

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 2016

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 R W Blears Major P J Darling H N Harrison P J Horsburgh (appointed 4 November 2016) G E Linley-Adams (resigned 29 June 2016) P Lloyd G Mawle C Morley C Newington-Bridges (appointed 4 November 2016) A J Norman (appointed 29 June 2016) A Sayer M Timmis K Waters
Trust C.E.O.	S Evans
Trust Secretary	Dr S J Marsh-Smith

Registered and Principal Office

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Talgarth
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LD3 0BW
Email: admin@weuskfoundation.org

Bankers

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West End
Builth Wells
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LD2 3AH

Investment Managers

Brewin Dolphin
2nd Floor
5 Callaghan Square
Cardiff
CF10 5BT

Registered Auditor

Mazars LLP
90 Victoria Street
Bristol
BS1 6DP

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

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 2016 which are also prepared to meet the report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required by medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

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 the 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

WUF continued to deliver its objectives through partnership projects in 2016. For the first time since 2009, we did not run a project with a total value in excess of £1m nor any funded by the EU. Instead a portfolio of 16 smaller projects maintained our size and delivery capability. 13 projects were principally funded by Defra, the Environment Agency, Natural England and Natural Resources Wales (NRW). Two were partnerships with Dwr Cymru/Welsh Water (DCWW) and one was a partnership with Severn Trent Water. Difficulties in accessing larger EU funds and the change towards addressing problems on a catchment scale were the drivers for this.

The Passport scheme, now in its 13th year continued to expand the marketing of fishing to include fisheries of Welsh owners and Rivers Trusts outside the Wye and Usk catchments. Our water abstraction project resulted in measurable results on the Wye and Usk which helped the occasionally dry flows in 2016 and saw a change in the distribution of salmon catches in the Wye and Usk. The Wye Catchment Partnership, now numbering 134 individuals and 39 organisations, is progressing solutions and co-ordinating efforts to improve water quality, normalise flows and restore biodiversity.

In July 2016, the leadership of the Foundation passed to Simon Evans with Dr Stephen Marsh-Smith taking on an advisory role.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

Performance achieved against objectives

Details of project achievements in the year includes (financial information in note 21):

1. Habitat Restoration: our aim is to manage shading, woody debris and stock access to the riparian zone of the tributaries of both rivers to restore fish stocks and biodiversity, including the SAC species. This year another 12.17km of tributary was restored, taking the total to 365km since the inception of WUF.
2. The annual application of limestone sand in the acidified upper Wye and Irfon was completed in April 2016. 269 tonnes was introduced across 89 sites. This activity protects 58.5 km of important spawning stream from the worst effects of acid rain which is exacerbated by commercial forestry. There is now an encouraging head of spawning salmon and trout in these areas.
3. The weeds project "Giving up the Weed" continued with the spring/early summer spraying of the poisonous Giant Hogweed: 116 km of the Wye and 72 km of the Usk were sprayed this year. It was noted that as in 2015 less than one Hogweed plant per km was found on the Wye: meaning we are very close to complete eradication. On the Usk a heavy infestation remains, especially in the tidal valley. Spraying of Japanese Knotweed (autumn) continued in both catchments: 115 new sites were treated bringing the total to 1,021 of which eradication has been confirmed at 504 and treatment continues for the rest. The Monnow Rivers Association continues its ambitious project to eliminate Himalayan Balsam from that sub-catchment.
4. The work to ensure upstream fish passage is nearing completion. As the work has progressed, the places remaining where fish access is intermittent or non-existent are the more difficult or least cost effective sites to restore access. In all, a total of 1,001km of stream has been opened this way. In 2017 a significant weir was removed from the river Lugg at Lugg Green.
5. The Passport, our fisheries marketing scheme, continued to expand and had its best year to date. 2016 saw it expand to market fishing in the rest of Wales for the benefit of other rivers trusts. A total of 12,579 angler visits resulted from the scheme (11,725 in 2015) and took the total of fishing sold to £318,865 (£279,466 in 2015) The real benefit to the rural economy comes from visitors staying in the area and the associated spend which is estimated at £1.8m. WUF takes a commission for each sale and the balance is returned to the riparian owner, many of whom make donations to continue river restoration.
6. WUF has been involved in a partnership with Dwr Cymru/Welsh Water, the Canal and Rivers Trust and Natural Resources Wales to resolve the dilemma of the requirement to reduce abstraction without compromising water supplies or close the Monmouthshire and Brecon canal. This is triggered by the Habitats Directive. Our consultant, John Lawson, has been able to equate the needs of the rivers' migratory fish in a series of models that ultimately have led to some very cost effective solutions. New operating practices to reflect the new licences were implemented in 2016 on both rivers for the benefit of all migratory fish. WUF's work continues to ensure the agreement is implemented in full.
7. Another partnership with WUF, Dwr Cymru/Welsh Water and NRW saw 2,500t of gravel moved from the upper Wye and introduced into the Elan below Caban Coch dam. This was a ground breaking initiative and the culmination of 4 years effort. It is only the start and in subsequent years we hope to introduce at least another 10,000t to restore the ecology of the Elan.
8. Farm pollution management continued. 2016 was the international year of the soil and alleviating soil abuse and loss to watercourses has become increasingly the focus of our work. WUF is now the preferred deliverer of farm advice in Herefordshire and through the Wye

