

THE WYE AND USK FOUNDATION

A company limited by guarantee and not having a share capital

Registered Charity No: 1080319

Company No: 03343965



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

Financial Statements for the Year Ended 31 December 2012

THE WYE AND USK FOUNDATION

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THE WYE AND USK FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Company number	03343965
Charity number	1080319
Status	A company limited by guarantee and not having share capital
Governing instrument	Memorandum and Articles of Association, 25 October 2011
Trustees/Directors	E Passey Chair R Murray Vice-Chair F P G Aldrich-Blake C Brain Major P J Darling J Gibbs N J S James (resigned 18 June 2012) H R Legge-Bourke (appointed 8 June 2012) G E Linley-Adams (appointed 18 June 2012) P Lloyd C R King-Farlow (resigned 18 June 2012) A J Norman G Mawle P Smith (resigned 18 June 2012) M Timmis K Waters (appointed 23 November 2012)

Trust C.E.O. Dr S J Marsh-Smith

Trust Secretary Dr S J Marsh-Smith

Registered
Dolgarreg
North Road
Builth Wells
LD2 3DD

Principal Office
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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 2012

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 2012.

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 2012 to the date of this report unless otherwise stated were:

E Passey
F P G Aldrich-Blake
C Brain
Major P J Darling
J Gibbs
N J S James (resigned 20 June 2012)
H R Legge-Bourke (appointed 14 December 2012)
G E Linley-Adams (appointed 26 June 2012)
P Lloyd
C R King-Farlow (resigned 20 June 2012)
A J Norman
G Mawle
R Murray
P Smith (resigned 20 June 2012)
M Timmis
K Waters

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 WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

Structure, Governance and Management (continued)

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

Trustee Recruitment

The recruitment of trustees is by word of mouth and self-promotion. 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. There are moves in hand to create a more formalised approach with the creation of a Nominations Committee and a process for advertising for new trustees

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 and information from the auditors will maintain standards of governance on an ongoing and timely basis.

Organisational Structure

Officers At 31 December 2012 the principal officers of the Trust were:

Dr Stephen Marsh-Smith OBE	(Director)
Simon Evans	(Deputy Director)
Seth Johnson-Marshall	(Project Manager)
Peter Loughran	(Finance Officer)
Louis Macdonald-Ames	(Head of Operations)
Tony Norman	(Head of Land use)
Wendy Lodge	(Office Manager)
Tom Richards	(Deputy Head of Operations)
Meyrick Ames	(Senior Habitat Team Leader)
Allyson Williams	(Administration Officer)
Jonathon Pugh	(Habitat Team Leader)
Rich Williams	(Habitat Team Leader)
Rob Powell	(Habitat Team Leader)
Dai Watkins	(Marketing/Project Officer)
Mike Williams	(Catchment Officer)
Peter Powell	(Catchment Officer)
Sarah Woodcock	(Catchment Officer)

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

Structure, Governance and Management (continued)

Hazel Evans	(Education Officer)
Haydn Probert	(Project Officer - GIS)

Consultants: WUF is fortunate to work with the following experts

John Lawson (Water Resources)

Adam Fisher (Fisheries Marketing Consultant)

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:

Chris Bell	(Environment Agency)
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)
Bev Lewis	(Brecknock Wildlife Trust)
Dr Stephen Marsh-Smith	(Wye and Usk Foundation, Chair)
Chris Rees	(Environment Agency Wales)
Norman Tyler	(Country Landowners Association)

Related Parties

Throughout the year to 31 December 2012, 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

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

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

With several substantial projects underway, 2012 was a year in which WUF delivered a very substantial volume of work. The Life+ funded ISAC and the EU fisheries funded Dwyrain Cymru Salar were principal in achieving this. Another substantial project – WHIP2 (Wye Herefordshire Improvement Project) funded by Defra and administered by the Environment Agency commenced in 2012 and enabled a significant effort to improve farm pollution in this county. Our long term schemes to eradicate invasive weeds continued in both Wye and Usk while an enlarged Passport continued to attract local and visiting anglers to the area.

