

# **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 2010**

# 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 30 <sup>th</sup> June 2010
<b>Trustees/Directors</b>	N J S James                      Chairman F P G Aldrich-Blake N Brabner C Brain A Carter (resigned 7 February 2011) 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

### Principal Office

The Coach House  
Llanstephan  
Near Brecon  
LD3 OYR  
Tel: 01982 560357  
Email: [admin@weuskfoundation.org](mailto:admin@weuskfoundation.org)

### Registered Office

Dolgarreg  
North Road  
Builth Wells  
Powys  
LD2 3DD

### Bankers

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

### Statutory 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 2010

### 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 2010.

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 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 2010 to the date of this report unless otherwise stated were:

N J S James  
F P G Aldrich-Blake  
N Brabner  
C Brain  
A Carter (resigned 7 February 2011)  
Major P JA Darling  
J Gibbs  
C R King-Farlow  
G Mawle  
R Murray  
A J Norman  
A G Pope  
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/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 2010 (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 trust 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 2010 the principal officers of the Trust were:

Dr S J Marsh-Smith	(Chief Executive Officer)
S C A Evans	(Deputy Executive Officer)
P Loughran	(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)
Robert Denny	(Monnow Fisheries Association)
Chris Dyson	(Countryside Council for Wales)
Simon Evans	(Wye and Usk Foundation)
John Gibbs	(Wye and Usk Foundation)
Peter Gough	(Environment Agency Wales)
Catrin Grimstead	(Environment Agency Wales)
Darylle Hardy	(Radnorshire Wildlife Trust)
Alan Jones	(Environment Agency)
Dr Stephen Marsh-Smith	(Wye and Usk Foundation, Chair)
Chris Rees	(Environment Agency Wales)
Norman Tyler	(Country Landowners Association)
Bev Lewis	(Brecknock Wildlife Trust)

# THE WYE AND USK FOUNDATION

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

### Structure, Governance and Management (continued)

#### Related parties

Throughout the year to 31 December 2010, 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

Success with bidding in 2009 ensured five new projects commenced in 2010, including a substantial project on the river Irfon (Wye tributary), funded by the EU Life + fund. Existing projects continued successfully, progressing our habitat restoration and fish passage aspirations as well as eradicating invasive weeds and diffuse pollution. Increasingly, activities are driven by the requirements of the Water Framework Directive. The Wye and Usk Passport continued its upward expansion as did the number of users, helped with a new online system.

#### Performance achieved against objectives

The start of five new projects on top of existing schemes has considerably increased outputs. From all the projects, 101km of stream habitat were successfully opened to ascending salmon and trout, 26.6 km of tributary stream was restored; 540km of river surveyed, mapped and uploaded to GIS; 128km of riverbank treated for invasive weeds (Giant Hogweed and Japanese Knotweed). Approximately 35 farms were visited, resulting in measures being put in place to combat diffuse pollution.

# THE WYE AND USK FOUNDATION

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

The Foundation continued to be extremely well supported by its partners, donors and patrons during 2010. Funds deployed in the activities and projects listed resulted in a higher level of spending and direct outputs but this did not entirely reflect the extent of activities such as consultations and other non revenue generating 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.

Despite all our efforts, catches of returning salmon were disappointing in both Usk and Wye. Not for the first time, the annual precipitation in east Wales fell well short of expectations and fish were forced to migrate in the late autumn, evading both capture and recording. Juvenile fish surveys in both rivers were more encouraging. The return to good salmon densities in the acidified section of the upper Wye continued and there was evidence from the Usk that our remedial work was increasing spawning success. Trout and grayling stocks continue at a very satisfactory level as do coarse fish numbers in the Wye. Usk tended to have a disproportionate number of large trout, 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 10 presentations to various audiences. Our spring river walks, in conjunction with Guardian Hay Festival in May was again oversubscribed but both our winter walks were cancelled due to severe frost and snow. Funding for the 2010 Passport was derived from advertising, 'Visit Herefordshire' and the Splash fund.

