

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 2008

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 N Brabner C Brain A Carter (appointed 23 February 2008) Major P J Darling J Gibbs C R King-Farlow A J Norman G Mawle R Murray A G Pope P Smith M Timmis
Trust C.E.O.	S J Marsh-Smith
Trust Secretary	S J Marsh-Smith

Registered and Principal Office

Dolgarreg
North Road
Builth Wells
Powys
LD2 3DD
Tel: 01982 551520
Fax: 01982 551521
Email: admin@wyeuskfoundation.org

Bankers

National Westminster Bank Plc
West End
Builth Wells
Powys
LD2 3AH

Registered Auditor

Mazars LLP
Clifton Down House
Beaufort Buildings
Clifton
Bristol
BS8 4AN

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008

Structure, Governance and Management

Governing documents

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 2008.

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. They comply with current statutory requirements, including the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities 2005.

The trustees consider that they have complied with their duties under section 4 of the Charities Act 2006 regarding their duties in respect of the public benefit.

The Trustees

The trustees (who are also the directors of the charitable company) who held office during the accounting period from 1 January 2008 to the date of this report unless otherwise stated were:

N J S James
F P G Aldrich-Blake
N Brabner
C Brain
Major P JA Darling
J Gibbs
J Heron (Resigned February 2008)
G Mawle
A J Norman
C R King-Farlow
R Murray
A G Pope
P Smith
M Timmis
A Carter (Appointed February 2008)

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/her name shall be removed from the list of trustees and he/she 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 2008 (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 Commission's – 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 2008 the principal officers of the Trust were:

Dr S J Marsh-Smith	(Chief Executive Officer)
S C A Evans	(Deputy Executive Officer)
R Littlefair	(Finance Officer)
L Macdonald Ames	(Head of Operations)
S Johnson Marshall	(Marketing Officer)
W Lodge	(Administrative Officer)
Allyson Williams	(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, United Usk Fishermen)
Patrick Darling	(Wye and Usk Foundation, Wye Salmon Fishery Owners)
Andrew Peterkin	(Countryside Council for Wales)
Simon Evans	(Wye and Usk Foundation)
John Gibbs	(Wye and Usk Foundation)
Peter Gough	(Environment Agency Wales)
Darylle Hardy	(Radnorshire Wildlife Trust)
Dr Stephen Marsh-Smith	(Wye and Usk Foundation, Chair)
Chris Rees	(Environment Agency Wales)
Norman Tyler	(Country Landowners Association)
Bev Lewis	(Brecknock Wildlife Trust)
Tom Richards	(Keep Wales Tidy)

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Structure, Governance and Management (continued)

Related parties

Throughout the year to 31 December 2008, the Foundation has continued working in partnership with the above representatives and their organisations 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 rivers”) and the banks, riparian lands and catchments of the rivers (“the river corridors”) 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, biodiversity, 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

The Foundation completed the following projects: pHish (Upper Wye), UP! (Usk), Lugg and Arrow, (Radnorshire), achieving overall their set targets. They were audited by WEFO (Welsh European Funding Office, Article 4) and the Wales Audit Office (Article 10) and signed off. The Foundation continued with its Invasive Weeds and Crayfish Projects, and continued to enjoy support from the Tubney Charitable Trust, the Atlantic Salmon Trust, and the Whitley Animal Protection Trust. The Foundation received news of successful bids from the Water Framework Directive fund (EA), National Grid Enhancement funds, Aggregate Sustainable Levy Fund. These projects commenced during the year. A start on the successful bid to the Sita Trust project (Lugg and Arrow) was deferred until spring 2009 to spread out the workload.