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

Catchment Partnership (WCP) real change is being achieved as WUF staff provide advice, EA regulates and WUF and Natural England ensure government grants are spent in the right place and on the right action. Efforts are increasingly being better co-ordinated in the Welsh section of the two catchments but still lag behind England. Through the Farm Herefordshire initiative, good practices and exemplary farmers are being promoted and the 'ask' of farming to deliver better water quality has been clarified. WUF, as the host of WCP, is also taking a major role in the delivery of the Herefordshire Wye Nutrient Management Plan.

9. The Wye Catchment Partnership is a Defra funded programme that enables and encourages partnerships to deliver additional ways of improving water quality and quantity, and biodiversity. WUF is the lead organisation and in 2016, three meetings were held focusing on the options for the proposed Water Protection Zone. The real value of the partnership is in agreeing problems, solutions, aligning the goals of multiple organisations and agreeing who will most effectively deliver each of the required actions.
10. Our educational programmes include: the education of land users in techniques to improve outcomes such as the results of our maize trials. Other examples include: the development of techniques that mitigate damage from this crop, the transfer of this knowledge, our presentations to the general public on river restoration and specific projects with school children. All of these continued in 2016.
11. Events: WUF attended 8 shows, and hosted 3 river and farm walks in 2016. The annual meeting in November was well attended.
12. Navigation and access: WUF continued to be represented on the Wye Navigation Advisory Committee, a statutory function that manages the sections of the Wye and Lugg that have a public right of navigation. In the non-navigable sections of Wye and Usk, we continued to maintain our access arrangements
13. Consultations and Interface: WUF responds to governmental consultations when relevant to our objectives. We made several appearances before the Environment and Sustainability Committee of the Welsh Assembly and hosted a visit from Sir James Bevan and Sarah Chare of the Environment Agency. We are represented on the Severn River Basin Panel of the Water Framework Directive, The Independent Environment Advisory Panel of DCWW (Welsh Water) and both Wye and Usk Local Fishery Groups.
14. Communication: WUF sends out e-news nearly every week, monthly fishing reports to reinforce the Passport scheme and occasional written newsletters. Our website has a high volume of traffic which grew by 10% in 2016: web sessions 482,514; users 111,255; page views 1,427,814. We have 2,178 twitter followers.
15. Climate change: The extreme weather in November and December 2015 resulted in the widespread failure of salmon spawning on the Usk and eastern half of the Wye. The increasing intensity of rainfall is exacerbating overland flow and pollution. High summer temperatures and drought are a constant threat. In 2016 WUF ensured it minimised its climate footprint, working with staff to minimise theirs. The work of WUF helps protect the river channels against the predicted effects of climate change and our work with farmers is increasing soil carbon stores and reducing their reliance on the Haber-Bosch process.