Canoe access agreements in both the upper Usk and Wye continued to allow 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. 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 the following sources: Work performed by statutory bodies (who are partners in the projects) exclusively for the benefit of the project, but funded internally, such as from Environment Agency Wales, Wales Assembly Government and Countryside Council for Wales. Voluntary time, costed at appropriate Welsh European Funding Office (WEFO) rates and given, for example, by the Lugg and Arrow Fisheries Association; members of the United Usk Fisheries Association; the Monnow Fisheries Association and volunteers who assist with our invasive weeds project and litter picking.

### Investment performance achieved against investment objectives

The Foundation made no investments in 2010.

# THE WYE AND USK FOUNDATION

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

### Financial Review

#### Brief review of the financial position

The arrival of substantive new projects in 2010 has enabled us to reverse the downward trend in reserves of the previous years. We are therefore in a more secure position for the next few years. However, the result is we now have secure funding in place for the next few years and can continue to build reserve funds. Additional staff have been recruited, increasing outputs but placing more responsibility on our administration and management structure.

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 2010, the Foundation spent less than it received.

#### Principal funding sources

The principal funding sources for the charitable company in 2010 were income generated from the projects ISAC, EU Fisheries Fund and ART/Defra funding; contributions from statutory bodies such as Environment Agency, Countryside Council for Wales together with contributions from individuals, riparian owners and charitable trusts such as Esmee Fairbairn Foundation and Whitley Animal Protection Trust. Earlier notes refer to the Foundation's 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 reserves at the year ended 31 December 2010 was £40,895 (2009: £ 10,685).

### Public Benefit

Improved performance of the fisheries of the two rivers coupled with an innovative marketing scheme enables the Foundation to transfer significant benefits to the rural economy. The Passport scheme attracts visitors from both abroad and outside the catchment and the scheme allows a quantification of benefit based on the number of angler visits and at an estimated average spend. The environmental



# **THE WYE AND USK FOUNDATION**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

works are primarily directed to this end; but enhanced biodiversity, and improved farming performance may be considered as additional public benefits from our activities.

Further public benefit accrues from progressing the ecological condition of the rivers towards reaching the required status demanded by both the Habitats and Water Framework Directives.

We consider our continuing efforts to reconcile the difficulties associated with normally opposed river users, anglers and canoeists, by setting up and managing agreements to be a significant public benefit. Our innovative approach to shared use has been welcomed.

In respect of our second object, educational benefits accrue from the many visits, presentations and talks 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, instructive river walks to demonstrate the results of our environmental works and explain the many facets of riparian ecology and management and responded to newly formed rivers trusts seeking help and guidance.

### **Plans for Future Periods**

The Foundation plans to continue managing its current and new Wye and Usk Projects, while at the same time continuing to bid for new funding. At the end of 2010, bids were in hand to be submitted to the Association of Rivers Trust for funding for fish passes, Splash and Environment Wales. We will continue to work with our partners on all these schemes.

### **Responsibilities of the Trustees**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the net income or expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and ensuring that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **THE WYE AND USK FOUNDATION**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

### **Provision of information to auditors**

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

- 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 Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

### **Auditors**

Mazars LLP have signified their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

Approved by the Trustees and signed on their behalf by:

**C R King-Farlow**  
Trustee

Date: 15 June 2011

# 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 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report, including our opinion, has been prepared for and only 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.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at <http://www.frc.org.uk/apb/scope/private.cfm>.

### **Opinion on financial statements**

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 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## THE WYE AND USK FOUNDATION

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

#### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michael Stewart (Senior Statutory Auditor)

