

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

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

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THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Trustees	C Newington-Bridges, (appointed Chair 1 March 2019) R Murray, Vice Chair R W Blears Major P J Darling H N Harrison P J Horsburgh A P Johnson P Lloyd C Morley A J Norman (resigned 12 July 2019) E Passey A J R Sayer (resigned 30 October 2020) M Timmis K Waters (resigned 13 July 2020)
Company registered number	03343965
Charity registered number	1080319
Registered office	The Right Bank The Square Talgarth Brecon LD3 0BW
Company secretary	Dr S J Marsh-Smith (deceased 8 August 2020)
Chief executive officer	S Evans
Independent auditor	Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP
Bankers	National Westminster Bank Plc 27 High Street Brecon Powys LD3 7LF
Investment Managers	Brewin Dolphin 2nd Floor 5 Callaghan Square Cardiff CF10 5BT

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their annual report together with the audited financial statements of the Foundation for the year 1 January 2019 to 31 December 2019. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

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.*

In 2019 the activities of the Foundation centred on bidding for new funds and delivering partnership projects to improve riparian habitats, biodiversity, water quality, and improve the status of the animal and plant life, and economies, of the Usk and Wye catchments, which include a number of designated species. In Herefordshire we continue to shape the national agenda through our partnership, soils and development of natural capital work.

The Foundation has its own workforce to deliver these improvements, but uses an increasing network of volunteers to help.

Achievements and performance

a. Summary of main achievements during the year

WUF continued to deliver its objectives through partnership projects in 2019. 2019 saw a record number of 61 funding bids submitted (totalling £2,677,439) and 18 bids won totalling £2,024,520 including £540,111 for partner organisations. At year end we were awaiting news on a further 39 bids totalling £549k. 4 bids were rejected.

After the bidding success of the previous year WUF ran a portfolio of 27 projects during 2019 which expanded our workforce and delivery capability.

The Passport scheme, now in its 16th year continued to expand the marketing of fishing to include fisheries of Welsh owners and Rivers Trusts outside the Wye and Usk catchments and generated a small loss in 2019. Our water abstraction project resulted in measurable results on the Wye and Usk which supplemented the low flows in 2019 and continued the change in the distribution of salmon catches in the Wye and Usk first seen in 2018.

The Wye Catchment Partnership which WUF is hosting, which now numbers 137 individuals and 49 organisations, is progressing solutions and co-ordinating efforts to improve water quality, normalise flows and

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance (continued)

restore biodiversity.

b. Performance achieved against objectives

Details of project achievements in the year includes:

1. Habitat Restoration: our aim is to manage the riparian shading, woody debris and stock access to the riparian zone of the tributaries of both rivers to maximise fish stocks and biodiversity, including the Special Area of Conservation species. This year another 11.9km of tributary was improved, taking the total to 393.3km since the inception of WUF.

2. The annual application of limestone sand in the acidified upper Wye and Irfon was completed in April 2019. 260 tonnes was introduced across 89 sites. This activity protects 58.5 km of important spawning stream from the worst effects of acidification which is exacerbated by commercial forestry. There is now an encouraging number of salmon and trout successfully spawning in these previously fishless areas.

3. The invasive weeds project "Giving up the Weed" continued with the spring/early summer spraying of the poisonous giant hogweed: 116 km of the Wye and 60 km of the Usk were treated this year. It was noted that only 23 giant hogweed plants were found on the Wye: meaning we are very close to complete eradication. On the Usk, whilst in the freshwater numbers of plants found is dropping to less than 4/km, a heavy infestation remains in the tidal reaches.

Spraying of Japanese Knotweed (autumn) continued in both catchments: 14 new sites were treated bringing the total to 1,044 of which eradication has been confirmed at 550 and treatment continues for the rest. The Monnow Rivers Association continues its ambitious project to eliminate Himalayan Balsam from that sub-catchment. For the second year the Go Wild in the Curl Partnership of farmers was supported by WUF in its attempts to eradicate Balsam from Curl with numbers of the plant much reduced in 2019.

