

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 2014

THE WYE AND USK FOUNDATION

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THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014.

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 17 of the Charities Act 2011 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 2014 to the date of this report unless otherwise stated were:

E Passey

R Murray (resigned 27 June 2014 and re-appointed 26 June 2015)

F P G Aldrich-Blake

R W Blears (appointed 27 June 2014)

R H Brown (resigned 10 December 2014)

Major P J Darling (resigned 27 June 2014)

H N Harrison (appointed 28 February 2014)

C W P Heaton-Armstrong (resigned 24 October 2014)

G E Linley-Adams

P Lloyd

C Morley (appointed 27 June 2014)

A J Norman

G Mawle

A Sayer (appointed 23 February 2015)

M Timmis (resigned 27 June 2014)

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.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

Structure, Governance and Management (continued)

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 executive director 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 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. 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 2014 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)
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)
Rob Powell	(Habitat Team Leader)
Mike Williams	(Catchment Officer)
Liz Price	(Catchment Officer)
Sarah Woodcock	(Catchment Officer)
Tom Jolly	(Catchment Officer)
Hazel Evans	(Education 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)

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

Structure, Governance and Management (continued)

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 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 Bainger	(Environment Agency)
Patrick Darling	(Wye and Usk Foundation, Wye Salmon Fishery Owners)
Robert Denny	(Monnow Fisheries Association)
Chris Dyson	(Natural Resources Wales)
Simon Evans	(Wye and Usk Foundation)
Peter Gough	(Natural Resources 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	(Natural Resources Wales)
Norman Tyler	(Country Landowners Association)

Related Parties

Throughout the year to 31 December 2014, the Foundation has continued working in partnership with the above representatives and their organisations and we take the opportunity to thank them all for their very considerable help and support.

Risks Review

The Trustees regularly review the major risks which the charity faces. Commercial risk is managed on an overall basis as well as on a project by project basis. Risk assessments are properly undertaken and updated, with employees receiving the appropriate training. Our insurance cover is provided by a reputable company and reviewed annually to ensure that levels of cover are adequate for our changing needs.

Objectives and Activities

The objects of the Foundation are: -

To conserve, protect, rehabilitate and improve the salmon and other indigenous species of animal and plant life of the rivers Wye and Usk, their tributaries, streams and watercourses ("the rivers") and the banks, riparian lands and catchments of the rivers ("the river corridors") and;

To advance the education of the public in the conservation of rivers, river corridors and their animal and plant life and the need for conservation, protection, rehabilitation and improvement of such environments.

The activities of the Foundation centre on partnership projects to improve riparian habitats, biodiversity, water quality, and improve the status of the animal and plant life of Usk and Wye catchments, which include a number of designated species. The Foundation has its own workforce to deliver these improvements.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

Achievements and Performance

Summary of the main achievements during the year

WUF continued to deliver its objectives through a series of interlinked projects. Principal among these were the Wye Habitat Improvement Project: building fish passes and managing farm pollution in Herefordshire; the EU Fisheries funded SMS12 – habitat restoration in the Usk and Ithon catchment; The Monmouthshire Olway and Trothy (Moat) project which also worked with farmers on the Welsh side of the border; We were able to finish the Keeping Rivers Cool project in the Arrow during the floods early in the year following the purchase of a track laying post rammer. Our work with Welsh Water and the Canal and Rivers Trust continued with the goal of producing a plan to reconcile water abstraction and the demands of the Habitats Directive. Our invasive weeds eradication and litter pick programmes continued as did the ‘Passport’ which sells fishing, enabling visitors to access the rivers as well as transfer value to the rural economy from the improvements completed. The Wye Catchment Partnership gathered momentum under WUFs guidance. Just started was a new partnership with Coed Cymru to work in the catchments funded by Welsh Government’s Nature Fund.

