

# **THE WYE AND USK FOUNDATION**

A company limited by guarantee and not having a share capital

**Registered Charity No: 1080319**

**Company No: 3343965**



*The* **Wye & Usk Foundation**  
**ACTION FOR FISHERIES**

**Financial Statements for the Year Ended 31<sup>st</sup> December 2009**

# THE WYE AND USK FOUNDATION

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# THE WYE AND USK FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Company number</b>	3343965
<b>Charity number</b>	1080319
<b>Status</b>	A company limited by guarantee and not having share capital
<b>Governing instrument</b>	Memorandum and Articles of Association, 22 June 2007
<b>Trustees/Directors</b>	N J S James                      Chairman F P G Aldrich-Blake N Brabner C Brain A Carter Major P J Darling J Gibbs C R King-Farlow A J Norman G Mawle R Murray A G Pope P Smith M Timmis
<b>Trust C.E.O.</b>	S J Marsh-Smith
<b>Trust Secretary</b>	S J Marsh-Smith

### Registered and Principal Office

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North Road  
Builth Wells  
Powys  
LD2 3DD  
Tel: 01982 551520  
Fax: 01982 551521  
Email: [admin@wyeuskfoundation.org](mailto: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 2009

### 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 2009.

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 2009 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  
G Mawle  
A J Norman  
C R King-Farlow  
R Murray  
A G Pope  
P Smith  
M Timmis  
A Carter

#### 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 2009 (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 2009 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)
Peter Loughran	(Finance 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)
Mark Potter	(Environment Agency Wales)
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 2009 (continued)

### Structure, Governance and Management (continued)

#### Related parties

Throughout the year to 31 December 2009, 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 momentum of our river restoration was continued with two projects funded by the National Grid Enhancement Fund and (via the Environment Agency) Water Framework Directive (WFD) funding. Much of the year was given over to the preparation of future project bids and continuing existing projects and schemes such as our invasive weeds eradication and project on the lower Lugg and Arrow. The Wye and Usk passport continued to expand as did the number of users.

#### Performance achieved against objectives

Both the WFD and National Grid projects were completed in 2009, achieving their targets on time and on budget. These two projects allowed us to target our efforts at a number of sites where existing issues required an urgent remedy, such as the Afon Camddwr where an excessive bank collapse and erosion caused a complete inundation of this spawning stream with silt.

Existing projects continued successfully, notably the invasive weeds eradication scheme where some 43km of the main Wye was treated to eradicate Giant Hogweed. On Lugg and Arrow, the Sita landfill tax funded project commenced field work with the restoration of the Pinsley brook and some actions to reduce farm pollution.

## THE WYE AND USK FOUNDATION

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

We were very pleased to record considerable success with our bids for future funding, with confirmation of bids for work to continue creation of fish passage on the Lugg, Arrow, Garren and Escley; management of diffuse pollution and habitat restoration; and in conjunction with the Monnow Fisheries Association, a separate habitat restoration. In total six projects funded by Defra on the English section of the Wye and its tributaries. In Wales, we were successful with our bid to the EU Fisheries Fund and crowned with success to a €1.8million EU Life + bid to restore the river Irfon.

The Foundation continued to be extremely well supported by its partners, donors and patrons during 2009. Funds deployed in the activities and projects listed above resulted in a slightly higher level of spending but this did not entirely reflect the extent of activities such as consultations and other non revenue generation activities. For example, 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 the Assembly's Water access group.

Staff also took part in other river related activities such as Local Fishery Groups for both Usk and Wye, and advising in areas that impact on the ecology such as the Wye Navigation committee, 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.

Despite all our efforts, stocks of returning salmon were disappointing after 2008's improvements in both Usk and Wye, with the Wye taking the lead again, having ceded it to Usk for most of the last decade. However, this was a pattern that was mirrored across the entire UK. Juvenile fish surveys in both rivers were more encouraging and of particular interest was the return to good salmon densities in the acidified section of the upper Wye. Trout and grayling stocks continue at a very satisfactory level as do coarse fish numbers in the Wye. Usk trout tended to have a disproportionate number of large fish, perhaps pointing to continuing recruitment problems.