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 1,004km of stream has been opened this way. In 2019, 4 projects were completed, 1 fishpass was repaired, 2 eel passes and 1 smolt notches to reduce mortality of trout and salmon moving downstream were installed. The focus of the year was on Ballsgate fish pass on the Lugg. This is the most complicated fish pass we have ever built and after a summer securing the site and stopping the weir from leaking we had installed the base and were 3 weeks from finished when the heavens opened and the Lugg rose damaging the upstream coffer. This meant we had to make the site secure against winter floods and then retire to finish in 2020. Complete weir removal remains our preferred option, but that is not always possible.

Ballsgate fish pass was completed in September 2020.

5. The Passport, our fisheries marketing scheme, saw sales fall back slightly in large part to the sustained floods in the autumn. The fishing portfolio being marketed expanded in the rest of Wales and also for the first time, wider in England and our first beat in Scotland for the benefit of other rivers trusts. A total of 11,840 angler visits resulted from the scheme (12,642 in 2018) and the total value of fishing sold was £314,989 (£328,788 in 2018). 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 since 2011 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 closing the Monmouthshire and Brecon canal. This is triggered by the European Habitats Directive. Our consultant, John Lawson, has been able to equate the needs of the rivers' migratory fish

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance (continued)

in a series of models that ultimately have led to some very cost effective solutions. Further progress was made on implementing the new operating practices to reflect the new licences in 2019 on both rivers for the benefit of all migratory fish. The Wye is now operating according to the new licenses. Abstraction in the lower reaches of the Usk was curtailed and new valves have been fitted to Usk reservoir which will allow increased releases to extend spates and prevent damaging low flows. The work at Prioress was delayed by the sustained high water in the autumn and will now be completed in 2020. WUF continues to work for full implementation of the agreement on the Usk which is due in 2021.

7. Another partnership with WUF, Dwr Cymru/Welsh Water and NRW to restore the Elan, failed to find a source for gravel to introduced to the Elan below Caban Coch dam this year, so we freed up the 300t still at the introduction site. Encouragingly juvenile trout and salmon were recorded in increasing numbers after the first successful spawning for at least 40 years following gravel introductions in 2016 and 17. This is a ground breaking initiative and the culmination of 6 years effort. It is only the start and in subsequent years we hope to introduce at least another 5,000t to fully restore the ecology of the Elan.

8. Farm pollution management continued and WUF secured major projects in both Wales and England to continue. We expanded our work force by 4 and completed a further 170 whole farm plans taking the total number of farmers engaged to 1,016 (770 England, 246 Wales). We also worked with a further 240 farmers previously engaged helping 59 to complete applications for an additional £3.2m of funds. Alleviating soil degradation and loss to watercourses, and the realising the benefits of improved soil management to farmers, biodiversity, the climate and our rivers has become increasingly the important. WUF is the preferred deliverer of farm advice in Herefordshire and through the Wye 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.

We are still seeking better co-ordination of the efforts to reduce diffuse and point pollution in the Welsh section of the two catchments. 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 which is reducing the amount of phosphate in the Lugg and Wye catchments.

9. The Wye Catchment Partnership is a Defra funded programme established in 2015 which enables and encourages partnerships to deliver additional ways of improving water quality and quantity, and biodiversity. WUF and NRW are the joint host organisations and in 2019, three meetings were held. The real value of the partnership has been in agreeing problems, solutions, aligning the goals of multiple organisations and agreeing who will most effectively deliver each of the required actions. Most of the projects designed since 2016 reflect this partnership approach. WUF remains the principle fundraiser and lead partner.

2019 saw the first large scale natural capital mitigation/offsetting schemes arise. A novel multi partner natural flood management project in Herefordshire focused on restoring soil infiltration rates in 7 catchments and the planning moratorium in Herefordshire following the 'Dutch Judgement' has opened up options for phosphate offsetting.

10. In 2019 we expanded our education remit further following the Freshwater Friends appeal which raised almost £30k supported by 4 other donations from grant giving trusts. This allowed us to yet again work with over 4,000 school children in 26 schools to promote engagement with rivers and greater stewardship of natural resources. Other projects focused on the wider community and stakeholders.

