

**Charity registration number 1080319**

**Company registration number 03343965 (England and Wales)**

**THE WYE AND USK FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# THE WYE AND USK FOUNDATION

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# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### 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.*

In 2022 the activities of the Foundation centred on:

- Ensuring free migration for fish and restoration of natural geomorphological processes.
- Naturalising riparian habitat.
- Naturalising river flows.
- Improving water quality.
- Mitigating the effects of climate change on the rivers.
- Educating wider society and decision-makers in the conservation of rivers.
- Developing long term funding streams to support the above.

This involved using existing knowledge and techniques and also developing and delivering new methods and partnerships to restore the rivers and their catchments.

The growth of WUF created structure and staff issues during 2022. There was a higher rate of staff turnover than expected and the work force dropped from 27 staff on the 1st January 2022 to 25 staff with 6 vacancies on the 31st December 2022.

Correcting the lack of recovery of salmon populations in the lower and middle Usk catchment and the severe algal blooms, loss of ranunculus in the Wye and high water temperatures in both rivers has been our priority.

### Achievements and performance

#### Summary of the main achievements during the year

- WUF's turnover (inc passport sales) has increased from £1.786m in 2021 to £2.016m in 2022 (13% growth)
- WUF secured a record £2,579,704 of project funding and contracted work in 2022 (2021: £2,018,308).
- 2023 will see a major expansion of our plans in the Usk with funding to establish an Usk catchment partnership with NRW and other stakeholders and a £1.1m monitoring and investigation project to feed onto the partnership. This will allow us to understand and solve the complex 'wicked' problems now affecting this catchment.
- The work with the supply chain (Courtauld 2025) and farmers has reaped further rewards this year with agri businesses and supermarkets 'owning' the problems they are creating. WUF will be integral to the delivery of the solutions in 2023 and beyond.
- Natural capital opportunities developed further in 2022 and is offering us the opportunity to circumvent the effects of ineffective statutory regulation on land use choices by providing a financially viable alternative for land managers.

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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- Funders are seeing us as an effective delivery organisation. We are now one of the 4 largest rivers trusts in the UK and the national bodies of Afonydd Cymru and the Rivers Trust are working closely with us. 53% of our delivery in 2022 has come through our partnerships with them.
- WUF has an excellent, but increasingly stretched work force. We are governed by a strong group of trustees with expertise that covers all our operations.

The Passport scheme, now in its 19th year, saw a slight drop in sales due to a 7-week closure due to excessively high-water temperatures. It generated a £25,474 surplus (2021: £23,267) which was used to support our work to increase fish populations.

The Wye Catchment Partnership which WUF is hosting includes 137 individuals and 46 organisations. It is progressing solutions and co-ordinating efforts to improve water quality, normalise flows and restore biodiversity and develop new partnerships and funding streams.

#### **Performance achieved against objectives**

Achievements during 2022 include:

##### **1) Habitat and fish access**

- 2.4km double bank of stream restored. 443km of 610km of degraded habitat has been repaired to date.
- 138 of 174 known upstream fish access requirements past man-made structures have been completed by end of 2022 (the surveys during last winter found no new weirs but a number of large debris dams and problematic pipe ford bridges). The former are now being cleared, and this is an annual cost. The rest require a cost benefit of action exercise to be undertaken.
- 7 blocking accumulations of woody debris on key spawning streams were eased.
- 260t of lime was introduced to the upper Wye and upper Irfon to mitigate acid waters.

##### **2) Landuse**

- A further 96 whole farm plans completed on newly engaged farms. C.1,850 of the C.5,200 farmers in our catchment areas have been engaged by either the farm or habitat teams by December 2022.
- Further support and education for 360 farmers previously engaged was provided to manage the increasing risks resulting from the change in rainfall patterns, rainfall intensity and the build-up of phosphate in the catchment soils.

##### **3) Natural capital**

Natural capital continued to deliver integrated wetlands to offset housing development with net gain for the rivers, tree planting opportunities, natural flood management and biodiversity offsetting. The DIME project is delivering the legal and evidential certainty required for investors to invest and farmers to change practices. This has provided a new income stream to deliver the change in the rivers we need.

##### **4) Science**

- Working across the farm and natural capital teams we identified and mapped the soils at risk of leaching P, developed the solutions and secured the funding from Defra to engage the landowners and monitor the loss through the drain network. This work will continue in 2023.

##### **5) Supply chain**

- In addition the work with the agricultural supply chain has helped create an environment, in which the farmer and agri-business make better decisions that take the effect of food production on water and soils into account. This culminated in the commitment by Avara that no phosphorus generated by its activities (C. 90% of the excess P) would be spread in the catchments that was surplus to crop need by the end of 2024. During 2022 we worked with the farming community to develop ways of stripping the P from manures to allow for the catchment to be brought into P balance by 2024.