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 2009. Access to 100+ miles of streams and rivers hitherto unavailable is now readily available to any interested member of the public. The Foundation made 12 presentations to various audiences. Our spring river walk, in conjunction with Guardian Hay Festival in May was oversubscribed and our winter walk enabled visitors to see salmon spawning, despite November's deluge. Funding for the 2009 Passport was by the Splash fund.

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 extreme flow events. This was funded by the Assembly's Splash fund and an extension to canoe access to the upper Wye above Rhayader and improvements to access points on the Usk were completed in 2009. A steering group of local paddlers and owners continued to give useful guidance in this area. We gave evidence to the Assembly's sustainability committee and sit on the Minister's round table on water access and found the arrangements we had made were cited as exemplars.

#### 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, members of the United Usk Fisheries Association and the Monnow Fisheries Association.

# THE WYE AND USK FOUNDATION

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

### Investment performance achieved against investment objectives

The Foundation made no investments in 2009.

### **Financial Review**

#### Brief review of the financial position

The completion of substantial projects in 2008 and the time lag in acquiring new funding created a funding hiatus. This necessitated the expenditure of much of our reserves. However, the result is we now have secure funding in place for the next few years and can start to replace those funds. It is a measure of our determination that there has been no slackening of effort in the field to continue the task of river restoration and that no staff were made redundant either in the management team or workforce. We are now seeking additional staff.

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 2009, the Foundation spent more than it received. Several projects gained were completed – The National Grid Enhancement Fund and The Water Framework Directive Fund.

#### Principal funding sources

The principal funding sources for the charitable company in 2009 were by way of income generated from projects National Grid Enhancement Fund, FD 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 and Whitley Animal Protection Trust. Earlier notes refer to the Foundations strategy of bidding to EU and other funds to take forward and deliver our charitable objects.

### **Policies**

#### 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 2009 is £10,685 (2008: £53,145).



# **THE WYE AND USK FOUNDATION**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)**

### **Public Benefit**

During 2009 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 continued 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. The agreement was extended on the upper Wye in 2009.

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 and newer Wye and Usk Projects, while at the same time continuing to bid for new funding. At the end of 2009, bids were in hand to be submitted to the Beacons Trust, Biffa landfill Tax and Natural England's Natural Assets. We will continue to work with our partners on all these schemes.

### **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 2006. 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 2009 (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**

The Trustees have prepared this report in accordance with the special provisions of Statutory Instrument 2008/409 under the Companies Act 2006 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: 14 June 2010

# **THE WYE AND USK FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WYE AND USK FOUNDATION**

We have audited the financial statements of The Wye and Usk Foundation for the year ended 31 December 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view 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). This report is made solely for the 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 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.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Trustees' 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 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 charity's circumstances, consistently applied and adequately disclosed.

## THE WYE AND USK FOUNDATION

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

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.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Report is consistent with the financial statements.

Mazars LLP, Chartered Accountants (Statutory auditor)

Michael Stewart (Senior statutory auditor)