The education of land users and decision makers in improved working practices and techniques and presentations to the general public on river restoration continued in 2019 with numerous well attended workshops and field days, our annual river walk, a trip to Ballsgate and our newsletter and enews.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance (continued)

11. The Courtauld 2025 initiative expanded markedly in 2019 securing investment from Co-op, Tesco's and M&S. This allowed us to secure and host an agricultural-supply board and develop working relationships with suppliers such as Muller, Stonegate, Noble foods and Berry World. Together, we are working with their farmers to reduce the impact of the food supply chain on water quality in the Wye and Usk. This is an expanding and exciting area of work.

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 and works closely with Afonydd Cymru and The Rivers Trust on national issues. We made several appearances before the Environment and Sustainability Committee of the Welsh Assembly. We are represented on the Independent Environment Advisory Panel of DCWW (Welsh Water) and in both Wye and Usk Local Fishery Groups.

14. Communication: WUF sends out e-news that report on river conditions and give updates on projects, monthly fishing reports to reinforce the Passport scheme and annual written newsletters. Our 2 websites have a high volume of traffic: web sessions 555,676; users 165,401; page views 2,185,055 with roughly 1/4r of traffic to www.wyeuskfoundation.org and 3/4rs to www.fishingpassport.co.uk

We have 3,141 twitter followers for @wyeuskfoundation and 403 followers of @fishingpassport as on 20th Sept 2020.

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, identified by WUF's juvenile fish surveys in 2016. 2019 was another year dominated by extreme weather which affected the work of the Foundation and ecology of the rivers. Between August and Dec over 1.5m of rain fell on parts of the catches, leading sustained flooding, curtailment of monitoring programmes and considerable damage to fencing.

The summer drought in 2018 led to an increase in fodder crops being grown in the Welsh uplands too often on high risk fields. The heavy rainfall in March and April when the fields had been grazed off and were bare and compacted then led to massive soil loss from upland Wales. The Usk was particularly badly affected.

The increasing intensity of rainfall is exacerbating the risk of overland flow, flooding and pollution. On three separate days over 70mm of rain fell on the catchments (4 April, 7 Aug, 26 Oct)

This further re-enforced WUF's objectives of climate proofing our rivers and ensuring our operations and activities are carbon neutral or better.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

THE WYE AND USK FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review (continued)

b. Brief review of the financial position

2019 was the 4th consecutive year in which we started more projects than we finished and turnover increased by 28%. The mix of projects leaned towards those that were funded in arrears rather than advance which combined with low reserves created cash flow pressures during the year. These were effectively managed by the executive.

Despite employing a fundraiser, donations to WUF core fell back in 2019 to £85,810 (£86,992 in 2018). The passport made a small surplus and whilst consultancy made a small loss. Donations from grant giving trusts increased but these were mostly project based rather than for core.

The year finished with WUF reserves at a low ebb as a result of funding commitments to projects and employing a fundraiser.

Securing projects and funds in Herefordshire has proved relatively easy but there are still concerns about the timing, availability and limitations of funding in Wales.

c. Principal funding sources

The principal funding sources for the charitable company in 2019 were from income generated by the projects which were supported by both Welsh and English governments, statutory bodies (especially the Environment Agency and Natural England), the Passport, contributions from our water companies, individuals, riparian owners, anglers and charitable trusts such as John Oldacre, Ernest Cook, The Greggs Foundation, Whitley Animal Protection, Scott Eredine, D'Oly Carte, Pippin Trust, Princes Trust, Worshipful Founders, North Atlantic Salmon Conservation Organisation and Jordan Trust. We would like to thank everyone who supported us in 2019 for their generosity.

39% of our funds came from Defra, the Environment Agency and Natural England. 17% from the Welsh Government, 13% from European funds 11% from Severn Trent Water, 11% from grant giving Trusts 1% from enforcement undertakings, 8% from grant giving trusts and 6% from Courtauld partners. WUF donations and core fundraising contributed 2% of the funding, maintaining our longstanding >1:10, donation to spend ratio. All of our projects require some match funding from donations made by the public and grant giving trusts to WUF.

d. 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 9.4% in 2019, which in combination with donations, grew the fund to £223,447 by year end (2018: £169,100).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review (continued)

e. 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.