Performance achieved against objectives

Our projects have built in targets and milestones requiring timely achievement. Work continued on both rivers in the areas of habitat restoration (52.5km) Liming acid waters (58.6km) and fish passage improvement. The Wye received four more fish passes including the substantial pass at Dayhouse, Kingsland on the Lugg. The dry summer offered the opportunity to monitor by electrofishing the Lugg and Arrow where the majority of fish passes (33) have been completed. The results confirmed that salmon and trout had migrated further upstream in both rivers than had been recorded previously. A total of 836km of river has been made accessible for migratory fish (Wye 736km, Usk 100 km).

The invasive weed project continues treating and re-treating infestations of Giant hogweed and Japanese knotweed. On the Wye, from Glasbury downstream to Redbrook, 116.2 km of main Wye has been treated, while on the Usk, the 48 km from Crickhowell to Usk has been treated. The work of the Monnow Rivers Association supported by WUF has almost eradicated Himalayan balsam from the Monnow catchment.

A total of 14 projects were either current, completed or started in 2014 (Please see note on page 21).

The third annual litter pick continued under the leadership of trustee Tony Norman. The Wye tributaries, Monnow and much of the main stem from Glasbury to Hereford was cleared of the usual agricultural plastic and other waste.

Both the MOAT and WHIP projects included working with farmers to restore rivers at a catchment scale. The farmers were either cold called or requested a visit. Our team of farm advisers, now five strong have developed a systematic method of assessing risks of water pollution and providing solutions which are carried out either by our workforce or the farmers themselves. The effects have been quantified by using diatoms analysis which enables phosphate, sediment and organic pollution levels to be assessed over time. 242 farms were visited leading to the completion of 210 farm plans. With the increase in the planting of maize in the catchment due to the expansion of anaerobic digesters the severe risk of increased soil damage and loss has been met with a series of monitored trials to evaluate how best to manage the problem, with considerable success and uptake of the findings by the farming community.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

The Wye Catchment Partnership is a Defra funded scheme which aims to instil cooperation between stakeholders with an interest in the rivers. Recruitment is from a broad range of interests: Water companies, foresters, farmers, local industries, statutory bodies, wildlife trusts and local authorities are some of those taking part. A consensus of the problems around water quantity, quality and biodiversity has been reached and partnership projects to deliver the agreed solutions are already underway. A website has been set up as a portal for the information shared within the partnership. It is hoped that the achievement of the Water Framework Directive and the Wye Nutrient Management Plan targets will evolve from the group. It is funded by Defra via the Environment Agency.

The Foundation continued to be extremely well supported by its partners, donors and patrons during 2014. 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 and DCWW (Welsh Water) 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 in the Wye Navigation committee.

2014 will be known for being one of the worst ever for returning adult numbers of salmon in the North Atlantic. Many rivers recorded declines of over 50% when compared with their 5 year averages. Despite poor water conditions, both Wye and Usk recorded fewer fish but not of the order experienced nationally. We also believe that catches were depressed by the low water conditions exacerbated by heavy and unregulated abstraction. Work is nearing conclusion of the project with Welsh Water Dwr Cymru to reduce this problem but the current plans do not address the unlimited and ever increasing agricultural abstraction.

The “Wye and Usk Passport” scheme continued to expand. Each year has seen continued growth and it is estimated that the visitor numbers generated by the scheme brought over £1.6 million to the rural economy. The Foundation’s website had 283,000 visits in 2014. Access to 230 miles of streams, rivers and lakes hitherto unavailable is now readily available to any interested member of the public and now includes fisheries across Wales. Our spring river walks, in conjunction with Hay Festival in May were again oversubscribed and our winter walk was successful in showing salmon spawning.

In last year’s report we expressed concerns over the possibility of unrestricted access being given to navigators across Wales’ rivers. However, we met with minister John Griffiths in January and pressed the case for continued voluntary access agreements and this is now governmental policy. We agreed with Powys CC that launching of canoes should be confined to between the hours of 10.00 and 4.00 from the Bont at Glasbury. In January we also met with Natural Resources Wales (agriculture and environment) minister, Alan Davies, to discuss the future management of fisheries.

Intangible Income

Intangible income was 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, 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 Usk Fishing Association; the Monnow Fisheries Association and volunteers who assist with our invasive weeds project and litter picking.