for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditors

Clifton Down House  
Beaufort Buildings  
Clifton  
Bristol  
BS8 4AN

Date: 7 July 2011

## THE WYE AND USK FOUNDATION

### Statement of financial activities (including the income and expenditure account) For the year ended 31 December 2010

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2010 £	Total funds 2009 £
<b>Incoming resources</b>					
Voluntary income – donations		22,313	100,055	122,368	68,670
Donated services		81,853	-	81,853	77,771
Activities for generating funds:					
Income from trading	2	133	-	133	178
Investment income	3	545	-	545	840
Income resources from charitable activities	4	218,127	762,252	980,379	575,504
<b>Total incoming resources</b>		<b>322,971</b>	<b>862,307</b>	<b>1,185,278</b>	<b>722,963</b>
<b>Resources expended</b>					
Cost of generating voluntary income	5	694	-	694	4,019
Cost of donated services		81,853	-	81,853	77,771
Cost of generating funds					
Fundraising trading: cost of goods sold and other costs	6	280	-	280	679
Charitable activities	7	202,842	843,465	1,046,307	715,602
Governance costs	8	4,777	339	5,116	5,289
<b>Total resources expended</b>		<b>290,446</b>	<b>843,804</b>	<b>1,134,250</b>	<b>803,360</b>
<b>Net incoming/(outgoing) resources in the year before transfers</b>		<b>32,525</b>	<b>18,503</b>	<b>51,028</b>	<b>(80,397)</b>
Gross transfers between funds		(2,315)	2,315	-	-
<b>Net movement in funds</b>		<b>30,210</b>	<b>20,818</b>	<b>51,028</b>	<b>(80,397)</b>
Funds at 1 January 2010	17	10,685	40,583	51,268	131,665
<b>Funds at 31 December 2010</b>		<b>40,895</b>	<b>61,401</b>	<b>102,296</b>	<b>51,268</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 2010

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Furniture and equipment	13	30,145	25,889
<b>Current assets</b>			
Stock	14	360	25
Debtors	15	172,793	150,244
Cash at bank and in hand		243,030	192,911
		<b>416,183</b>	<b>343,180</b>
<b>Creditors: Amounts falling due within one year</b>	16	<b>(333,284)</b>	<b>(317,801)</b>
<b>Net current assets</b>		<b>82,899</b>	<b>25,379</b>
<b>Total assets less current liabilities</b>		<b>113,044</b>	<b>51,268</b>
<b>Creditors: Amounts falling due after more than one year</b>	17	<b>(10,748)</b>	<b>-</b>
<b>Net assets</b>		<b>102,296</b>	<b>51,268</b>
<b>Funds</b>			
Unrestricted funds:			
General fund	18	40,895	10,685
Restricted funds	18	61,401	40,583
<b>Total funds</b>	19	<b>102,296</b>	<b>51,268</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 15 June 2011

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 2010

### 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' issued in March 2005, 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, which are recognised as intangible income in the period to which they 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 2010

### 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
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 2010

## 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 pays contributions into certain pension funds as stipulated by employees 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 £	2010 £	2009 £
Sale of merchandise	133	-	133	178

## 3. Investment income

	Unrestricted £	Restricted £	2010 £	2009 £
Deposit interest	545	-	545	840

## 4. Income resources from charitable activities

	Unrestricted £	Restricted £	2010 £	2009 £
Grants and contract income	43,506	762,252	805,758	408,642
Fishing schemes	165,210	-	165,210	154,393
Miscellaneous	9,411	-	9,411	12,469
	<b>218,127</b>	<b>762,252</b>	<b>980,379</b>	<b>575,504</b>

## 5. Cost of generating voluntary income

	Unrestricted £	Restricted £	2010 Total £	2009 Total £
Printing	694	-	694	-
Advertising	-	-	-	2,216
Website	-	-	-	1,803
	<b>694</b>	<b>-</b>	<b>694</b>	<b>4,019</b>

## THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2010

### 6. Cost of generating funds

	Unrestricted	Restricted	2010 Total	2009 Total
	£	£	£	£
Merchandise	280	-	280	679

### 7. Charitable activities

	Unrestricted	Restricted	2010 Total	2009 Total	Basis of allocation
	£	£	£	£	
Habitat expenses	2,092	210,198	212,290	117,218	Actual
Habitat staff costs (inc NI)	419	189,423	189,842	165,591	Hours
Fishing scheme	123,835	37,291	161,126	124,617	Actual
Monitoring	-	37,797	37,797	-	Actual
Marketing	23,592	1,943	25,535	22,153	Percentage
Aggregate costs	-	-	-	19,148	Actual
	<b>149,938</b>	<b>476,652</b>	<b>626,590</b>	<b>448,727</b>	
<b>Support costs</b>					
Staff costs (inc NI)	30,596	283,781	314,377	183,935	Hours
Premises and office costs	9,543	41,196	50,739	30,486	Actual
Motor and travel	4,136	36,112	40,248	26,904	Actual
Financing	238	-	238	2,881	Actual
Depreciation	8,391	5,724	14,115	16,243	Actual
Marketing	-	-	-	6,426	
	<b>202,842</b>	<b>843,465</b>	<b>1,046,307</b>	<b>715,602</b>	