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 6) Data and monitoring

- During 2022 maintained the multi parameter analysers on the Ithon and Frome which proved that the phosphorus problem is outside the existing statutory monitoring parameters.
- We also completed the assessment of the efficacy of the gravel introduction and liming programmes, assessed macro invertebrates at 10 sites, electro-fished 112 sites, monitored the sewage outfalls of 5 rural sewage works and worked with Cardiff University to understand the genesis and speciation of the wye algal bloom.
- In late 2021 we were awarded £1.099m through the Ofwat innovation fund, to use citizen science and NGO monitoring to quantify the issues affecting the Usk and assess efficacy of interventions. This project has been delayed in inception and will start properly in 2023. It will be a large step forward in our capability and understanding.
- During 2022 we refined our electrofishing methodology to make it easier to analyse and compatible with the statutory monitoring programmes.
- Data generates solutions and informed effective delivery. This is integral to WUFs objectives.

#### Risks and Opportunities

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.

New risks and opportunities have arisen during 2022 and existing ones have been exacerbated, the changes are summarised below:

#### Staff retention and efficacy

- We have outgrown our old organisational structure and the pressures have caused a turnover of the executive. The complexity and number of projects has increased risk and management requirement and the old structure promoted siloed thinking within WUF and reduced buy in from staff.
- There has been a lack of information flow both vertically and horizontally within WUF. The new structure and working practices will correct this.
- We are going to increase empowerment and accountability of individual staff by defining the role they are playing and showing how, as a team, we can all move forward.
- There is inconsistency in training and travel options across projects and departments. We need to ensure all staff are treated equally.
- Natural capital.
- WUF's efforts to increase activity and funding in this area have been successful but it comes with risks and we need to anticipate and mitigate them better. The creation of a trading arm could do this.
- We are ahead of governmental schemes and have the opportunity to set the agenda.
- As others move into this area we risk key staff being headhunted.

#### Climate change

- This is imperilling the species the foundation is based on. The decline in the range of salmon in the Usk needs our urgent action.
- The weather is getting more extreme, increasing the risk of pollution and soil loss for land managers. Helping farmers to manage this change will be a key part of future activities.
- Major flooding will increase necessity and funding for whole catchment restoration.
- There is a growing opportunity of mitigation, via carbon capture through improved soil health and structure, which will also improve water quality, decrease winter water temperatures and naturalise flows.
- As our soils warm, microbial activity increases, reducing their phosphorus buffering capacity. Most farmers, especially in Wales, are still over-applying phosphorus. Once the buffering capacity in a soil is exceeded, we have a serious problem that will take years to correct.

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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Trophic switch to eutrophic/hyper eutrophic riverine ecosystems:

- Permanent loss of ranunculus from main stems
- Reduction in coarse fish recruitment and its impact on the passport
- Increase risk of fish kills during periods of high temperatures

Alignment with Welsh Water (Dwr Cymru):

- AMP 7 is moving the company towards catchment working and they are increasing their budget for nature-based solutions from £210m in the last AMP to £900m in this one.
- The company is looking to WUF for assistance to deliver these solutions.
- We can take this opportunity to work together, to deliver shared aims, and so by develop a reliable and consistent funding stream.
- There is a reputation risk of aligning with a water company and this is being managed.

### Financial review

#### Brief review of the financial position

2022 saw another expansion in the foundation's funding and capacity with the growth of Natural Capital and monitoring particularly pronounced. There were a mix of projects that were funded both in arrears and in advance, keeping a stable cash flow for the year.

Donations to unrestricted funds and the restricted river funds increased from £75,675 in 2021 to £98,509 in 2022, in large part due to a telephone fundraising campaign in the spring.

WUF free reserves (unrestricted and river funds) at 31 December 2022 were £10,797.

#### Principal funding sources

Since 2015, the Foundation has been diversifying its funding streams to increase resilience and reduce risk. In 2022 (2021) we received 5.7% (30%) of our income from Welsh government and NRW, 23.6% (16%) from Defra, EA and Natural England, 9.6% (13%) from our 3 local Councils, 13.9 % (13%) from donations, 4.3% (4%) from the agricultural supply chain and supermarkets, 5.5% (1%) from EU Funding and 4.3% (0%) from private sector contracts. The donations came from individuals, riparian owners and charitable trusts such as the Scott Eredine Trust, D'Oly Carte, the Morley Family Trust, the CT Thomas Trust, the Charles King-Farlow Charitable Trust, the Rowlands Trust, and the Jordan Charitable Trust, Gibbs Charitable Trust, the Morel Trust.

We would like to thank everyone who supported us in 2022 for their generosity. We have maintained our longstanding >1:10, donation to spend ratio by using donations to draw in additional funds.