THE WYE AND USK FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

Investment performance achieved against investment objectives

The Foundation made no investments in 2014.

Financial Review

Brief review of the financial position

The substantial level of projects in 2014 has enabled us to improve our level of reserves. We now have secure funding in place for the next year. Beyond the end of 2015 seems less clear with changes to Natural Resources Wales, tougher economic times and an end to many EU programmes. We await news of the next round of project funding and changes to the Rural Development Plan in Wales.

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 2014, the Foundation spent less than it received.

Principal funding sources

The main funding sources for the charitable company in 2014 were from income generated from the projects ISAC, EU Fisheries Fund and the Defra funded Wye Habitat Improvement Project; contributions from statutory bodies such as Environment Agency, Natural Resources Wales together with contributions from individuals, riparian owners, anglers and charitable trusts such as Whitley Animal Protection Trust and Jordan Trust.

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. Included is the launch of a fund and plans to endow it that will be put in place in 2015.

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 has not always been possible. The Trustees are satisfied that adequate resources are available to meet all current obligations, but they will seek to establish as soon as practicable a level of reserves sufficient to meet cash flow requirements without recourse to overdraft facilities. The actual level of (uncommitted to projects) reserves at the year ended 31 December 2014 was £146,199 (2013: £94,361).

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, especially in respect of water

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

quality. Attainment of targets in the Water Framework and Habitats Directive as well as national and local Biodiversity targets are 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 broadly 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.

Our REACH continues 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

WUF plans to continue managing its current Wye and Usk Projects, while at the same time continuing to bid for new funding. There has been a core 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 2014, bids were being developed for a whole range of funds including Lottery, EU Maritime Fisheries Fund, Life + Landfill tax and Leader + and others. We will continue to work on these schemes with our current and new partners, Coed Cymru.

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

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

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).

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 AUDITOR'S 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 2014 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 the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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 2014 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.

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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;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime.

Jonathan Marchant (Senior Statutory Auditor)

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

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 2014

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
Incoming resources					
Voluntary income – donations		25,455	49,670	75,125	88,147
Donated services		401,870	-	401,870	85,275
Activities for generating funds:					
Income from trading	2	78	-	78	48
Investment income	3	6,894	-	6,894	10,266
Income resources from charitable activities	4	437,836	1,210,338	1,648,174	1,503,069
Other incoming resources	5	6,450	-	6,450	-
Total incoming resources		878,583	1,260,008	2,138,591	1,686,805
Resources expended					
Cost of donated services		401,870	-	401,870	85,275
Cost of generating funds:					
Fundraising trading: cost of goods sold and other costs	6	320	-	320	90
Charitable activities	7	419,383	1,043,181	1,462,564	1,594,664
Governance costs	8	5,373	3,250	8,623	4,673
Total resources expended		826,946	1,046,431	1,873,377	1,684,702
Net incoming resources in the year before transfers		51,637	213,577	265,214	2,103
Gross transfers between funds		201	(201)	-	-
Net movement in funds		51,838	213,376	265,214	2,103
Funds at 1 January 2014	18	94,361	297,982	392,343	390,240
Funds at 31 December 2014	18	146,199	511,358	657,557	392,343

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 2014

	Notes	2014 £	2013 £
Fixed assets	13	-	2,824
Current assets			
Stock	14	130	360
Debtors	15	279,731	88,589
Cash at bank and in hand		541,770	502,763
		821,631	591,712
Creditors: Amounts falling due within one year	16	(164,074)	(201,089)
Net current assets		657,557	390,623
Total assets less current liabilities		657,557	393,447
Creditors: Amounts falling due after one year	17	-	(1,104)
Net assets		657,557	392,343
Funds			
Unrestricted funds:			
General fund	18	146,199	94,361
Restricted funds	18	511,358	297,982
Total funds	19	657,557	392,343

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 26 June 2015

Signed on their behalf by:

E Passey
Trustee

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements for the year ended 31 December 2014

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 year 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

Charitable expenditure 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 2014

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 fundraising, 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 obligations 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%