### 8. Governance costs

	Unrestricted	Restricted	2010 Total	2009 Total
	£	£	£	£
Audit and accountancy	3,935	-	3,935	4,115
Meeting cost	842	339	1,181	1,174
	<b>4,777</b>	<b>339</b>	<b>5,116</b>	<b>5,289</b>

# THE WYE AND USK FOUNDATION

## Notes forming part of the financial statements For the year ended 31<sup>st</sup> December 2010

### 9. Net incoming resources

This is stated after charging

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Depreciation of owned tangible assets	9,345	13,243
Depreciation of leased tangible assets	4,770	3,000
Auditors' remuneration – audit services	7,870	7,500
Auditors' remuneration – non audit services	<u>-</u>	<u>730</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 £458 (2009: £400)

### 11. Staff Costs

Staff costs were as follows

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	448,939	319,306
Social security costs	43,228	28,540
Pension costs	12,052	1,680
	<b>504,219</b>	<b>349,526</b>

There were no employee's with emoluments above £60,000 (2009: 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>2010</b>	<b>2009</b>
Staff deployed in projects	19	13
Staff deployed in central administration	1	1
	<b>20</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 2010

### 13. Fixed assets

	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	£	£	£
<b>Cost</b>			
At 1 <sup>st</sup> January 2010	48,427	58,286	106,713
Additions	18,371	-	18,371
Disposals	(22,325)	(58,286)	(80,611)
<b>At 31<sup>st</sup> December 2010</b>	<b>44,473</b>	<b>-</b>	<b>44,473</b>
<b>Depreciation</b>			
At 1 <sup>st</sup> January 2010	28,608	52,216	80,824
Charge for the year	8,045	6,070	14,115
Eliminated on disposals	(22,325)	(58,286)	(80,611)
<b>At 31<sup>st</sup> December 2010</b>	<b>14,328</b>	<b>-</b>	<b>14,328</b>
<b>Net Book Value</b>			
<b>At 31<sup>st</sup> December 2010</b>	<b>30,145</b>	<b>-</b>	<b>30,145</b>
<b>At 31<sup>st</sup> December 2009</b>	<b>19,819</b>	<b>6,070</b>	<b>25,889</b>

The net book value of motor vehicles of £30,145 (2009 : £19,819) includes an amount of £16,600 (2009 : £9,995) in respect of assets held under finance leases.

### 14. Stock

	2010	2009
	£	£
<b>Stock of goods for resale</b>	<b>360</b>	<b>25</b>

### 15. Debtors

	2010	2009
	£	£
Trade debtors	37,302	17,393
Grants receivable	127,439	130,618
Other debtors	8,052	2,233
	<b>172,793</b>	<b>150,244</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 2010

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

	2010	2009
	£	£
Trade creditors	8,524	485
Obligations under finance leases	4,458	6,498
Other taxation and social security	12,978	10,744
Pension contributions	8,895	3,225
Other creditors	8,958	9,750
Grants received in advance	289,471	287,099
	<b>333,284</b>	<b>317,801</b>

### 17. Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Obligations under finance leases	10,748	6,498
<b>Amounts due:</b>		
In less than one year	4,458	-
In one – two years	4,458	-
In two – five years	6,290	-
	<b>15,206</b>	<b>-</b>

# THE WYE AND USK FOUNDATION

Notes forming part of the financial statements  
For the year ended 31<sup>st</sup> December 2010