Performance achieved against objectives

All our projects have built in targets and milestones requiring timely achievement. 2012 will be remembered for it's very wet summer, autumn and winter. This proved to be a significant test of logistics in keeping the work programmes going and one in which our workforce excelled. The only area where high water caused any disruption was the construction of fishpasses in larger rivers and it delayed our drain blocking action in the Irfon. Fortunately this gave us a chance to improve fish access in some of the smaller tributaries and action on these was brought forward. A total of 31.8 km of stream was restored and access to a further 110.13km improved for migrating fish. The invasive weed project continues treating and re treating infestations of Giant hogweed and Japanese knotweed. On the Wye, from Glasbury downstream to Courtfield some 116.22 km of main river has been treated while on the Usk, 47km from Crickhowell to Usk. Himalayan balsam has largely been eradicated from the Monnow catchment. WUF has supported volunteers from the Monnow Rivers Association. Trials have been monitored in the management of balsam in sites surrounded by the plant.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

A total of 21 projects were either current, completed or started in 2012 (Please see note 18)

Now in its third year, the annual litter pick continued under the leadership of trustee Tony Norman. The Ithon, Irfon, their tributaries and the main stem of the Wye – a length totalling 125 miles yielded 637 bags of rubbish. This mainly comprised agricultural plastic waste but odd items such as tyres, batteries and even a St Georges flag had also found their way into the river.

Leading on from previous projects that reduced the effect of diffuse farm pollution, two projects started to develop this action further. Funded by Dwr Cymru/Welsh Water (DCWW) on the Olway and lower Usk and by Defra in west Herefordshire, three new members of staff were engaged (one to start in 2013) specifically to engage farmers and develop and implement solutions for these projects. Confidential farm advice specifically related to preventing pollution and improving water quality is given supported with a delegated grant and, if required, assistance with remedial works.

The ISAC Life + project in the Irfon continued with its two principal actions: fencing out the main tributaries and mitigating the effects of acid rain. The latter aspect includes removing trees from the actual stream source, blocking forestry drains and allowing the re-wetting of what were formerly wetland areas within the forest. This is a task more ideally suited to drier conditions! Habitat restoration continued in the Usk funded by the EU fisheries fund, Environment Agency Wales and the Brecon Beacons Trust.

The Foundation continued to be extremely well supported by its partners, donors and patrons during 2012. Funds deployed in the activities and projects described resulted in a high level of spending and direct outputs but this did not entirely reflect the full extent of activities such as consultations and other non revenue generating activities. For example, WUF was represented in the Severn River Basin Panel of the Water Framework Directive, the Assembly's Water access group, and DCWW Independent Environment Advisory panel. 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.

Last year's improvement in salmon stocks seem to have been sustained in 2012. The Wye experienced a revival in the return of the Large Spring salmon in March and April and the wet spring summer and autumn resulted in good catches on both rivers. This uplift in returning adult salmon on Usk and Wye was not copied elsewhere in England and Wales and follows an earlier period of uplifts in juvenile numbers where our projects took place, leading us to conclude our partnership efforts are bringing about real improvements to fish stocks.

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 £1.3million to the rural economy in 2012. Access to 180+ miles of streams, rivers and lakes hitherto unavailable is now readily available to any interested member of the public. The Foundation made 12 presentations to various audiences as far away as Australia! Our spring river walks, in conjunction with Telegraph Hay Festival in May were again oversubscribed but our winter walk was cancelled due to severe flooding. Funding for the 2012 Passport was derived from advertising and commission.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

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 sit on the Minister's round table on water access and are pleased to report the arrangements made are held in high regard.

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 is 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 2012.

Financial Review

Brief review of the financial position

The substantive level of projects in 2012 has enabled us maintain an adequate level of reserve. 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 2012, the Foundation spent less than it received.

Principal funding sources

The principal funding sources for the charitable company in 2012 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

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

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 (uncommitted to projects) reserves at the year ended 31 December 2012 was £61,808 (2011: £30,231).

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 an estimated average expenditure. The environmental 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 and the maintenance of the Ecosystem Services that healthy rivers provide.

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 Telegraph 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.

A specific project Reach is in place that seeks to educate school children, especially those of the farming community on how streams can be best managed to ensure a long term good quality environment. Hazel Evans, a fully qualified teacher is delivering this project.

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 2012, bids were being developed to

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

submit to Heritage Lottery, EU Fisheries Fund. We will continue to work with our current and new 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.