Performance achieved against objectives

In respect of completed projects (pHish, Lugg and Arrow and UP!) 2008 heralded the end of the European Regional Development Funds (ERDF) programme. These substantial projects have enabled a range environmental works to be completed such as fish passes, habitat restoration and an original acid waters remedial programme (Wye) plus a novel marketing scheme. With the conclusion of these projects comes the news of a continued improvement in salmon stocks with both the Wye and Usk achieving a rod catch over 1000 for the first time in 20 years.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

The Environment Agency completed, as promised last year, a fish pass on the Monnow thus creating fish access to Wye's second largest tributary. The lengthy lobbying for this has resulted in a new collaboration with the Monnow Fisheries Association to progress habitat restoration on this subcatchment using funds from the National Grid Enhancement Fund. This fund and the Water Framework Directive funding have enabled the Foundation to press ahead with more essential habitat restoration. "Giving up the Weed", the name of WUF's Invasive weed eradication project sprayed the upper most 37km of Giant Hogweed on the main Wye in April and May and had considerable success in location and spraying Japanese Knotweed in the late summer. The white clawed crayfish project continues with eradication of the competitive Signal crayfish and fencing out of stock from streams known to harbour the native species.

The "Wye and Usk Passport" scheme continued to expand. Each year has seen continued growth and it is calculated that the visitor numbers generated by the scheme brought over £1million to the rural economy in 2008. Access to 100 miles of streams and rivers hitherto unavailable is now readily available to any interested member of the public. The Foundation made 9 presentations to various audiences. Our spring river walk, in conjunction with Guardian Hay Festival in May was popular, (but wet) and again our Winter walk was well subscribed and visitors were able to see salmon spawning in both catchments.

Canoe access agreements in both the upper Usk and Wye continued to allow peaceful enjoyment by both parties and the gauges on webcams that allow instant access to water height information enabled visitors to access the river in favourable conditions as well as avoid the many extreme flow events. The Foundation has successfully bid to the Assembly's Splash fund to extend canoe access to the upper Wye above Rhayader and improve access points on the Usk. A steering group of local paddlers and owners continued to give useful guidance in this area. The same fund will pay for the 2009 Passport.

Further bids have been planned to Interreg IV, Life + and the EU Fisheries fund to carry forward the aims of the Foundation in 2009. The Sita project was delayed to accommodate the increased work load generated by the fortuitous funding from the Water Framework Directive.

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, Wales Assembly Government and Countryside Council for Wales. Also included is the voluntary time costed at appropriate WEFO rates and given, for example, by the Lugg and Arrow Fisheries Association and members of the United Usk Fisheries Association.

Investment performance achieved against investment objectives

The Foundation made no investments in 2008.

Financial Review

Brief review of the financial position

The Foundation continued to be extremely well supported by its partners, donors and patrons during 2008. Funds deployed in the activities and projects listed above resulted in a slightly lower level of spending but the extent of activities such as consultations are not best reflected by actual levels of spend. The Foundation was represented in the Strategic Environmental Assessment Steering Group of the Severn Tidal Power investigation, the Severn River Basin Panel of the Water Framework Directive and ministerial "Round Tables" of both England and Wales.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Completion of planned expenditure against the strict timescales and targets of EU and other funded projects 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 2008, the Foundation spent more than it received, but that compensates for the under spend in 2007. Several new projects gained approval in 2008 – The National Grid Enhancement Fund, The Water Framework Directive Fund and the Sita Trust Landfill Fund (Lugg and Arrow).

Day to day tasks included running the existing projects and bidding to replace those projects that are due to be completed in 2008 and 2009. This includes the EU Life + Interreg and Grantscape.

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, Local Fisheries Groups and representing the NGO sector on the Water Framework Directive liaison panel for the Severn River basin district and the Severn Barrage SEA Steering Group.

Stocks of fish continued to show improvements overall. Another wet summer allowed a good run of salmon into the rivers but tested our work schedules! Wye trout and grayling stocks continue at a very satisfactory level and coarse fish numbers are increasing in the upper Wye. Usk stocks of both trout and salmon are encouraging.

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, National Grid Enhancement Fund, WFD and contributions from statutory bodies such as Environment Agency, Countryside and Council for Wales together with contributions from individuals, riparian owners and charitable trusts such as Tubney, Esmee Fairbairn Foundation, Whitley Animal Protection Trust, Atlantic Salmon Trust.