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Notes forming part of the financial statements For the year ended 31 December 2014

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 £	2014 £	2013 £
Sale of merchandise	78	0	78	48

3. Investment income

	Unrestricted £	Restricted £	2014 £	2013 £
Deposit interest	6,894	-	6,894	10,266

4. Income resources from charitable activities

	Unrestricted £	Restricted £	2014 £	2013 £
Grants and contract income	103,046	1,183,048	1,286,094	1,152,835
Passport scheme	333,081	-	333,081	324,471
Miscellaneous	1,709	27,290	28,999	25,763
	437,836	1,210,338	1,648,174	1,503,069

5. Other incoming resources

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Sale of assets	6,450	-	6,450	-

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31 December 2014

6. Cost of generating funds

	Unrestricted	Restricted	2014 Total	2013 Total
	£	£	£	£
Merchandise	320	-	320	90

7. Charitable activities

	Unrestricted	Restricted	2014 Total	2013 Total	Basis of allocation
	£	£	£	£	
Habitat expenses	22,751	268,364	291,115	306,319	Actual
Habitat staff costs (inc NI)	41	191,346	191,387	196,187	Hours
Contractors	1,627	10,867	12,494	12,917	Actual
Passport scheme	271,701	-	271,701	261,508	Actual
Monitoring	-	(9,185)	(9,185)	151,821	Actual
Marketing	27,595	3,844	31,439	52,293	Percentage
	323,715	465,236	788,951	981,045	
Support costs					
Staff costs (inc NI)	68,486	389,340	457,826	454,460	Hours
Premises and office costs	16,588	132,240	148,828	82,786	Actual
Motor and travel	3,252	56,365	59,617	59,373	Actual
Financing	4,518	-	4,518	5,213	Actual
Depreciation	2,824	-	2,824	11,787	Actual
	95,668	577,945	673,613	613,619	
Total	419,383	1,043,181	1,462,564	1,594,664	

8. Governance costs

	Unrestricted	Restricted	2014 Total	2013 Total
	£	£	£	£
Audit and accountancy	4,725	3,250	7,975	4,175
Meeting cost	648	-	648	498
	5,373	3,250	8,623	4,673

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Notes forming part of the financial statements For the year ended 31 December 2014

9. Net incoming resources

This is stated after charging:

	2014	2013
	£	£
Depreciation of owned tangible assets	-	7,194
Depreciation of leased tangible assets	2,824	4,593
Auditors' remuneration – audit services	6,500	6,000
Auditors' remuneration – non audit services	<u>6,100</u>	<u>2,350</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 policy covers the trustees up to £250,000. The premium amounted to £559 (2013: £559).

11. Staff Costs

Staff costs were as follows

	2014	2013
	£	£
Wages and salaries	596,308	598,559
Social security costs	52,905	52,088
	649,213	650,647

There were no employees with emoluments above £60,000 (2013: nil).

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

	Number	Number
	2014	2013
Staff deployed in projects	24	24
Staff deployed in central administration	1	1
	25	25

12. Trustees' Remuneration and Expenses

The Trustees received no remuneration from the charity.

During the year 1 trustee was reimbursed expenses from the charity, for travel and other incidental costs as a trustee amounting to £1,831 (2013: £815).

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

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31 December 2014

13. Fixed assets

	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	£	£	£
Cost			
At 1 January 2014	61,216	538	61,754
Disposals	(8,200)	-	(8,200)
At 31 December 2014	53,016	538	53,554
Depreciation			
At 1 January 2014	58,392	538	58,930
Charge for the year	2,824	-	2,824
Eliminated on disposals	(8,200)	-	(8,200)
At 31 December 2014	53,016	538	53,554
Net Book Value			
At 31 December 2014	-	-	-
At 31 December 2013	2,824	-	2,824

The net book value of motor vehicles of £nil (2013: £2,824) includes an amount of £nil (2013: £2,824) in respect of assets held under finance leases.

14. Stock

	2014	2013
	£	£
Stock of goods for resale	130	360

15. Debtors

	2014	2013
	£	£
Trade debtors	5,833	1,050
Grants receivable	254,119	65,770
Other debtors	19,779	21,769
	279,731	88,589

All debts are due within one year.