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).

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

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:

R Murray
Trustee

Date:

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 2012 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2012 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.

Richard Bott (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:

THE WYE AND USK FOUNDATION

Statement of Financial Activities (including the income and expenditure account) For the year ended 31 December 2012

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2012 £	Total funds 2011 £
Incoming resources					
Voluntary income – donations		11,067	69,476	80,543	79,486
Donated services		85,910	-	85,910	95,884
Activities for generating funds:					
Income from trading	2	73	-	73	21
Investment income	3	5,692	-	5,692	2,321
Income resources from charitable activities	4	370,951	926,923	1,297,874	1,314,546
Total incoming resources		473,693	996,399	1,470,092	1,492,258
Resources expended					
Cost of generating voluntary income	5	180	-	180	-
Cost of donated services		85,910	-	85,910	95,884
Cost of generating funds					
Fundraising trading: cost of goods sold and other costs	6	78	-	78	-
Charitable activities	7	351,305	841,761	1,193,066	1,289,077
Governance costs	8	4,643	-	4,643	5,568
Total resources expended		442,116	841,761	1,283,877	1,390,529
Net incoming/(outgoing) resources in the year before transfers		31,577	154,638	186,215	101,729
Gross transfers between funds		-	-	-	-
Net movement in funds					101,729
Funds at 1 January 2012	18	30,231	173,794	204,025	102,296
Funds at 31 December 2012		61,808	328,432	390,240	204,025

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

(Company Number – 03343965)

Balance Sheet

As at 31 December 2012

	Notes	2012 £	2011 £
Fixed assets			
Furniture and equipment	13	14,611	32,696
Current assets			
Stock	14	360	360
Debtors	15	108,034	126,645
Cash at bank and in hand		370,067	190,502
		478,461	317,507
Creditors: Amounts falling due within one year	16	(100,256)	(139,889)
Net current assets		378,205	177,618
Total assets less current liabilities		392,816	210,314
Creditors: Amounts falling due after one year	17	(2,576)	(6,289)
Net assets		390,240	204,025
Funds			
Unrestricted funds:			
General fund	18	61,808	30,231
Restricted funds	18	328,432	173,794
Total funds	19	390,240	204,025

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 June 2013

Signed on their behalf by:

E Passey

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2012

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 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.

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.

During the years the Foundation received substantial support by way of donated services, which are recognised as intangible income in the period to which they relate and valued according to accepted project rates.

1.3 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.

1.4 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.

1.5 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 December 2012

1.6 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.

1.7 Fund-raising costs

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

1.8 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.

Designated funds – these are funds which the trustees have set aside for specific purposes.

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

1.9 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.

1.10 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 on a straight line basis over the term of the lease.

1.11 Stock

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

1.12 Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	Annual rate
Office Equipment	25%
Computer Hardware	50%
Motor Vehicles	20 - 25%

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31 December 2012

1.12 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.

1.13 Pension

The charity does not contribute employer contributions into a pension scheme for employees, however it collects pensionable sums from its employees and pays them to various pension providers.

2. Income from trading

	Unrestricted £	Restricted £	2012 £	2011 £
Sale of merchandise	73	-	73	21

3. Investment income

	Unrestricted £	Restricted £	2012 £	2011 £
Deposit interest	5,692	-	5,692	2,321

4. Income resources from charitable activities

	Unrestricted £	Restricted £	2012 £	2011 £
Grants and contract income	58,900	926,923	985,823	1,029,369
Fishing schemes	300,345	-	300,345	258,664
Miscellaneous	11,706	-	11,706	26,513
	370,951	926,923	1,297,874	1,314,546

5. Cost of generating voluntary income

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Online Donation Fees	180	-	180	-

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Notes forming part of the financial statements
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6. Cost of generating funds