Donated Services

As in previous years, donated services were secured from the following sources: farmers part funding works to reduce pollution risk and improve habitats; work performed by statutory bodies (who are partners in the projects) exclusively for the benefit of the project, but funded internally, such as from Natural Resources Wales and the Environment Agency. Voluntary time is costed at appropriate Welsh

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

European Funding Office (WEFO) rates and also given, for example, by the Lugg and Arrow Fisheries Association, members of the Usk Fisheries Association, the Monnow Rivers Association and volunteers who assist with our invasive weeds project and litter picking.

Financial Review

Brief review of the financial position

2016 was a year in which we started more projects than we finished. They were a mix of projects that were funded both in arrears and in advance, keeping a stable cash flow. The slightly gloomy future suggested last year turned out to be no worse than expected though we still have concerns about the timing and availability of funding in Wales and we hope that 2017 is the year NRW finally complete their reorganisation and can join once again in the partnership to maintain and improve our rivers.

Principal funding sources

The principal funding sources for the charitable company in 2016 were from income generated by the 16 projects, which were supported by statutory bodies (especially the Environment Agency, Natural England and Natural Resources Wales), the Passport and contributions from our two water companies, Tarmac Lafarge, Landfill tax, individuals, riparian owners, anglers and charitable trusts such as Whitley Animal Protection Trust and Jordan Trust. We would like to thank everyone who supported us in 2016 for their generosity.

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 trustees have recognised that while providing a short term means of achieving our objectives, project funding has been very successful. However, our reliance on it could present limitations on future activities as the trust gets nearer to completion of its capital works programmes. Accordingly, they have instigated a broader fund raising strategy that seeks to address this. The Endowment Fund is operational and has received donations from generous donors.

Investments are managed by Brewin Dolphin (Cardiff). The Wye and Usk Endowment Committee aims to grow the value of its Endowment funds over inflation using a balanced, medium risk investment strategy and a long term time horizon. Invested funds, net of new contributions, have generated a total return of 11.24% over the period.

Reserves Policy

It is the aim of the Trustees to generate a level of reserves to allow activities delivering the objectives of the Foundation to carry on through periods of uncertainty. The Trustees are satisfied that adequate resources are available to meet all current obligations, but they will seek to continue with a level of reserves sufficient to meet cash flow requirements and continue without recourse to overdraft facilities. The actual level of (uncommitted to projects) reserves at the year ended 31 December 2016 was a deficit of £22,719 (2015: £19,924). The accounting procedure adopted ensures that any funds donated, whether by individuals, statutory bodies or project funders, are correctly recorded in a fund reserved for that purpose as well as accounting separately for unreserved funds. Total reserves at 31 December 2016 amounted to £303,081 (2015: £304,702) with £184,461 (2015: £178,686) relating to restricted funds, £2,489 (2015: £2,509) relating to designated funds, £138,850 (2015: £103,583) relating to endowment funds and a deficit of £22,719 relating to the general fund.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

Public Benefit

In shaping our activities for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

The improving 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 outputs may be considered as additional public benefits from our activities, especially in respect of better water quality.

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.

Our efforts to reconcile the needs of abstractors including water companies and the Monmouthshire and Brecon canal against the ecological requirements of the two rivers have resulted in an innovative method of managing abstraction and river regulation. This has saved £millions in that the cost of additional infrastructure (e.g. new reservoirs) has been minimised.

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

In respect of our second objective, 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 3 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

WUF plans to continue managing its current Wye and Usk projects, while at the same time continuing to bid for new funding. As noted last year, there has been a shift in the ecological focus: work on land use issues that adversely affect the rivers catchments are assuming a greater priority as in-stream works such as fish passes near completion. At the end of 2016, bids were being developed for a whole range of funds including Big Lottery, EU Maritime Fisheries Fund, Life, European Regional Development fund, Leader + and others as well as expanding our donor base.

Structure, Governance and Management

Governing Document

The Wye and Usk Foundation is a company limited by guarantee, registered in England and Wales (company number 03343965), governed by its Memorandum and Articles of Association dated 15 October 1996 as updated on 5 October 1997, 12 February 2000, 19 October 2000, 4 January 2001, 31 July 2002, 22 July 2007 and 25 October 2011. It is registered as a charity with the Charity Commission, registered number 1080319.