#### Fundraising

WUF raises core funds internally through specific appeals to the owners raising £37,814 (£50,790 in 2021) and wider public appeals and encouraging people to donate through our website.

WUF adheres to GDPR and raises funds from a pool of known individuals who receive 1 request a year, with a follow up letter if they have not donated and specific appeals to the wider public. We investigated in 2019 if we needed to join a standards scheme and it was decided that our activity did not merit it. The trustees reviewed this in 2021 and decided no change was required.

WUF did not receive any complaints about its fundraising activity.

In 2022 we engaged Buffalo fundraising to try and be more proactive to engage previous donors and people who use the passport regularly to see if they would increase their support the foundation. This campaign started in November 2021 and ran to April 2022.

Any request for no further contact is recorded on our database through which we co-ordinate our fundraising.

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 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. The fund decreased by 5.95% in 2022 to £272,812.

### 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 2022 amounted to £1,007,243 (2021: £660,338) with £699,401 (2021: £377,906) relating to restricted funds, £295,309 (2021: £309,227) relating to designated fund and a surplus of £12,533 (2021: £26,795 deficit) relating to the general fund.

### Going concern

WUF finished the year with unrestricted reserves of £12,533, designated funds of £295,309 and restricted funds of £699,401. The charity has free reserves of £10,797.

During 2022 we increased our general unrestricted reserves by £39,328.

WUF has a portfolio of secured funding through projects and other work-streams that will see a further expansion in delivery during 2023. The forecast cash flow is positive for the whole of 2023.

### Plans for future periods

In the last 4 years there has been a shift in the ecological focus: work to mitigate problems caused by poor land use are assuming a greater priority as in-stream works, such as fish passes and riparian habitat restoration near completion.

The change in the relationship between rainfall and flood events and the excess phosphorus imperils the ecology of the rivers and the maintenance of our previous riparian work. It is WUF priority to reduce the flood risk and bring the catchments back into phosphate balance.

WUF will continue delivering and monitor the efficacy of its current projects, maintaining existing funding streams and expanding new ones within Natural Capital and Agri supply chain. We also will continue to strive to increase the endowment fund and working reserves.

WUF will expand during 2023 and will require careful management to ensure efficient and effective delivery. In 2023, we will further develop the opportunities for partnership working within other stakeholder's that was impacted by covid and link with other partners initiatives where they align with our objects, with WUF acting as the competent delivery partner were required.

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Structure, governance and management

#### Governing Document

The Wye and Usk Foundation is a company limited by guarantee, registered in England and Wales (company number 03343965), governed by its Memorandum and Articles of Association dated 15 October 1996 as updated on 5 October 1997, 12 February 2000, 19 October 2000, 4 January 2001, 31 July 2002, 22 July 2007, 25 October 2011 and 1st March 2019. It is registered as a charity with the Charity Commission, registered number 1080319.

#### Appointment of Trustees

The Articles provide:

Any trustee who shall desire to retire shall notify such desire in writing to the secretary and thereupon his/her name shall be removed from the list of trustees and he/she shall cease to be a member of the trust but only if there remain at least three other trustees.

At the conclusion of each annual meeting of trustees one quarter or if their number is not three or a multiple of three, the number nearest to one quarter shall retire from office and unless re-elected in accordance with these articles shall on such retirement cease to be members of the trust.

The trustees to retire by rotation shall be those who have been longest in office, but as between those who became or were elected trustee on the same day those to retire shall be chosen (unless they otherwise agree among themselves) by lot. A trustee who has served for ten years or more is not eligible for re-election and must retire but becomes eligible again after an interval of one year.

The re-election of a trustee for a second term of office shall require the approval of a simple majority of trustees but a third or further term of office shall require the approval of a three quarters majority, such majorities are to be calculated by reference to those trustees voting at the relevant meeting.

#### Trustee Recruitment

The recruitment of trustees is by advertising. A nominations committee comprising three trustees and the chief executive places the adverts, scrutinises applications, seeks references and ensures a balance of trustee skills is in place.

#### Trustee Induction and Training

Newly appointed trustees receive a letter of appointment including appointment declaration and an induction pack which covers the working of the Trust and the rivers trust movement generally. In addition, trustees are given copies of the Charity Commission's – The Essential Trustee, what you need to know (CC3) and the Hallmarks of an effective charity.

For ongoing training purposes, the trustees have agreed that workshops and information from the auditors will maintain standards of governance on an ongoing and timely basis. New trustees will be given visits on site to explain the issues and solutions that the trust is currently managing.

### Organisational Structure

#### Officers

At 31 December 2022 the principal officers of the Foundation were:

Simon Evans	(Chief Executive)
Sian Gray	(Head of Finance)
Louis Macdonald-Ames	(Head of Operations)
Kate Adams	(Head of Land Use)
Lee Evans	(Head of Natural Capital)

#### 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

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Related Parties**

Throughout the year to 31 December 2022, 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.