	Unrestricted	Restricted	2012 Total	2011 Total
	£	£	£	£
Merchandise	78	-	78	-

7. Charitable activities

	Unrestricted	Restricted	2012 Total	2011 Total	Basis of allocation
	£	£	£	£	
Habitat expenses	3,314	178,192	181,506	228,195	Actual
Habitat staff costs (inc NI)	4,233	202,667	206,900	214,970	Hours
Contractors	10,710	8,893	19,603	109,481	Actual
Fishing scheme	235,968	-	235,968	202,480	Actual
Monitoring	-	(1,678)	(1,678)	10,044	Actual
Marketing	18,348	17,843	36,191	38,147	Percentage
	272,573	405,917	678,490	803,317	
Support costs					
Staff costs (inc NI)	70,952	286,969	357,921	345,703	Hours
Premises and office costs	(11,185)	97,480	86,295	74,884	Actual
Motor and travel	(4,280)	51,249	46,969	41,873	Actual
Financing	5,160	146	5,306	5,330	Actual
Depreciation	18,085	-	18,085	14,730	Actual
Meeting cost	-	-	-	3,240	Actual
	78,732	435,844	514,576	485,760	
Total	351,305	841,761	1,193,066	1,289,077	

8. Governance costs

	Unrestricted	Restricted	2012 Total	2011 Total
	£	£	£	£
Audit and accountancy	4,068	-	4,068	4,580
Meeting cost	575	-	575	988
	4,643	-	4,643	5,568

THE WYE AND USK FOUNDATION

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9. Net incoming resources

This is stated after charging:

	2012	2011
	£	£
Depreciation of owned tangible assets	13,492	10,138
Depreciation of leased tangible assets	4,593	4,592
Auditors' remuneration – audit services	8,135	7,960
Auditors' remuneration – non audit services	<u>-</u>	<u>1,200</u>

10. Indemnity Insurance

The charity pays an insurance premium to indemnify trustees from any loss arising from the neglect or defaults of directors and officers. The premium amounted to £582 (2011: £582).

11. Staff Costs

Staff costs were as follows

	2012	2011
	£	£
Wages and salaries	518,671	513,462
Social security costs	46,150	46,335
	564,821	559,797

There were no employees with emoluments above £60,000 (2011: nil).

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

	Number	Number
	2012	2011
Staff deployed in projects	21	21
Staff deployed in central administration	1	1
	22	22

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.

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Notes forming part of the financial statements
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13. Fixed assets

	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	£	£	£
Cost			
At 1 January and 31 December 2012	61,216	538	61,754
Depreciation			
At 1 January 2012	28,792	266	29,058
Charge for the year	17,813	272	18,085
At 31 December 2012	46,605	538	47,143
Net Book Value			
At 31 December 2012	14,611	-	14,611
At 31 December 2011	32,424	272	32,696

The net book value of motor vehicles of £14,611 (2011: £32,424) includes an amount of £9,240 (2011: £12,008) in respect of assets held under finance leases.

14. Stock

	2012 £	2011 £
Stock of goods for resale	360	360

15. Debtors

	2012 £	2011 £
Trade debtors	7,856	9,547
Grants receivable	75,169	90,654
Other debtors	25,009	26,444
	108,034	126,645

All debts are due within one year.

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16. Creditors: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	32,968	13,316
Obligations under finance leases	3,712	4,458
Other taxation and social security	13,724	11,881
Pension contributions	651	570
Other creditors	49,201	16,949
Grants received in advance	-	92,715
	100,256	139,889

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

	2012	2011
	£	£
Obligations under finance leases	2,576	6,289
Amounts due:		
In one – two years	1,472	3,713
In two – five years	1,104	2,576
	2,576	6,289