The Trustees

The trustees (who are also the directors of the charitable company) who held office during the accounting period from 1 January 2016 to the date of this report unless otherwise stated were:

E Passey
R Murray

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

R W Blears
Major P J Darling
H N Harrison
P J Horsburgh (appointed 4 November 2016)
G E Linley-Adams (resigned 29 June 2016)
P Lloyd
G Mawle
C Morley
C Newington-Bridges (appointed 4 November 2016)
A J Norman (appointed 29 June 2016)
A Sayer
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 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. A trustee who has served for ten years or more is not eligible for re-election and must retire but becomes eligible again after an interval of one year.

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 advertising. A nominations committee comprising three trustees and the chief executive has been set up to scrutinise applications, seek references and ensure a balance of trustee skills is in place.

Trustee Induction and Training

Newly appointed trustees receive a letter of appointment including appointment declaration and an induction pack which covers 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. New trustees will be given visits on site to explain the issues and solutions that the trust is currently managing.

Organisational Structure

Officers

At 31 December 2016 the principal officers of the Trust were:
Simon Evans (Chief Executive)

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

Dr Stephen Marsh-Smith OBE	(Advisory Director)
Seth Johnson-Marshall	(Project Manager)
Peter Loughran	(Finance Officer)
Louis Macdonald-Ames	(Head of Operations)
Kate Adams	(Head of Land Use)
Wendy Lodge	(Office Manager)
Meyrick Ames	(Senior Habitat Team Leader)
Allyson Williams	(Administration Officer)
Jonathon Pugh	(Habitat Team Leader)
Mike Williams	(Catchment Officer)
Liz Price	(Catchment Officer)
Tom Jolly	(Catchment Officer)
Haydn Probert	(Data and Monitoring Officer)

Consultants:

WUF is fortunate to work with the following experts

John Lawson	(Water Resources)
Tony Norman	(Honorary Farming Consultant)
Adam Fisher	(Fisheries Marketing Consultant)

Steering Group

The direction and supervision of the work in furtherance of the Foundation's objectives has in the past been delegated to a group comprising representatives of the partnerships which the Foundation leads. This has now been superseded by the Catchment Partnerships and the former group has been disbanded.

Related Parties

Throughout the year to 31 December 2016, 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. WUF keeps and regularly updates a risk register. The principal risks noted include:

1. Loss of data WUF takes great care to ensure regular back- ups etc.
2. Adverse Government Policy: Loss of Habitat and Water Framework Directives, poor regulation of land use; adverse hydropower decisions.
WUF will continue to lobby for strong environmental controls.
3. Lack of Funding: WUF will continue to take every opportunity to raise funds.

Pay policy for senior staff

The Trustees consider the board of Trustees and the senior management team comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. All Trustees give of their time freely and received no remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 13 and 14 to the accounts.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

The policy used for determining pay for senior staff (in fact all staff) is by using the comprehensive and well researched pay guidelines set out each year by the Rivers Trust, the umbrella body for rivers trusts and using a multiplier appropriate to our region (ie Wales).

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; and
- 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 auditor

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 auditor is 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 auditor in connection with preparing their report and to establish that the charitable company's auditor is aware of that information.

Auditor

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.

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.

Approved by the Trustees and signed on their behalf by:

A Sayer
Trustee

Date: 20 July 2017

THE WYE AND USK FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WYE AND USK FOUNDATION

We have audited the financial statements of The Wye and Usk Foundation for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 9, 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 2016 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; and
- 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, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Report.

Jonathan Marchant (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street
Bristol
BS1 6DP

Date: 27 July 2017

THE WYE AND USK FOUNDATION

Statement of Financial Activities (including the income and expenditure account) For the year ended 31 December 2016