Total reserves at 31 December 2019 amounted to £401,639 (2018: £253,353) with £210,359 (2018: £56,509) relating to restricted funds, £223,441 (2018: £179,777) relating to endowment funds and a deficit of £32,161 (2018: £17,067 surplus) relating to the general fund.

f. Principal risks and uncertainties

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. |

WUF have confirmed with all our existing major funders that the projects will continue to be funded in the event of a no deal Brexit. WUF has been planning for considerable uncertainty around future environmental regulation and future funding in the event of a no deal. WUF is in a good position to develop the opportunities of a managed withdrawal, and any change in agricultural support payments, to deliver our objects. The current growth in business funding is anticipated to weaken in the short to medium term in the event of any form of Brexit.

g. COVID-19

WUF managed to weather the impact of the 1st wave of COVID-19 without too much impact. The passport was closed, but in the rest of the year has recovered, farm team's ability to visit farmers was impinged, but the mid-tier applications could be progressed remotely and education moved from class visits to online videos. In total we had to furlough 8 staff over a period of 5 months. The most significant change has been the move to home working. This has had both positives and negatives, helping to deliver our commitment to lower CO2 emissions from the foundation's business, but requiring increased time to be devoted to formal meetings. The flow of information through the foundation was reduced, but this has been acted upon and new mechanisms established.

The lasting impact will be the re-positioning of WUF from a reliance on structural funds to using natural capital schemes to deliver our objects.

Structure, governance and management

a. Constitution

The Wye and Usk Foundation 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

THE WYE AND USK FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management (continued)

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, 25 October 2011 and 1 March 2019. It is registered as a charity with the Charity Commission, registered number 1080319.

b. Methods of appointment or election 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.

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.

c. Organisational structure and decision-making policies

Officers:

At 31 December 2019 the principal officers of the Trust were:

Simon Evans	(Chief Executive)
Dr Stephen Marsh-Smith OBE	(Advisory Director)
Seth Johnson-Marshall	(Project Manager)
Sian Gray	(Head of Finance)
Louis Macdonald-Ames	(Head of Operations)
Kate Adams	(Head of Land Use)
Colette Mooney	(Head of Education)

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management (continued)

been superseded by the Catchment Partnerships and the former group has been disbanded.

d. Policies adopted for the induction and training of Trustees

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.

e. 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 note 24 to the accounts.

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 (i.e. Wales).

f. Related party relationships

Throughout the year to 31 December 2019, 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.

Plans for 2020

WUF plans to continue delivering its current Wye and Usk projects, while at the same time bidding for new funding, maintain existing funding streams and open up new ones, especially around natural capital and environmental gain both for core and project funding. We also will continue to strive to increase the endowment fund.

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 and habitat restoration near completion. 2019 saw further development of the delivery of our 2nd object through the Freshwater Friend appeal which raised funds from grant giving trusts and private donations.

WUF is looking to expand further during 2020. Bids are being developed for a range of funds including Natural flood Management, Phosphate offsetting, Education, Welsh Government's strategic allocation fund and others, as well as expanding our donor base to allow us to match fund these projects.

In 2020, we hope to expand further the partnership working within other stakeholder's initiatives where they align with our objects, with WUF acting as the competent delivery partner.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 Foundation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

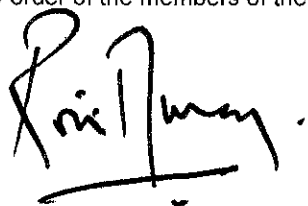
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on and signed on their behalf by:

R Murray
Trustee



4/12/10

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

Opinion

We have audited the financial statements of The Wye and Usk Foundation (the 'Foundation') for the year ended 31 December 2019 which comprise , the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 31 December 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the Foundation financial statements, which is not modified, we draw your attention to the trustees' view on the impact of COVID-19 as disclosed on page 7, and the consideration in the going concern basis of preparation on page 19.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The impact of COVID-19 became significant in March 2020 and has caused widespread disruption to normal patterns of business activity across the world, including the UK.