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31 December 2012

18. Funds

	At 1 January 2012 £	Incoming £	Outgoing £	Transfers £	At 31 December 2012 £
Restricted Funds					
River Funds					
- Wye	40,977	57,719	(1,868)	(4,839)	91,989
- Lugg & Arrow	9,547	3,048	(1,601)	(3,651)	7,343
- Monnow	2,441	232	(485)	(947)	1,241
- Usk	25,220	12,307	(1,067)	(14,992)	21,468
Projects					
- GUTW	16,779	59,665	(45,973)	-	30,471
- EFF	27,449	127,604	(169,698)	-	(14,645)
- ISAC	40,925	333,529	(240,376)	-	134,078
- WFW - FOAL	(4,731)	17,361	(5,977)	(7,327)	(674)
- WFW - 4AS	(113)	(2,480)	(4,734)	7,327	-
- HARP	7,213	115	(1,036)	(6,292)	-
- PURR	(6,191)	45,820	(48,621)	8,992	-
- MRA	(4,355)	3,473	(65)	947	-
- EA	18,637	-	(29,768)	11,131	-
- RT Farm	(4)	107,636	(102,757)	(4,875)	-
- RT Mowley	-	4,971	(7,460)	2,489	-
- RT Downfield	-	4,971	(7,389)	2,418	-
- RT Mahollam	-	4,971	(8,590)	3,619	-
-SNR	-	1,000	-	-	1,000
-WHIP 2 CRF	-	107,626	(78,382)	-	29,244
-MOAT Trothy	-	25,000	(34,725)	-	(9,725)
-PURR 2	-	15,000	(24,874)	6,000	(3,874)
-EA 55k	-	55,000	(13,691)	-	41,309
-PURR H20	-	3,000	(9,316)	-	(6,316)
-REACH	-	8,831	(1,397)	-	7,434
-MOAT Olway	-	-	(1,911)	-	(1,911)
	173,794	996,399	(841,761)	-	328,432
Unrestricted General Funds	25,997	161,859	(117,162)	-	70,694
Designated Passport	4,234	311,834	(324,954)	-	(8,886)
	30,231	473,693	(442,116)	-	61,808
Total Funds	204,025	1,470,092	(1,283,877)	-	390,240

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31 December 2012

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 fund as appropriate.

The £6,000 transfer into the PURR 2 project fund was from the Usk River Fund within the terms of the grant contract.

Description of Funds

- **Wye River Fund & Projects**, including Lugg and Arrow and 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 2012 these included contributions from the United Usk Fisherman's Association, patrons and donors, the Beacons Trust project (PURR) and part of the EFF funded DCS2009. As above each project has its own preset set of restrictions.

- **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: Splash, Invasive weed funding and the Passport;

Explanation of funds in deficit or surplus:

- The end of year project deficits were cleared after the year end.
- Surpluses arise due to payments in advance such as the ISAC project.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
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19. Analysis of group net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£
Fund balances at 31 December 2012 as represented by:				
Fixed assets	14,611	-	14,611	32,696
Net current assets	49,773	328,432	378,205	177,618
Creditors after one year	(2,576)	-	(2,576)	(6,289)
Total net assets	61,808	328,432	390,240	204,025

20. Related Party Transactions

As part of the Passport scheme amounts of £6,061 (2011: £5,765) 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. A creditor of £167 (2011: £20) was owed to Dr S Marsh-Smith at the year end. The letting was conducted under the same rates and conditions as applied to all lettings. Work was carried out on the beat at a cost of £1,065 (2011: £946). £70 (2011: £nil) was collected on behalf of and paid by Dr S Marsh-Smith for season rod sales.

As part of the Passport scheme amounts of £1,215 (2011: £11,946) were collected by the WUF as agent for, and were, paid to, Mr M Timmis for the letting of a fishing beat owned by him. The letting was conducted under the same rates and conditions as applied to all lettings. £45,180 (2011: £31,226) was collected on behalf of and paid to Mr M Timmis for season rod sales. Work was carried out on the beat at a cost of £nil (2011: £2,230).

As part of the Passport scheme amounts of £4,085 (2011: £3,657) were collected by the WUF as agent for, and were, paid to Major P A Darling. The letting was conducted under the same rates and conditions as applied to all lettings.

Mr H Legge-Bourke was appointed as a Trustee on 18 June 2012, from this date amounts of £3,190 were collected by the WUF as agent for, and were, paid to him, as part of the passport scheme. The letting was conducted under the same rates and conditions as applied to all lettings.

In the year £264 (2011: £1,318) was paid to the Caer Beris Manor hotel for meeting room hire. This hotel is owned jointly by the Trustee Mr P Smith, who resigned 18 June 2012, and his wife. £20 (2011: £20) was outstanding at the year end. Sales of £1,611 (2011: £1,076) were made to the hotel in 2012.

Also in the year work was done on the Nyth Syndicate at a cost of £775 (2011: £629). Mr FPG Aldrich-Blake is a co-owner of The Nyth Syndicate. The transactions were conducted at the rates which would be applied to all work completed by the WUF.

21. Control

The Charity is controlled by its trustees.