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2016 £	Total funds 2015 £
Income and endowments from:						
Donations and legacies	3	165,109	47,528	20,052	232,689	457,900
Charitable activities	4	478,515	568,624	-	1,047,139	762,422
Other trading activities	5	350	-	-	350	242
Investment income	6	4,173	-	2,484	6,657	3,504
Other	7	772	-	-	772	4,810
Total		648,919	616,152	22,536	1,287,607	1,228,878
Expenditure on:						
Raising funds	8	301	60	-	361	258
Charitable activities	9	688,400	613,198	610	1,302,069	1,573,575
Total		688,701	613,258	610	1,302,569	1,573,833
Net (expenditure)/income before gains and losses on investments						
		(39,782)	2,894	21,926	(14,962)	(344,955)
Net gains/(losses) on investments	16	-	-	13,341	13,341	(42)
Net (expenditure)/income before transfers						
		(39,782)	2,894	35,267	(1,621)	(344,997)
Transfers between funds		(2,881)	2,881	-	-	-
Net movement in funds						
		(42,663)	5,775	35,267	(1,621)	(344,997)
Funds at 1 January 2016	21	22,433	178,686	103,583	304,702	649,699
Funds at 31 December 2016		(20,230)	184,461	138,850	303,081	304,702

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

Comparative Statement of Financial Activities (including the income and expenditure account) For the year ended 31 December 2015

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2015 £
Income and endowments from:					
Donations and legacies	3	305,212	51,163	101,525	457,900
Charitable activities	4	473,185	289,237	-	762,422
Other trading activities	5	242	-	-	242
Investment income	6	1,404	-	2,100	3,504
Other	7	4,810	-	-	4,810
Total		784,853	340,400	103,625	1,228,878
Expenditure on:					
Raising funds	8	258	-	-	258
Charitable activities	9	802,402	771,173	-	1,573,575
Total		802,660	771,173	-	1,573,833
Net (expenditure)/income before gains and losses on investments		(17,807)	(430,773)	103,625	(344,955)
Net losses on investments	16	-	-	(42)	(42)
Net (expenditure)/income before transfers		(17,807)	(430,773)	103,583	(344,997)
Transfers between funds		(105,010)	105,010	-	-
Net movement in funds		(122,817)	(325,763)	103,583	(344,997)
Funds at 1 January 2015	21	145,250	504,449	-	649,699
Funds at 31 December 2015		22,433	178,686	103,583	304,702

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 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	15	-	-
Investments	16	133,651	103,583
Total Fixed Assets		133,651	103,583
Current assets			
Stock	17	64	64
Debtors	18	111,490	72,658
Cash at bank and in hand		241,572	219,178
Total Current Assets		353,126	291,900
Creditors: Amounts falling due within one year	19	(183,696)	(90,781)
Net current assets		169,430	201,119
Net assets		303,081	304,702
Funds			
Unrestricted funds:			
General fund	21	(20,230)	22,433
Restricted funds	21	184,461	178,686
Endowment funds	21	138,850	103,583
Total funds	22	303,081	304,702

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.

Approved by the Trustees on 20 July 2017

Signed on their behalf by:

E Passey
Trustee

THE WYE AND USK FOUNDATION

Cashflow Statement

For the year ended 31 December 2016

	Notes	2016 £	2015 £
Cashflows from operating activities:			
Net cash provided by/(used in) operating activities	24	32,424	(227,281)
Cashflows from investing activities:			
Investment income		6,657	3,504
Proceeds from sale of assets		772	4,810
Dividends re-invested		(2,459)	-
Purchase of investments		(21,370)	(103,625)
Proceeds from sale of investments		6,370	-
Net cash (used in)/provided by investing activities		(10,030)	(95,311)
Change in cash and cash equivalents in the year		22,394	(322,592)
Cash and cash equivalents brought forward		219,178	541,770
Cash and cash equivalents carried forward		241,572	219,178

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2016

1. General information

The Wye and Usk Foundation is a private company limited by guaranteed, company registered number 03343965, and registered with the Charity Commission in England and Wales, registered number 1080319. Its registered office is The Right Bank, The Square, Talgarth, Brecon, LD3 0BW.

2. Principal accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Wye and Usk Foundation constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £. Comparative information relates to the year ending 31 December 2015.

2.2 Preparation of the financial statements on a going concern basis

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern as they consider that there are sufficient cash reserves to meet the charity's liabilities as they fall due.

2.3 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.

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

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.

Endowment funds - this is a permanent fund set up to support the works and charitable objectives of the Wye and Usk Foundation.

Further explanation of the nature and purpose of each fund is included in note 21 to the accounts.

