual
Travel	1,028	31,139	32,167	Actual
Marketing	-	14,712	14,712	Percentage
Financing	1,916	-	1,916	Actual
	<u>12,605</u>	<u>853,869</u>	<u>866,474</u>	

8. Governance costs

	Unrestricted £	Restricted £	Total £	2004 £
Audit and accountancy	3,750	-	3,750	4,075
Trustee support	-	-	-	480
Meeting cost	572	229	801	71
	<u>4,322</u>	<u>229</u>	<u>4,551</u>	<u>4,626</u>

9. Net incoming resources

This is stated after charging:

	2005 £	2004 £
Depreciation of tangible assets	16,906	14,662
Audit	<u>3,750</u>	<u>3,750</u>

10. Indemnity Insurance

The charity does not pay insurance premiums to indemnify trustees and senior staff from any loss arising from the neglect or defaults of directors or staff and any consequent loss.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2005

11. Staff numbers

The average number of staff employed by the charity during the year was as follows (full time equivalent)

	Number 2005	Number 2004
Staff deployed in projects	15	15
Staff deployed in core	1	1
	<u>16</u>	<u>16</u>

No employee earned more than £60,000 per annum (2004 - £50,000).

12. Trustees' Remuneration and Expenses

The Trustees received no remuneration from the charity.

One Trustee received reimbursement for travel costs for attending meetings (2004 – 1).

The Trustees have not acted as agents or made purchases on behalf of the charity during the year.

13. Fixed assets

	Plant, Machinery & Equipment £
Cost	
At 1 st January 2005	59,204
Additions	6,541
At 31 st December 2005	<u>65,745</u>
Depreciation	
At 1 st January 2005	28,745
Charge for the year	16,906
At 31 st December 2005	<u>45,651</u>
Net Book Value	
At 31 st December 2005	<u>20,094</u>
At 31 st December 2004	<u>30,459</u>

14. Stock

	2005 £	2004 £
Stock of goods for resale	<u>25</u>	<u>25</u>

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2005

15. Debtors

	2005 £	2004 £
Trade debtors	27,872	1,292
Grants receivable	19,505	24,376
Other debtors	10,009	2,539
	<u>57,386</u>	<u>28,207</u>

All debts are due within one year.

16. Creditors: Amounts falling due within one year

	2005 £	2004 £
Bank loan and overdraft	17,691	9,294
Trade creditors	629	15,230
Other taxation and Social Security	5,128	7,990
Other creditors	16,802	3,750
	<u>40,250</u>	<u>36,264</u>

17. Funds

	At 1 January 2005 £	Incoming £	Outgoing £	Transfers £	At 31 December 2005 £
<u>Restricted funds</u>					
Wye funds					
- Wye	14,378	69,278	(15,261)	(69,878)	(1,483)
- pHish project	(31,853)	454,164	(503,179)	69,878	(10,990)
- Lugg/Arrow	-	-	(88)	-	(88)
	<u>(17,475)</u>	<u>523,442</u>	<u>(518,528)</u>	<u>-</u>	<u>(12,561)</u>
Usk funds					
- Usk	11,156	63,500	(8,103)	(21,752)	44,801
- UP! O2 project	15,322	125,728	(163,978)	11,252	(11,676)
- UP! Transitional project	11,488	140,909	(167,168)	10,500	(4,271)
	<u>37,966</u>	<u>330,137</u>	<u>(339,249)</u>	<u>-</u>	<u>28,854</u>
Restricted funds	20,491	853,579	(857,777)	-	16,293
General fund	7,275	33,069	(17,514)	-	22,830
Total funds	<u>27,766</u>	<u>886,648</u>	<u>875,291</u>	<u>-</u>	<u>39,123</u>

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2005

17. Funds (continued)

Funding transfers from Restricted Funds arise when either the pre-agreed budget for an item of expenditure is overestimated and thus a small surplus is generated, or when a fund closes whilst holding a balance, and with the assent of the funder, the balance is transferred to the Wye or Usk funds as appropriate to support the other work of the Foundation.

Description of Funds

- Wye fund: this fund receives donations to further the Foundation's objectives in respect of the River Wye. This includes donations from the Wye Salmon Fisheries Owners Association members and was applied mainly via the £1.5 million pHish project. In 2005 an additional reserve fund was commenced within the Wye fund – Lugg and Arrow
- pHish project: this Wye project receives and spends funds against a set of criteria set out in the project document and against preset EU targets. This project receives funding from the Wye fund, the European Union and a number of statutory bodies such as the Environmental Agency. Spending in this project is restricted to the geographical area of the Wye catchment that lies in the Objective 2 zone of south Powys.
- Lugg and Arrow (Leader+): this projects concerns activities within the catchment of these Wye tributaries downstream from their border with Wales to the confluence with the main river. The project gained approval December 2005.
- Usk fund: this fund receives donations that will be used to further the Foundation's objectives in respect of the River Usk. In 2004, this was applied mainly via the £0.9 million UP! Project.
- UP! O2 project: this Usk project receives and spends funds against a set of criteria set out in the project document and against preset EU targets. This project receives funding from the Usk fund, the EU and a number of statutory bodies such as the Environmental Agency. Spending in this project is restricted to the geographical area of the Usk catchment that lies in the Objective 2 zone of south Powys.
- UP! Transitional project: This Usk project receives and spends funds against a set of criteria set out in the project document and against preset EU targets. This project receives funding from the Usk fund, the EU and a number of statutory bodies such as the Environmental Agency. Spending in this project is restricted to the geographical area of the Usk catchment that lies in the Transitional zone of south Powys.

Explanation of funds in deficit:

- The end of year pHish project deficit has been corrected by a transfer from the Wye fund post the balance sheet date. The Wye fund was in receipt of additional funds post year-end which was sufficient to enable the fund to cover the deficit.
- The Lugg/Arrow project is a new project that started in the last month of the year.
- The end of year UP! projects deficit has been corrected by a transfer from the Usk fund post the balance sheet date. The Usk fund was in receipt of additional funds post year-end which was sufficient to enable the fund to cover the deficit.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31st December 2005

18. Analysis of group net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2005	Total Funds 2004
	£	£	£	£
Fund balances at 31 December 2004 as represented by:				
Fixed assets	-	20,094	20,094	30,459
Net current assets / (liabilities)	22,830	(3,801)	19,029	(2,693)
Total net assets	<u>22,830</u>	<u>16,293</u>	<u>39,123</u>	<u>27,766</u>

19. Related Party Transactions

In the year an amount of £1,801 (2004:£3,467) was paid to the Ireland Moor Syndicate in which Dr S Marsh-Smith (CEO) has a 1/8th shareholding for the labour services of their employee.

Also during the year and as part of the Passport scheme amounts of £1,736 (2004:£1,041) and £1,660 (2004: nil) were collected by the Foundation as agent for, and were paid to, Dr S Marsh-Smith and David Jones-Powell (Trustee) for the letting of fishing beats owned by them. Work was done on the beats at costs of £606 and £70. Both lets were conducted under the same rates and conditions as applied to all Foundation lettings.

20. Control

The Charity is controlled by its trustees.