The impact of COVID-19 continues to evolve and, based on the information available at this point in time, the directors have assessed the impact of COVID-19 on the business and have concluded that COVID-19 is a non-adjusting post balance sheet event and that adopting the going concern basis for preparation of the financial statements is appropriate.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Foundation 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 in relation to which 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.
- the directors 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 Directors' Report and from the requirement to prepare a Strategic Report.

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 2, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Foundation'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 Foundation'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 Foundation and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Jonathan Marchant (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date: 4 December 2020

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income and endowments from:						
Donations and legacies	3	37,401	76,359	15,967	129,727	136,241
Charitable activities	4	204,850	1,000,584	-	1,205,434	945,283
Other trading activities	5	1,030	456	-	1,486	210
Investments	6	154	-	4,645	4,798	3,805
Other income	7	778	-	-	778	374
Total income and endowments		244,213	1,077,399	20,612	1,342,224	1,085,913
Expenditure on:						
Raising funds	8	360	68	1,398	1,825	1,858
Charitable activities		278,731	937,831	-	1,216,562	964,071
Total expenditure		279,091	937,899	1,398	1,218,388	965,929
Net gains on investments		-	-	24,450	24,450	(15,056)
Net (expenditure)/income		(34,878)	139,500	43,664	148,286	104,928
Transfers between funds	19	(14,350)	14,350	-	-	-
Net movement in funds		(49,228)	153,850	43,664	148,286	104,928
Reconciliation of funds:						
Total funds brought forward		17,067	56,509	179,777	253,353	148,425
Net movement in funds		(49,228)	153,850	43,664	148,286	104,928
Total funds carried forward		(32,161)	210,359	223,441	401,639	253,353

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 37 form part of these financial statements.

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Total funds	Total funds
	2019	2018
	£	£
Gross income in the reporting period	1,321,611	1,062,081
Less: Total expenditure	(1,216,990)	(964,432)
Net income for the reporting period	<u>104,621</u>	<u>97,649</u>

The notes on pages 19 to 37 form part of these financial statements.

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03343965

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	29,287	38,076
Investments	15	223,447	169,100
		<u>252,734</u>	<u>207,176</u>
Current assets			
Stocks	16	55	33
Debtors	17	258,833	107,675
Cash at bank and in hand		193,368	135,957
		<u>452,256</u>	<u>243,665</u>
Creditors: amounts falling due within one year	18	(303,351)	(197,488)
Net current assets		<u>148,905</u>	<u>46,177</u>
Total assets less current liabilities		<u>401,639</u>	<u>253,353</u>
Total net assets		<u>401,639</u>	<u>253,353</u>
Charity funds			
Endowment funds	19	223,441	179,777
Restricted funds	19	210,359	56,509
Unrestricted funds	19	(32,161)	17,067
Total funds		<u>401,639</u>	<u>253,353</u>

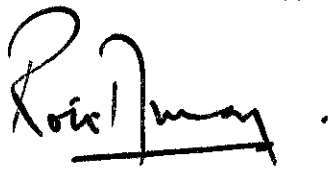
THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03343965

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'R Murray', is written over a horizontal line.

R Murray
Trustee

4/12/20

The notes on pages 19 to 37 form part of these financial statements.

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities		
Net cash used in operating activities	83,640	101,133
Cash flows from investing activities		
Dividends, interests and rents from investments	4,798	3,805
Purchase of tangible fixed assets	(5,545)	(9,366)
Proceeds from sale of investments	21,200	13,796
Purchase of investments	(46,682)	(26,281)
Net cash used in investing activities	(26,229)	(18,046)
Change in cash and cash equivalents in the year	57,411	83,087
Cash and cash equivalents at the beginning of the year	135,957	52,870
Cash and cash equivalents at the end of the year	193,368	135,957

The notes on pages 19 to 37 form part of these financial statements

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The Wye and Usk Foundation is a private company limited by guaranteed, 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. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Wye and Usk Foundation meets the definition of a public benefit entity under 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 2018.