2.4 Income

Income is recognised in the period in which the charity is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably and is not deferred. 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.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2016

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

2.5 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.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

2.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings:

- Fundraising trading includes salaries, direct expenditure and overhead costs of the staff who promote fundraising, including events.
- Charitable activities comprise 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. It also includes governance costs, which are 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.
- Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or a group of employees or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

2.8 Allocation of costs

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.

2.9 Operating Leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.10 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.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2016

2.11 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%

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.

2.12 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

2.13 Stock

Stock is valued at the lower of cost and net realisable value using the first in first out basis.

2.14 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount at which the charity is expected to benefit in a future period.

2.15 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.16 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2.17 Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.18 Pensions

During the year the charity started contributing to a work place pension scheme for those employees not already paying into personal schemes. The charity continued to collect pensionable sums from its employees and pays them to various pension providers.

2.19 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make some judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2016

No significant judgements have had to be made by management in preparing these financial statements.

3. Income from donations and legacies

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total
	£	£	£	£	£
Donations	13,649	47,528	20,052	81,229	165,677
Donated services	151,460	-	-	151,460	292,223
	165,109	47,528	20,052	232,689	457,900

4. Charitable activities

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total
	£	£	£	£	£
Grants and contract income	105,329	567,240	-	672,569	372,666
Passport scheme	363,370	-	-	363,370	354,386
Miscellaneous	9,816	1,384	-	11,200	35,370
	478,515	568,624	-	1,047,139	762,422

5. Other trading activities

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total
	£	£	£	£	£
Sale of merchandise	350	-	-	350	242

6. Investment income

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total
	£	£	£	£	£
Deposit interest	4,173	-	2,484	6,657	3,504

7. Income earned from other activities

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total
	£	£	£	£	£
Sale of assets	772	-	-	772	4,810

8. Costs of raising funds

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total
	£	£	£	£	£
Merchandise	301	60	-	361	258

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
for the year ended 31 December 2016

9. Analysis of expenditure on charitable activities

	Unrestricted	Restricted	Endowment	2016 Total	2015 Total	Basis of allocation
	£	£	£	£	£	
Costs of donated services	151,460	-	-	151,460	292,223	Actual
Habitat expenses	15,407	139,635	-	155,042	278,524	Actual
Habitat staff costs (inc NI)	20,653	75,924	-	96,577	144,392	Hours
Contractors	-	-	-	-	7,522	Actual
Passport scheme	314,049	-	-	314,049	281,027	Actual
Monitoring	-	-	-	-	(57,557)	Actual
Marketing	33,786	3,725	-	37,511	43,634	Percentage
	535,355	219,284	-	754,639	989,765	
Support costs						
Staff costs (inc NI)	118,518	282,746	-	401,264	424,602	Hours
Premises and office costs	11,538	73,970	-	85,508	92,519	Actual
Motor and travel	9,867	32,798	-	42,665	52,365	Actual
Financing	4,778	-	610	5,388	4,958	Actual
	144,701	389,514	-	534,825	574,444	
Governance costs						
Audit and accountancy	4,692	4,400	-	9,092	8,296	Percentage
Meeting costs	3,652	-	-	3,652	1,070	Actual
	8,344	4,400	-	12,744	9,366	
Total	688,400	613,198	610	1,302,208	1,573,575	

10. Net income/(expenditure) for the year

This is stated after charging:

	2016 £	2015 £
Auditors' remuneration – audit services	6,875	6,675
Auditors' remuneration – non audit services	2,217	1,621
Operating leases – land and buildings	14,886	12,125
Operating leases - other	<u>1,650</u>	<u>1,824</u>

11. 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 policy covers the trustees up to £250,000. The premium amounted to £595 (2015: £559).

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2016

12. Staff Costs

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	458,779	524,209
Social security costs	38,673	44,785
Redundancy Costs (relating to nil staff (2015: 2))	-	3,400
Pension costs – money purchase scheme	389	-
	497,840	572,394

There were no employees with emoluments above £60,000 (2015: nil).