Policies

The Foundation's principal 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 also has written policies relating to Environment, Equal Opportunities, IT, Welsh Language and Health and Safety.

Investment power and policy

The Memorandum and Articles of Association of the Foundation confers 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 2008 is £53,145 (2007: £63,227).

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Public Benefit

It is now a requirement that we explain how we achieve identifiable public benefit from our activities. During 2008, the Foundation achieved significant public benefit with the enhancement of the rural economy as a result of the improved performance of the fisheries of the two rivers. This stems from the riverine improvement projects and our innovative marketing scheme. The Passport scheme attracts visitors in increasing numbers to the area and the system allows an approximate quantification based on the number of angler visits. The environmental works are primarily directed to this end but in addition, the enhanced biodiversity, and improved farming performance may be considered as additional public benefits from our activities.

We consider our efforts to reconcile the difficulties associated with normally opposed river users anglers and canoeists, by setting up user agreements to be a significant public benefit. Results have attracted much acclaim which has resulted from an innovative approach to shared use.

In respect of our second object, educational benefits accrue from the many visits organised throughout the seasons to learn about river restoration and riverine ecology. Our experience in riparian management is freely passed on to any interested party. For example, we conducted in conjunction with the Guardian Hay Literary festival, an instructive river walk to demonstrate the results of our environmental works and explain the many facets of riparian ecology and management.

Plans for Future Periods

The Foundation plans to continue managing its current Wye and Usk Projects, while at the same time continuing to bid for new funding. At the end of 2008, bids had been submitted to the EU Life + fund for a project on the River Irfon. At the planning stage are bid (2) under the landfill tax credit scheme, EU Fisheries Fund. We will continue to work with our partners and welcome the inclusion of the Monnow Fisheries Association.

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.

Provision of information to auditors

The trustees at the time when this trustees' report is approved have confirmed that:

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

- So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- Each trustee has taken all the steps that ought to have been taken as trustees in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information

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:

Signed by C R King-Farlow (Trustee) on 17th June 2009

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 2008 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, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 charity 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985
- the information given in the Trustee's report is consistent with the financial statements

Signed by:

MAZARS LLP

Chartered Accountants and Registered Auditors

Clifton Down House

Beaufort Buildings

Clifton

Bristol

BS8 4AN

on 22nd June 2009

THE WYE AND USK FOUNDATION

Statement of financial activities (including the income and expenditure account) For the year ended 31 December 2008

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2008 £	Total funds 2007 £
Incoming resources					
Voluntary income – donations		8,700	87,922	96,622	77,749
Donated services		81,265	31,042	112,307	192,103
Activities for generating funds:					
Income from trading	2	272	-	272	129
Investment income	3	1,861	-	1,861	1,015
Income resources from charitable activities	4	158,707	341,163	499,870	780,236
Total incoming resources		250,805	460,127	710,932	1,051,232
Resources expended					
Cost of generating voluntary income	5	-	1,175	1,175	1,559
Cost of donated services		81,265	31,042	112,307	192,103
Cost of generating funds					
Fundraising trading: cost of goods sold and other costs	6	919	-	919	540
Charitable activities	7	173,449	443,627	617,076	777,415
Governance costs	8	5,254	377	5,631	7,482
Total resources expended		260,887	476,221	737,108	979,099
Net income/(expenditure) in the year before transfers					
Transfer between Funds	18	(10,082)	(16,094)	(26,176)	72,133
		-	-	-	-
Net movement in funds		(10,082)	(16,094)	(26,176)	72,133
Funds at 1 January 2007	18	63,227	94,614	157,841	85,708
Funds at 31 December 2008		53,145	78,520	131,665	157,841

All of the charitable company'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 2008

	Notes	2008 £	2007 £
Fixed assets			
Furniture and equipment	13	6,393	11,987
Current assets			
Stock	14	25	25
Debtors	15	116,689	124,113
Cash at bank and in hand		24,127	37,489
		140,841	161,627
Creditors: Amounts falling due within one year	16	(15,569)	(15,773)
Net current assets		125,272	145,854
Net assets		131,665	157,841
Funds			
Unrestricted funds:			
General fund	18	53,145	63,227
Restricted funds	18	78,520	94,614
Total funds	19	131,665	157,841

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 17th June 2009.