2.2 Going concern

WUF managed to weather the impact of the 1st wave of COVID-19 without too much impact. The lasting impact will be the re-positioning of WUF from a reliance on structural funds to using natural capital schemes to deliver our objects. 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 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably and it 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.

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.

Grants receivable

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Income (continued)

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.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement 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.

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.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Motor vehicles	- 20 - 25%
Office equipment	- 25%
Computer equipment	- 50%

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

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

2.7 Stocks

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

2.8 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.

2.9 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.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.11 Financial instruments

The Foundation 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.

2.12 Operating leases

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

2.13 Pensions

The Foundation contributes to a work place pension scheme for those employees not already paying into personal schemes. The Foundation continued to collect pensionable sums from its employees and pays them to various pension providers.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Foundation for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment fund 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 xx to the accounts.

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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

3. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Donations	33,609	76,359	15,967	125,935
Donated services	3,792	-	-	3,792
Total 2019	37,401	76,359	15,967	129,727

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Donations	32,146	55,384	20,099	107,629
Donated services	28,612	-	-	28,612
Total 2018	60,758	55,384	20,099	136,241

4. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Grants and contract income	118,624	999,633	1,118,257
Passport scheme	84,940	-	84,940
Miscellaneous	1,286	951	2,237
Total 2019	204,850	1,000,584	1,205,434

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Income from charitable activities (continued)

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Grants and contract income	126,795	726,227	853,022
Passport scheme	90,377	-	90,377
Miscellaneous	903	980	1,883
Total 2018	218,075	727,207	945,282

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Sale of merchandise	1,030	456	1,486

	Unrestricted funds 2018 £	Total funds 2018 £
Charity trading income	210	210

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. Investment income

	Unrestricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Interest and dividends	154	4,645	4,799

	Unrestricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Interest and dividends	73	3,732	3,805

7. Other incoming resources

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Insurance proceeds	-	-	374
Profit on disposal of fixed assets	778	778	-
	<u>778</u>	<u>778</u>	<u>374</u>

8. Investment management costs

	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment manager fees	1,398	1,398	1,496

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Direct costs

	2019	2018
	£	£
Costs of donated services	3,792	28,612
Habitat expenses	210,478	102,189
Marketing	45,783	22,542
Wages and salaries	91,260	134,927
	<u>351,313</u>	<u>288,270</u>

10. Support costs

	2019	2018
	£	£
Motor and travel	52,707	50,005
Premises and office costs	86,114	87,407
Financing	10,191	5,624
Wages and salaries	558,868	406,138
National insurance	59,769	46,127
Pension cost	71,409	58,330
Depreciation	14,334	11,667
Governance	11,855	10,501
	<u>865,247</u>	<u>675,799</u>

11. Auditor's remuneration

	2019	2018
	£	£
Fees payable to the Foundation's auditor for the audit of the Foundation's annual accounts	7,250	7,025
Fees payable to the Foundation's auditor in respect of:		
All non-audit services not included above	<u>2,600</u>	<u>2,525</u>

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12. Staff costs

	2019	2018
	£	£
Wages and salaries	650,128	541,065
Social security costs	59,769	46,127
Contribution to defined contribution pension schemes	71,409	58,330
	<u>781,306</u>	<u>645,522</u>

The average number of persons employed by the Foundation during the year was as follows:

	2019	2018
	No.	No.
Staff deployed in projects	23	19
Staff deployed in central administration	3	3
	<u>26</u>	<u>22</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel includes the trustees, Director (CEO) and Deputy Director. The total employee benefits of the key management personnel of the charity were £75,108 (2018: £71,422).

13. Trustees' remuneration and expenses

The charity trustees were not paid or received any other benefits from employment with the Foundation. No trustee was reimbursed expenses in the year. No trustee received payment for professional or other services supplied to the charity.

Thirteen trustees made donations totalling £23,506 during the year (2018: Fourteen trustees totalling £22,921).