The average monthly number of employees was: 17 (2015: 19) and the average monthly number of full time equivalent employees during the year was as follows (including casual and part-time staff):

	Number	Number
	2016	2015
Staff deployed in projects	16	18
Staff deployed in central administration	1	1
	17	19

Key management personnel includes the Trustees, Director (CEO) and Deputy Director. The total employee benefits of the key management personnel of the charity were £64,749 (2015: £98,542).

13. Trustees' Remuneration and Expenses

The charity trustees were not paid or received any other benefits from employment with the Foundation. One trustee was reimbursed £365 (2015: £365) for travel expenses in the year. No trustee received payment for professional or other services supplied to the charity.

Nine trustees made donations totalling £13,851 during the year (2015: Eleven trustees totalling £64,156).

14. Related Party Transactions

As part of the Passport scheme amounts of £10,502 (2015: £5,524) were collected by the Wye & Usk Foundation (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 £Nil (2015: £Nil) was owed to Dr S Marsh-Smith at the year end. Income of £6,254 (2015: £3,120) was received from Dr S Marsh-Smith for work done.

As part of the Passport scheme amounts of £53,560 (2015: £50,727) 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.

As part of the Passport scheme amounts of £3,724 (2015: £3,918) were collected by the WUF as agent for, and were, paid to Major P A Darling.

A J Norman is a partner in The Norman Partnership. The WUF has made sales of £1,063 (2015: £5,091) in relation to The Norman Partnership.

Sales were made to E Passey amounting to £615 (2015: £1,242). A debtor of £Nil (2015: £1,490) was owed to the charity at the year end.

A fishing passport advert of £200 (2015: £200) was sold to G Linley-Adams.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
for the year ended 31 December 2016

15. Tangible fixed assets

	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	£	£	£
Cost			
At 1 January 2016	36,273	538	36,811
Disposals	-	-	-
At 31 December 2016	36,273	538	36,811
Depreciation			
At 1 January 2016	36,273	538	36,811
Charge for the year	-	-	-
Eliminated on disposals	-	-	-
At 31 December 2016	36,273	538	36,811
Net Book Value			
At 31 December 2016	-	-	-
At 31 December 2015	-	-	-

16. Investments – listed

	2016 £	2015 £
Market value brought forward at 1 January 2016	103,583	-
Additions	21,370	103,625
Disposals	(6,370)	-
Dividends re-invested	2,459	-
Investment managers fees (incl VAT)	(732)	-
Revaluations	13,341	(42)
Market value as at 31 December 2015	133,651	103,583
Investments at fair value Comprised:	2016 £	2015 £
Bonds	19,662	16,040
Equities	102,359	81,710
Property	4,131	4,157
Cash held within investment portfolio	7,499	1,676
	133,651	103,583

17. Stock

	2016 £	2015 £
Stock of goods for resale	64	64

18. Debtors

	2016 £	2015 £
Trade debtors	11,959	18,333
Grants receivable	88,311	44,865
Other debtors	11,220	9,460
	111,490	72,658

All debts are due within one year.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
for the year ended 31 December 2016

19. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	9,067	13,674
Other taxation and social security	23,668	15,146
Accruals and deferred income	150,961	61,961
	183,696	90,781

Deferred income of £123,952 (2015: £45,500) relates to prepaid season rods, fishing rod schemes and fishing sales. The amounts brought forward at the start of the year were released to income in the year.

20. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	133,651	103,583
Financial assets that are debt instruments measured at amortised cost	353,062	291,836
	183,557	395,419
Financial liabilities		
Financial liabilities measured at amortised cost	34,721	29,486
	34,721	29,486

Financial assets measured at fair value through profit or loss comprise listed investments.