Clifton Down House  
Beaufort Buildings  
Clifton  
Bristol  
BS8 4AN

Date: 19 July 2010

## THE WYE AND USK FOUNDATION

### Statement of financial activities (including the income and expenditure account) For the year ended 31 December 2009

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2009 £	Total funds 2008 £
<b>Incoming resources</b>					
Voluntary income – donations		10,815	57,855	68,670	96,622
Donated services		74,707	3,064	77,771	112,307
Activities for generating funds:					
Income from trading	2	178	-	178	272
Investment income	3	840	-	840	1,861
Income resources from charitable activities	4	206,616	368,888	575,504	499,870
<b>Total incoming resources</b>		<b>293,156</b>	<b>429,807</b>	<b>722,963</b>	<b>710,932</b>
<b>Resources expended</b>					
Cost of generating voluntary income	5	2,960	1,059	4,019	1,175
Cost of donated services		74,707	3,064	77,771	112,307
Cost of generating funds					
Fundraising trading: cost of goods sold and other costs	6	679	-	679	919
Charitable activities	7	252,346	463,256	715,602	617,076
Governance costs	8	4,924	365	5,289	5,631
<b>Total resources expended</b>		<b>335,616</b>	<b>467,744</b>	<b>803,360</b>	<b>737,108</b>
<b>Net expenditure in the year being net movement in funds</b>		<b>(42,460)</b>	<b>(37,937)</b>	<b>(80,397)</b>	<b>(26,176)</b>
Funds at 1 January 2008	17	53,145	78,520	131,665	157,841
<b>Funds at 31 December 2009</b>		<b>10,685</b>	<b>40,583</b>	<b>51,268</b>	<b>131,665</b>

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 31<sup>st</sup> December 2009

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Furniture and equipment	13	25,889	6,393
<b>Current assets</b>			
Stock	14	25	25
Debtors	15	150,244	116,689
Cash at bank and in hand		192,911	24,127
		<b>343,180</b>	<b>140,841</b>
<b>Creditors: Amounts falling due within one year</b>	16	<b>(317,801)</b>	<b>(15,569)</b>
<b>Net current assets</b>		<b>25,379</b>	<b>125,272</b>
<b>Net assets</b>		<b>51,268</b>	<b>131,665</b>
<b>Funds</b>			
Unrestricted funds:			
General fund	17	10,685	53,145
Restricted funds	17	40,583	78,520
<b>Total funds</b>	18	<b>51,268</b>	<b>131,665</b>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008).

Approved by the Trustees on 14 June 2010

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 31<sup>st</sup> December 2009

### 1. Principal accounting policies

#### 1.1 Accounting convention

The Financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

#### 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 31<sup>st</sup> December 2009

### 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 17 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 Leases

#### Finance leases

Assets held under finance leases and the related lease obligation are included at the fair value of the leased assets at the inception of the lease. Depreciation on the leased assets is calculated to write off this amount, less the estimated net realisable value, on a straight line basis over the term of the lease.

#### Operating leases

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%



# THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2009

## 1.14 Fixed Assets (continued)

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

## 1.15 Pension Costs

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

## 2. Income from trading

	Unrestricted £	Restricted £	2009 £	2008 £
Sale of merchandise	178	-	178	272

## 3. Investment income

	Unrestricted £	Restricted £	2009 £	2008 £
Deposit interest	840	-	840	1,861

## 4. Income resources from charitable activities

	Unrestricted £	Restricted £	2009 £	2008 £
Grants and other income	14,250	239,554	253,804	361,407
Fishing schemes	154,393	-	154,393	124,406
Contract income	25,504	129,334	154,838	4,702
Miscellaneous	12,469	-	12,469	9,355
	<b>206,616</b>	<b>368,888</b>	<b>575,504</b>	<b>499,870</b>

## 5. Cost of generating voluntary income

	Unrestricted £	Restricted £	2009 Total £	2008 Total £
Printing	-	-	-	-
Advertising	1,750	466	2,216	445
Website	1,210	593	1,803	730
	<b>2,960</b>	<b>1,059</b>	<b>4,019</b>	<b>1,175</b>

## THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2009

### 6. Cost of generating funds

	Unrestricted	Restricted	2009 Total	2008 Total
	£	£	£	£
Merchandise	679	-	679	919

### 7. Charitable activities

	Unrestricted	Restricted	2009 Total	2008 Total	Basis of allocation
	£	£	£	£	
Habitat expenses	6,207	111,011	117,218	91,596	Actual
Habitat staff costs (inc NI)	7,023	158,568	165,591	159,085	Hours
Fishing scheme	124,618	(1)	124,617	95,955	Actual
Monitoring	-	-	-	10,158	Actual
Marketing	-	22,153	22,153	8,518	Percentage
Aggregate costs	-	19,148	19,148	-	Actual
	<b>137,848</b>	<b>310,879</b>	<b>448,727</b>	<b>365,312</b>	
<b>Support costs</b>					
Staff costs (inc NI)	72,979	110,956	183,935	180,294	Hours
Premises and office costs	16,611	13,875	30,486	30,765	Actual
Motor and travel	7,580	19,324	26,904	30,580	Actual
Financing	2,881	-	2,881	1,729	Actual
Depreciation	8,021	8,222	16,243	8,396	Actual
Marketing	6,426	-	6,426		
	<b>252,346</b>	<b>463,256</b>	<b>715,602</b>	<b>617,076</b>	