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Tangible fixed assets

	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2019	50,105	1,543	6,525	58,173
Additions	4,800	-	745	5,545
At 31 December 2019	54,905	1,543	7,270	63,718
Depreciation				
At 1 January 2019	16,980	64	3,053	20,097
Charge for the year	10,818	386	3,130	14,334
At 31 December 2019	27,798	450	6,183	34,431
Net book value				
At 31 December 2019	27,107	1,093	1,087	29,287
At 31 December 2018	33,125	1,479	3,472	38,076

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2019	169,100
Additions	51,487
Disposals	(21,200)
Revaluations	24,450
Foreign exchange movement	(390)
At 31 December 2019	223,447

Net book value

At 31 December 2019	223,447
<i>At 31 December 2018</i>	<i>169,100</i>

Investments at fair value comprised:

	31 December 2019 £	31 December 2018 £
Bonds	45,288	27,403
Equities	164,339	131,182
Property	10,381	6,686
Cash held within the investment portfolio	3,439	3,829
	223,447	169,100

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

16. Stocks

	2019	2018
	£	£
Finished goods and goods for resale	55	33

17. Debtors

	2019	2018
	£	£
Trade debtors	21,664	69,078
Other debtors	5,911	-
Prepayments and accrued income	15,435	10,661
Tax recoverable	-	3,652
Grants receivable	215,823	24,284
	<u>258,833</u>	<u>107,675</u>

18. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	11,642	27,352
Other taxation and social security	15,165	33,812
Other creditors	149,150	6,535
Accruals and deferred income	127,394	129,789
	<u>303,351</u>	<u>197,488</u>

Deferred income of £81,492 (2018: £81,754) 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.

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
General Funds	17,067	244,213	(279,091)	(14,350)	-	(32,161)
Endowment funds						
Endowment Fund	179,777	14,852	(1,398)	-	24,450	217,681
Endowment fund - Usk	-	5,760	-	-	-	5,760
	<u>179,777</u>	<u>20,612</u>	<u>(1,398)</u>	<u>-</u>	<u>24,450</u>	<u>223,441</u>
Restricted funds						
Wye	-	41,698	-	(24,095)	-	17,603
Lugg & Arrow	-	2,410	-	-	-	2,410
Monnow	242	44	-	-	-	286
Usk	4,618	13,282	-	(838)	-	17,062
Habitat	(45,208)	271,714	(244,917)	22,510	-	4,099
Farm	87,308	690,472	(637,708)	(904)	-	139,168
Education	7,689	29,763	(32,342)	14,165	-	19,275
Other	1,860	28,016	(22,932)	3,512	-	10,456
	<u>56,509</u>	<u>1,077,399</u>	<u>(937,899)</u>	<u>14,350</u>	<u>-</u>	<u>210,359</u>
Total of funds	<u>253,353</u>	<u>1,342,224</u>	<u>(1,218,388)</u>	<u>-</u>	<u>24,450</u>	<u>401,639</u>

Funding transfers from Restricted Funds arise when either the pre-agreed budget for an item of expenditure is overestimated and thus a small surplus is generated, or when a fund closes whilst holding a balance, and with the assent of the funder, the balance is transferred to another Wye or Usk fund as appropriate.

THE WYE AND USK FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2018 £
Unrestricted funds						
General Funds	5,304	279,492	(234,092)	(33,637)	-	17,067
Endowment funds						
Endowment Fund	172,498	23,831	(1,496)	-	(15,056)	179,777
Restricted funds						
Wye	(13,106)	40,464	-	(27,358)	-	-
Lugg & Arrow	(3,975)	1,638	-	2,337	-	-
Monnow	199	44	-	-	-	243
Usk	26,502	12,987	-	(34,872)	-	4,617
Habitat	(72,812)	309,591	(362,128)	80,141	-	(45,208)
Farm	25,009	391,422	(337,365)	8,242	-	87,308
Education	9,101	6,791	(13,350)	5,147	-	7,689
Other	(295)	19,653	(17,498)	-	-	1,860
	(29,377)	782,590	(730,341)	33,637	-	56,509
Total of funds	148,425	1,085,913	(965,929)	-	(15,056)	253,353

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Description of Funds

Endowment Fund

The Wye and Usk Foundation Endowment Fund is a long term fund whose capital is invested to generate income to support the works and charitable objectives of the Wye and Usk Foundation. A sub-committee of 4 including at least one current Trustee and the WUF Director are responsible to the Board for selecting, appointing and monitoring the Fund manager. Donors to the fund are able to elect for income from their donations to be reserved for a specific catchment or for the general 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 2019 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.