Financial assets that are debt instruments measured at amortised cost comprise cash at bank, trade and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
for the year ended 31 December 2016

21. Funds

	At 1 January 2016 £	Incoming £	Outgoing £	Transfers £	Gains	At 31 December 2016 £
Endowment	103,583	22,536	(610)	-	13,341	138,850
Restricted Funds						
River Funds						
Wye	97,128	32,049	-	(59,074)	-	70,103
Lugg & Arrow	16,211	1,344	-	-	-	17,555
Monnow	111	44	-	-	-	155
Usk	172	13,091	-	(15,286)	-	(2,023)
Projects						
GUTW	67,793	27,000	(30,961)	13,000	-	76,832
PURR H2O	-	4,858	(9,525)	4,667	-	-
WCP CaBA	991	18,587	(21,008)	10,692	-	9,262
WHIP3	6,769	-	(3,241)	(3,528)	-	-
SOS	(782)	2,665	(23,890)	22,007	-	-
NRW-JWP	2,107	26,025	(103,181)	-	-	(75,049)
NRW-Comp	(3,157)	47,200	(105,673)	28,000	-	(33,630)
Arrow	816	1,169	(1,985)	-	-	-
EA N2K	(9,473)	85,500	(61,548)	7,000	-	21,479
MDP	-	71,250	(68,859)	(3,000)	-	(609)
SASS	-	32,000	(31,202)	(1,600)	-	(802)
Affonydd Cymru	-	284	(683)	-	-	(399)
GES	-	14,000	(30,803)	-	-	(16,803)
IMP	-	15,000	(15,335)	-	-	(335)
TRAP	-	27,712	(55,014)	-	-	(27,302)
Ef	-	-	(3)	3	-	-
BLISS	-	29,874	(34,892)	-	-	(5,018)
DNMP	-	-	(5,318)	-	-	(5,318)
SAW	-	150,000	(901)	-	-	149,099
DDP	-	16,500	(5,955)	-	-	10,545
GWC	-	-	(3,281)	-	-	(3,281)
	178,686	616,152	(613,258)	2,881	-	184,461
Unrestricted						
General Funds	19,924	243,937	(264,254)	(22,326)	-	(22,719)
Designated						
Passport	2,509	404,982	(424,447)	19,445	-	2,489
	22,433	648,919	(688,701)	(2,881)	-	(20,230)
Total Funds	304,702	1,287,607	(1,302,569)	-	13,341	303,081

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.

Description of Funds

- **Endowment Fund**

The Wye and Usk Foundation Endowment fund is a permanent fund set up to support the works and charitable objectives of the Wye and Usk Foundation. A sub-committee of 3

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2016

past and present trustees is responsible to the board for choosing the fund manager who reports regularly to the group. Donations are reserved for either Wye or Usk use and donors can elect to have either income or income plus capital used for furtherance of the Foundation's charitable objectives.

- **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 Catchment Conservators 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 pre-set range of milestones and targets.

- **Usk River Funds and Projects:**

This restricted fund accounts for monies given in respect of the river Usk. In 2016 these included contributions from the United Usk Fisherman's Association, patrons and donors. As above each project has its own pre-set 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: 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.

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
for the year ended 31 December 2016

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2016	Total Funds 2015
	£	£	£	£	£
Fund balances at 31 December 2016 as represented by:					
Fixed assets	-	-	-	-	-
Investments	-	-	133,651	133,651	103,583
Net current (liabilities)/assets	(20,230)	184,461	5,199	169,430	201,119
Total net (liabilities)/assets	(20,230)	184,461	138,850	303,081	304,702

23. Operating leases

Total commitments under non-cancellable operating leases are as follows:

	2016 £	2015 £
Land and buildings		
Within one year	1,260	1,661
Between 2 and 5 years	-	-
	1,260	1,661
Other operating leases		
Within one year	780	1,650
Between 2 and 5 years	-	-
	780	1,650

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net movement in funds	(1,621)	(344,997)
Depreciation charge	-	-
Profit on disposal of fixed assets	(772)	(4,810)
Investment income	(6,657)	(3,504)
Unrealised (gains)/losses on investments	(13,341)	42
Investment manager fees paid from investments	732	-
Decrease in stock	-	66
(Increase)/decrease in debtors	(38,832)	207,073
Increase/(decrease) in creditors	92,915	(81,151)
Net cash provided/(used) in operating activities	32,424	(227,281)

25. Pension commitments

The charity makes payments for pension contributions to a workplace pension scheme. The assets of the scheme are held separately from this of the charity. The pension cost charge represents contributions payable by the charity to the fund and amounted to £389 (2015: £Nil). At the year end there were pension contributions outstanding amounting to £1,494 (2015: £651).