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 2008

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 2008

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 note 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%
Motor vehicles	25%

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 2008

2. Income from trading

	Unrestricted £	Restricted £	2008 £	2007 £
Sale of merchandise	272	-	272	129

3. Investment income

	Unrestricted £	Restricted £	2008 £	2007 £
Deposit interest	1,861	-	1,861	1,015

4. Income resources from charitable activities

	Unrestricted £	Restricted £	2008 £	2007 £
Grants and other income	20,750	340,657	361,407	663,758
Fishing schemes	124,406	-	124,406	92,903
Contract income	4,702	-	4,702	2,000
Miscellaneous	8,849	506	9,355	21,575
	158,707	341,163	499,870	780,236

5. Cost of generating voluntary income

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Printing	-	-	-	-
Advertising	-	445	445	5
Website	-	730	730	1,554
	-	1,175	1,175	1,559

6. Cost of generating funds

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Merchandise	919	-	919	540

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31st December 2008

7. Charitable activities

	Unrestricted £	Restricted £	2008 Total £	2007 Total £	Basis of allocation £
Habitat expenses	1,494	90,102	91,596	187,838	Actual
Habitat staff costs (inc NI)	2,045	157,040	159,085	165,696	Hours
Fishing scheme	95,955	-	95,955	73,439	Actual
Monitoring	-	10,158	10,158	28,545	Actual
Marketing	3,805	4,713	8,518	54,537	Percentage
Education	-	-	-	-	Actual
	103,299	262,013	365,312	510,055	
Support costs					
Staff costs (inc NI)	34,272	146,022	180,294	182,358	Hours
Premises and office costs	20,415	10,350	30,765	34,124	Actual
Motor and travel	12,334	18,246	30,580	32,445	Actual
Financing	1,729	-	1,729	2,926	Actual
Depreciation	1,400	6,996	8,396	15,507	Actual
	173,449	443,627	617,076	777,415	

8. Governance costs

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Audit and accountancy	4,400	-	4,400	4,385
Legal fees	-	-	-	2,443
Meeting cost	854	377	1,231	654
	5,254	377	5,631	7,482

9. Net incoming resources

This is stated after charging

	2008 £	2007 £
Depreciation of tangible assets	8,394	15,507
Auditors' remuneration – audit services	7,500	7,765
Auditors' remuneration – non audit services	1,300	4,120
Operating lease rentals – property	—	<u>1,850</u>

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2008

10. Indemnity Insurance

The charity pays an insurance premium to indemnify trustees from any loss arising from the neglect or defaults of directors. The premium amounted to £556 (2007 : £536).

11. Staff numbers

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

	Number 2008	Number 2007
Staff deployed in projects	13	16
Staff deployed in central administration	1	1
	14	17

There were no employee's with emoluments above £60,000 (2007: nil)

12. Trustees' Remuneration and Expenses

The Trustees received no remuneration from the charity.

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 2008	89,559
Additions	2,800
At 31st December 2008	92,359
Depreciation	
At 1 st January 2008	77,572
Charge for the year	8,394
At 31st December 2008	85,966
Net Book Value	
At 31st December 2008	6,393
At 31st December 2007	11,987

14. Stock

	2008 £	2007 £
Stock of goods for resale	25	25

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31st December 2008

15. Debtors

	2008	2007
	£	£
Trade debtors	9,756	6,244
Grants receivable	80,504	110,988
Other debtors	7,281	6,881
Prepayments	19,148	-
	116,689	124,113

All debts are due within one year.