## 18. Funds

	At 1 January 2010 £	Incoming £	Outgoing £	Transfers £	At 31 December 2010 £
<b>Restricted Funds</b>					
<b>River Funds</b>					
- Wye	1,764	35,690	-	(60,820)	(23,366)
- Lugg & Arrow	4,493	16,340	-	(10,209)	10,624
- Monnow	(181)	1,427	-	(47)	1,199
- Usk	9,267	9,718	(5,123)	-	13,862
<b>Projects</b>					
- Phish Project	93	-	(93)	-	-
- Hatchery	20,000	-	(8,970)	(11,030)	-
- Radnor	311	-	(311)	-	-
- LARA	(2,021)	65,493	(75,879)	11,921	(486)
- UP! O2	193	-	(193)	-	-
- Esmee Fairbairn	5,862	40,857	(38,859)	-	7,860
- RASP	(1,510)	8,335	(10,654)	2,319	(1,510)
- SPLASH canoe	1,380	3,397	(12,059)	8,662	1,380
- SPLASH passport	1,520	-	(1,520)	-	-
- WFD	1,070	-	(1,069)	(1)	-
- ART1 - Arrow ART 60	(249)	69,746	(68,034)	(1,712)	(249)
- ART2 - Garren ART 61	(82)	24,407	(23,607)	(800)	(82)
- ART3 - Diffuse ART 58	(211)	24,404	(24,378)	-	(185)
- ART4 - Escley ART 62	(609)	11,382	(10,544)	-	229
- Crayfish	(387)	-	(1,978)	2,365	-
- EFF	854	182,021	(181,743)	-	1,132
- WFD2 - MFA	(177)	44,142	(44,012)	47	-
- WFD2 - Wye	(797)	45,500	(42,216)	(2,487)	-
- ISAC	-	162,657	(161,689)	50,000	50,968
- WFW - FOAL	-	62,613	(64,452)	-	(1,839)
- WFW - 4AS	-	8,449	(7,347)	-	1,102
- HARP	-	3,971	(18,078)	14,107	-
- Putter	-	38,023	(37,291)	-	732
- DSEPP	-	3,735	(3,705)	-	30
	<b>40,583</b>	<b>862,307</b>	<b>(843,804)</b>	<b>2,315</b>	<b>61,401</b>
<b>Unrestricted</b> General Funds	10,685	322,971	(290,446)	(2,315)	40,895
<b>Total Funds</b>	<b>51,268</b>	<b>1,185,278</b>	<b>(1,134,250)</b>	<b>-</b>	<b>102,296</b>

# THE WYE AND USK FOUNDATION

## Notes forming part of the financial statements For the year ended 31<sup>st</sup> December 2010

### 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 another Wye or Usk funds as appropriate.

#### 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 funder's constraints as to how and where monies are spent and all are against a preset range of milestones and targets.

- **Usk River Funds and Projects:**

This restricted fund accounts for monies given in respect of the river Usk. In 2010 these included the National Grid. As above each project has its own preset set of 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; Aggregate Sustainable Levy Fund and Association of Rivers Trusts.

#### Explanation of funds in deficit or surplus:

- The end of year project deficits were cleared after the year end. The Wye fund was in receipt of additional funds post year-end which were sufficient to enable the fund to cover the deficit.
- Surpluses arise due payments in advance such as the ISAC project

## THE WYE AND USK FOUNDATION

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

	Unrestricted Funds	Restricted Funds	Total Funds 2010	Total Funds 2009
	£	£	£	£
Fund balances at 31 December 2010 as represented by:				
Fixed assets	30,145	-	30,145	25,889
Net current assets	10,750	61,401	72,151	25,379
<b>Total net assets</b>	<b>40,895</b>	<b>61,401</b>	<b>102,296</b>	<b>51,268</b>

### 20. Related Party Transactions

As part of the Passport scheme amounts of £2,794 (2009: £5,752) 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 £nil (2009: £1,046). The letting was conducted under the same rates and conditions as applied to all lettings.

In the year £297 (2009: £1,263) 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. £132 (2009: nil) was outstanding at the year end. Sales of £716 (2009: nil) were made to the hotel in 2010.

Also in the year £150 (2009: nil) was paid to the Gliffaes Country house hotel for meeting room hire. This hotel is co-owned by Mr N Brabner. £223 is owing to them at the year end. Sales of £702 were made to hotel in 2010.

### 21. Pension commitments

The charity collects pensionable sums in respect of its employees and pays them to various pension providers. These sums amounted to £12,052 (2009: £1,680).

### 22. Control

The Charity is controlled by its trustees.