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For the year ended 31 December 2014

16. Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	17,547	30,560
Obligations under finance leases	-	1,472
Other taxation and social security	13,403	14,991
Pension contributions	651	651
Other creditors	132,473	153,415
	164,074	201,089

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

	2014	2013
	£	£
Obligations under finance leases	-	1,104
Amounts due:		
In one – two years	-	1,104
	-	1,104

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31 December 2014

18. Funds

	At 1 January 2014 £	Incoming £	Outgoing £	Transfers £	At 31 December 2014 £
Restricted Funds					
River Funds					
- Wye	122,039	39,626	-	(39,061)	122,604
- Lugg & Arrow	9,933	2,792	-	-	12,725
- Monnow	1,254	113	-	-	1,367
- Usk	-	9,740	-	(9,610)	130
Projects					
- GUTW	74,730	11,150	(21,425)	8,501	72,956
- ISAC	(136,713)	(4,998)	6,768	-	(134,943)
- WFW - FOAL	(4,418)	4,619	-	(201)	-
- SMS12	61,646	453,109	(367,457)	-	147,298
- WVP	-	2,000	(39)	(1,961)	-
- Splash A2G	1,587	4,512	(6,939)	840	-
- CPF CaBA	9,811	18,646	(34,050)	-	(5,593)
- SNR	3,300	(2,750)	(550)	-	-
- WHIP 2 CRF	149,305	598,416	(452,863)	-	294,858
- PURR H20	-	-	(29,489)	29,489	-
- REACH	1,954	190	(3,266)	1,122	-
- MOAT Olway	3,965	38,359	(42,324)	0	-
- KRC	(411)	70,000	(80,269)	10,680	-
- Nature Fund	-	14,484	(14,528)	-	(44)
	297,982	1,260,008	(1,046,431)	(201)	511,358
Unrestricted General Funds	94,361	516,010	(449,949)	(17,181)	143,241
Designated Passport	-	362,573	(376,997)	17,382	2,958
	94,361	878,583	(826,946)	201	146,199
Total Funds	392,343	2,138,591	(1,873,377)	-	657,557

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements
For the year ended 31 December 2014

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.

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 2014 these included contributions from the Usk Fishing Association, patrons and donors, and part of the EFF funded SMS12. 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.

19. Analysis of group net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£
Fund balances at 31 December 2014 as represented by:				
Fixed assets	-	-	-	2,824
Net current assets	146,199	511,358	657,557	390,623
Creditors after one year	-	-	-	(1,104)
Total net assets	146,199	511,358	657,557	392,343

THE WYE AND USK FOUNDATION

Notes forming part of the financial statements For the year ended 31 December 2014

20. Operating lease commitments

At 31 December 2014 the Charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
2 – 5 years	12,125	12,125	1,824	1,824

21. Related Party Transactions

As part of the Passport scheme amounts of £5,151 (2013: £5,772) 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 (2013: £nil) 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. Income of £560 (2013: £1,035) was received from Dr S Marsh-Smith for work done.

As part of the Passport scheme amounts of £52,709 (2013: £49,981) 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.

As part of the Passport scheme amounts of £4,803 (2013: £4,381) 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. Income of £Nil (2013: £532) was received from Major P A Darling for which a debtor of £Nil (2013: £638) existed at the year end.

A J Norman is a partner in The Norman Partnership. The WUF has made sales of £1,794 (2013: £1,538) in relation to the Grove Project and made payments to The Norman Partnership of £Nil (2013: £2,814) towards the Leen and Rough Acre project. A debtor of £Nil (2013: £1,846) was owed by The Norman Partnership at the year end.

In 2014 work was done on the Nyth Syndicate at a cost of £2,415 (2013: £nil). Mr F P G 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.

The WUF made sales of £9,360 to C Morley for fencing and tree work.

A fishing passport advert of £200 was sold to G Linley-Adams.

22. Control

The Charity is controlled by its trustees.