16. Creditors: Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	300	390
Other taxation and social security	7,124	6,594
Other creditors	8,145	8,789
	15,569	15,773

17. Operating lease commitments

At 31 December 2008 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2008	2007
	£	£
Expiry date:		
Within 1 year	-	-
Between 2 and 5 years	-	1,850
	-	1,850

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31st December 2008

18. Funds

	At 1 January 2008 £	Incoming £	Outgoing £	Transfers £	At 31 December 2008 £
Restricted Funds					
River Funds					
- Wye	25,071	50,687	(34,078)	(44,879)	(3,199)
- Lugg & Arrow	5,484	34,471	(24,754)	(8,776)	6,425
- Monnow	-	-	(1,705)	-	(1,705)
- Usk	17,619	11,764	(8,089)	(19,599)	1,695
Projects					
- Phish Project	12,692	28,627	(57,430)	17,336	1,225
- National Grid - Wye	-	19,610	(22,765)	-	(3,155)
- RES	(11,512)	-	(2,127)	14,836	1,197
- Leader +	6	(1,227)	2,211	(990)	-
- Hatchery	-	20,000	-	-	20,000
- Radnor	31,415	117,443	(165,150)	18,473	2,181
- LARA	-	-	(26)	-	(26)
- National Grid - Monnow	-	54,080	(21,018)	-	33,062
- UP! O2	10,089	16,471	(44,771)	18,599	388
- UP! Trans	1,025	-	(1,025)	-	-
- National Grid - Usk	-	33,194	(29,724)	-	3,470
- Esmee Fairbairn	2,725	33,500	(37,541)	5,000	3,684
-Tubney	-	20,000	-	-	20,000
- ART	-	21,507	(21,507)	-	-
- RASP	-	-	(2,646)	-	(2,646)
- SPLASH canoe	-	-	(590)	-	(590)
- SPLASH passport	-	-	(3,076)	-	(3,076)
- WFD	-	-	(410)	-	(410)
	94,614	460,127	(476,221)	-	78,520
Unrestricted General Funds	63,227	250,805	(260,887)	-	53,145
Total Funds	157,841	710,932	(737,108)	-	131,665

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31st December 2008

18. 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 River Fund & Projects**, including Lugg and Arrow; Monnow:

This fund receives donations to further the Foundation's objectives in respect of the River Wye and its tributaries. This includes donations from the Wye Salmon Fisheries Owners Association members, patrons and donors who specify restriction to Wye, Lugg and Arrow or Monnow; (Funds to Monnow or Lugg and Arrow are separately restricted) The Atlantic Salmon Trust. Projects within this restriction remain subject to the individual funders constraints as to how and where monies are spent and all are against a preset range of milestones and targets. Projects included are: pHish ERDF O2; Leader +; RES; National Grid (Wye and Monnow) Hatchery Donor.

- **Usk River Funds and Projects:**

This restricted fund accounts for monies given in respect of the river Usk. In 2008 these included the UP! Projects (ERDF Trans and O2) and the National Grid. As above each project has its own preset set restrictions. The fund receives monies from owners, patrons and donors.

- **Usk and Wye River Projects and Funds**

This fund receives project funds and general donations that are spent on activities that improve both river systems. Funders include: The Tubney Charitable Fund, (Project Support) Esmee Fairbairn Foundation (Invasive Weeds Project), Splash for canoe access and Passport; Water Framework Directive; Association of Rivers Trusts, Whitley Animal Trust;

Explanation of funds in deficit:

- The end of year project deficits in Rasp, Splash (2), and WFD were cleared after the year end. The Wye including the Monnow fund was in receipt of additional funds post year-end which were 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 2008

19. Analysis of group net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£	£
Fund balances at 31 December 2008 as represented by:				
Fixed assets	-	6,393	6,393	11,987
Net current assets / (liabilities)	52,805	72,467	125,272	145,854
Total net assets	52,805	78,860	131,665	157,841

20. Related Party Transactions

In the year an amount of £3,103 (2007: £3,388) 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 £5,392 (2007: £5,347) were collected by the WUF as agent for, and were, paid to Dr S Marsh-Smith for the letting of a fishing beat owned by him. Work was done on the beat at a cost of £686 (2007: nil). The letting was conducted under the same rates and conditions as applied to all lettings.

21. Control

The Charity is controlled by its trustees.