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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	29,287	-	-	29,287
Fixed asset investments	-	-	223,447	223,447
Current assets	236,137	210,359	5,760	452,256
Creditors due within one year	(297,585)	-	(5,766)	(303,351)
Total	(32,161)	210,359	223,441	401,639

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Tangible fixed assets	38,076	-	-	38,076
Fixed asset investments	-	-	169,100	169,100
Current assets	176,478	56,509	10,677	243,664
Creditors due within one year	(197,487)	-	-	(197,487)
	17,067	56,509	179,777	253,353

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NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	148,286	104,928
Adjustments for:		
Depreciation charges	14,334	11,667
Unrealised gains from investments	(24,450)	15,056
Dividends, interests and rents from investments	(4,798)	(3,805)
Increase in stocks	(22)	(13)
Increase in debtors	(151,158)	(21,308)
Increase/(decrease) in creditors	105,863	(3,007)
Investment managers fees paid from investments	230	1,347
Dividends re-invested	(4,645)	(3,732)
Net cash provided by operating activities	83,640	101,133

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	193,368	135,957
Total cash and cash equivalents	193,368	135,957

23. Analysis of Net Debt

	At 1 January 2019 £	Cash flows £	At 31 December r 2019 £
Cash at bank and in hand	135,957	57,411	193,368
	135,957	57,411	193,368

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24. 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 £71,409 (2018: £58,330). At the year end there were pension contributions outstanding amounting to £6,150 (2018: £4,868).

25. Operating lease commitments

At 31 December 2019 the Foundation had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Land and buildings		
Not later than 1 year	11,000	7,000
Later than 1 year and not later than 5 years	22,000	-
	<u>33,000</u>	<u>7,000</u>

	2019	2018
	£	£
Other assets		
Not later than 1 year	1,060	1,556
Later than 1 year and not later than 5 years	3,710	460
	<u>4,770</u>	<u>2,016</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

26. Related party transactions

As part of the Passport scheme amounts of £10,322 (2018: £13,711) 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. Income of £946 (2018: £10,815) was received from Dr S Marsh-Smith for work done. Rent for the main office of £7,000 was paid during the year (2018: £7,000) to Dr S Marsh-Smith.

As part of the Passport scheme amounts of £58,199 (2018: £57,705) were collected by 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 £4,326 (2018: £2,770) were collected by WUF as agent for, and were paid to, Major P A Darling.

As part of the Passport scheme amounts of £137 (2018: £182) were collected by WUF as agent for Mr A J R Sayer who subsequently donated the full amount to the foundation. Income of £1,838 (2018: £862) was received from Mr A J R Sayer for work done.

As part of the Passport scheme amounts of £3,178 (2018: £2,863) were collect by WUF as agent for, and were paid to, Ms E Passey for the letting of a fishing beat owned by her. Income of £Nil (2018: £84) was received from Ms E Passey for work done.

Income of £Nil (2018: £3,365) was received from C Morley for work done.

Income of £Nil (2018: £570) was received from P Horsburgh for work done.

Income of £Nil (2018: £155) was received from S Evans for work done. S Evans made auction purchases of £220 (2018: £Nil) and donations of £1,050 (2018: £Nil) during the year.

Income of £2,147 (2018: £857) was received from T Norman for work done. Income of £2,576 (2018: £5,283) was received from the Norman Partnership, a business belonging to T Norman.

During the year nine trustees paid WUF £336 (2018: £272) in respect of miscellaneous purchases. Four trustees made auction purchases of £1,330 (2018: £1,149) during the year.