### 8. Governance costs

	Unrestricted	Restricted	2009 Total	2008 Total
	£	£	£	£
Audit and accountancy	4,115	-	4,115	4,400
Meeting cost	809	365	1,174	1,231
	<b>4,924</b>	<b>365</b>	<b>5,289</b>	<b>5,631</b>

# THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2009

## 9. Net incoming resources

This is stated after charging

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Depreciation of owned tangible assets	13,243	8,394
Depreciation of leased tangible assets	3,000	-
Auditors' remuneration – audit services	7,500	7,500
Auditors' remuneration – non audit services	<u>730</u>	<u>1,300</u>

## 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 £400 (2008 : £556).

## 11. Staff Costs

Staff costs were as follows

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Wages and salaries	319,306	312,940
Social security costs	28,540	26,019
Pension costs	1,680	420
	<b>349,526</b>	<b>339,379</b>

There were no employee's with emoluments above £60,000 (2008: nil)

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

	<b>Number</b>	<b>Number</b>
	<b>2009</b>	<b>2008</b>
Staff deployed in projects	13	13
Staff deployed in central administration	1	1
	<b>14</b>	<b>14</b>

## 12. Trustees' Remuneration and Expenses

The Trustees received no remuneration or expenses from the charity.

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

## THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2009

### 13. Fixed assets

	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	£	£	£
<b>Cost</b>			
At 1 <sup>st</sup> January 2009	39,649	52,710	92,359
Additions	26,093	9,646	35,739
Disposals	(17,315)	(4,070)	(21,385)
<b>At 31<sup>st</sup> December 2009</b>	<b>48,427</b>	<b>58,286</b>	<b>106,713</b>
<b>Depreciation</b>			
At 1 <sup>st</sup> January 2009	37,055	48,911	85,966
Charge for the year	8,868	7,375	16,243
Eliminated on disposals	(17,315)	(4,070)	(21,385)
<b>At 31<sup>st</sup> December 2009</b>	<b>28,608</b>	<b>52,216</b>	<b>80,824</b>
<b>Net Book Value</b>			
<b>At 31<sup>st</sup> December 2009</b>	<b>19,819</b>	<b>6,070</b>	<b>25,889</b>
<b>At 31<sup>st</sup> December 2008</b>	<b>2,594</b>	<b>3,799</b>	<b>6,393</b>

The net book value of motor vehicles of £19,819 (2008 : £2,594) includes an amount of £9,995 (2008 : £nil) in respect of assets held under finance leases.

### 14. Stock

	2009	2008
	£	£
<b>Stock of goods for resale</b>	<b>25</b>	<b>25</b>

### 15. Debtors

	2009	2008
	£	£
Trade debtors	17,393	9,756
Grants receivable	130,618	80,504
Other debtors	2,233	7,281
Prepayments	-	19,148
	<b>150,244</b>	<b>116,689</b>

All debts are due within one year.

## THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2009

### 16. Creditors: Amounts falling due within one year

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Trade creditors	485	300
Obligations under finance leases	6,498	-
Other taxation and social security	10,744	7,124
Pension contributions	3,225	645
Other creditors	9,750	7,500
Grants received in advance	287,099	-
	<b>317,801</b>	<b>15,569</b>

## THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2009

### 17. Funds

	At 1 January 2009 £	Incoming £	Outgoing £	Transfers £	At 31 December 2009 £
<b>Restricted Funds</b>					
<b>River Funds</b>					
- Wye	(3,199)	42,584	(19,148)	(18,473)	1,764
- Lugg & Arrow	6,425	9,384	-	(11,316)	4,493
- Monnow	(1,705)	51	-	1,473	(181)
- Usk	1,695	18,621	-	(11,049)	9,267
<b>Projects</b>					
- Phish Project	1,225	-	(1,132)	-	93
- National Grid - Wye	(3,155)	(370)	(7,024)	10,549	-
- RES	1,197	-	(1,197)	-	-
- Hatchery	20,000	-	-	-	20,000
- Radnor	2,181	-	(1,870)	-	311
- LARA	(26)	30,080	(43,391)	11,316	(2,021)
- National Grid - Monnow	33,062	18,976	(50,125)	(1,913)	-
- UP! O2	388	-	(195)	-	193
- National Grid - Usk	3,470	13,719	(43,292)	26,103	-
- Esmee Fairbairn	3,684	38,564	(36,386)	-	5,862
-Tubney	20,000	-	-	(20,000)	-
- RASP	(2,646)	6,938	(9,402)	3,600	(1,510)
- SPLASH canoe	(590)	33,116	(31,146)	-	1,380
- SPLASH passport	(3,076)	20,000	(21,480)	6,076	1,520
- WFD	(410)	100,000	(101,153)	2,633	1,070
- ART1 - Arrow ART 60	-	5,498	(5,747)	-	(249)
- ART2 - Garren ART 61	-	4,178	(4,260)	-	(82)
- ART3 - Diffuse ART 58	-	920	(1,131)	-	(211)
- ART4 - Escley ART 62	-	324	(933)	-	(609)
- Crayfish	-	12,333	(13,720)	1,000	(387)
- EFF	-	54,662	(53,808)	-	854
- Honddu Monnow	-	20,229	(20,230)	1	-
- WFD2 - MFA	-	-	(177)	-	(177)
- WFD2 - Wye	-	-	(797)	-	(797)
	<b>78,520</b>	<b>429,807</b>	<b>(467,744)</b>	<b>-</b>	<b>40,583</b>
<b>Unrestricted</b> General Funds	53,145	293,156	(335,616)	-	10,685
<b>Total Funds</b>	<b>131,665</b>	<b>722,963</b>	<b>(803,360)</b>	<b>-</b>	<b>51,268</b>

# THE WYE AND USK FOUNDATION

## Notes forming part of the financial statements For the year ended 31<sup>st</sup> December 2009

### 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 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) 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: National Grid (Wye and Monnow) Defra, Whitley Animal Protection Trust, Association of Rivers Trusts.

- **Usk River Funds and Projects:**

This restricted fund accounts for monies given in respect of the river Usk. In 2009 these included 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; Aggregate Sustainable Levy Fund and Association of Rivers Trusts.

#### 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 31<sup>st</sup> December 2009

### 18. Analysis of group net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£	£
Fund balances at 31 December 2009 as represented by:				
Fixed assets	20,165	5,724	25,889	6,393
Net current (liabilities)/assets	(9,480)	34,859	25,379	125,272
<b>Total net assets</b>	<b>10,685</b>	<b>40,583</b>	<b>51,268</b>	<b>131,665</b>

### 29. Related Party Transactions

In the year an amount of £nil (2008: £3,103) 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. Dr S Marsh-Smith sold his holding in the syndicate before the payment was made.

As part of the Passport scheme amounts of £5,752 (2008: £5,392) were collected by the WUF as agent for, and were, paid to Dr S Marsh-Smith for the letting of a fishing boat owned by him. Work was done on the boat at a cost of £1,046 (2008: £686). The letting was conducted under the same rates and conditions as applied to all lettings.

Also in the year £1,263 (2008: £483) was paid to the Caer Beris manor hotel for meeting room hire. This hotel is owned jointly by the Trustee Mr P Smith and his wife.

### 20. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,680 (2008 : £420).

### 21. Control

The Charity is controlled by its trustees.