### **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 27.

The policy used for determining pay for all staff is in line with the guidelines set out each year by the Rivers Trust, the umbrella body for rivers trusts.

There were no employees whose annual remuneration was £60,000 or more.

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Reference and administrative details

**Company number** 03343965

**Charity number** 1080319

**Registered office** The Right Bank  
The Square  
Talgarth  
Brecon  
Wales  
LD3 0BW

**Trustees** C Newington-Bridges- Chair  
J Bengough - appointed 24/6/22  
Dr W Bullough - appointed 24/6/22  
C De Winton - appointed 24/6/22  
R Edwards  
H Harrison  
F Hillman  
P Horsburgh  
A Johnson  
A Lavers  
C Morley  
R Norman  
E Passey  
M Timmis

**Key management personnel** S Evans - CEO  
K Speke - Head of Land Management (England)  
L Davies - Head of Land Management (Wales)  
S Gray - Head of Finance  
L Macdonald Ames - Head of Operations  
G Davies - Head of Natural Capital  
L Evans - Head of Natural Capital  
A Leitch - Programme Manager

**Auditor** Azets Audit Services  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

**Bankers** NatWest  
27 High Street  
Brecon  
Powys  
LD3 7LF

# THE WYE AND USK FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

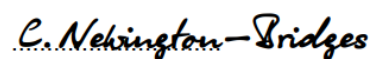
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### Investment managers

Brewin Dolphin  
2 Central Square  
Cardiff  
CF10 1FS

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



**C Newington-Bridges- Trustee**  
Dated: 13 September 2023

# THE WYE AND USK FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 DECEMBER 2022*

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The trustees, who are also the directors of The Wye and Usk Foundation for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# THE WYE AND USK FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE WYE AND USK FOUNDATION

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#### Opinion

We have audited the financial statements of The Wye and Usk Foundation (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, 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 charity 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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE WYE AND USK FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE WYE AND USK FOUNDATION

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 charity'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 either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# THE WYE AND USK FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE WYE AND USK FOUNDATION

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**Azets Audit Services**

27 September 2023

**Chartered Accountants  
Statutory Auditor**

Ty Derw, Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
United Kingdom  
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE WYE AND USK FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

### Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<b>Income from:</b>					
Donations and legacies	3	147,167	35,542	182,709	262,423
Charitable activities	4	344,397	1,483,577	1,827,974	1,518,626
Other trading activities	5	-	-	-	393
Investments	6	5,460	-	5,460	4,668
<b>Total income</b>		<b>497,024</b>	<b>1,519,119</b>	<b>2,016,143</b>	<b>1,786,110</b>
<b>Expenditure on:</b>					
Raising funds	7	42,588	-	42,588	42,135
Charitable activities	8	466,015	1,121,342	1,587,357	1,614,942
<b>Total expenditure</b>		<b>508,603</b>	<b>1,121,342</b>	<b>1,629,945</b>	<b>1,657,077</b>
Net gains/(losses) on investments	13	(39,293)	-	(39,293)	29,646
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(50,872)</b>	<b>397,777</b>	<b>346,905</b>	<b>158,679</b>
Gross transfers between funds		76,282	(76,282)	-	-
<b>Net movement in funds</b>		<b>25,410</b>	<b>321,495</b>	<b>346,905</b>	<b>158,679</b>
Fund balances at 1 January 2022		282,432	377,906	660,338	501,659
<b>Fund balances at 31 December 2022</b>		<b>307,842</b>	<b>699,401</b>	<b>1,007,243</b>	<b>660,338</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# THE WYE AND USK FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<b><u>Income from:</u></b>				
Donations and legacies	3	141,520	120,903	262,423
Charitable activities	4	286,400	1,232,226	1,518,626
Other trading activities	5	393	-	393
Investments	6	4,668	-	4,668
<b>Total income</b>		<b>432,981</b>	<b>1,353,129</b>	<b>1,786,110</b>
<b><u>Expenditure on:</u></b>				
Raising funds	7	42,135	-	42,135
Charitable activities	8	371,847	1,243,095	1,614,942
<b>Total expenditure</b>		<b>413,982</b>	<b>1,243,095</b>	<b>1,657,077</b>
Net gains/(losses) on investments	13	29,646	-	29,646
<b>Net (outgoing)/incoming resources before transfers</b>		<b>48,645</b>	<b>110,034</b>	<b>158,679</b>
Gross transfers between funds		65,256	(65,256)	-
<b>Net movement in funds</b>		<b>113,901</b>	<b>44,778</b>	<b>158,679</b>
Fund balances at 1 January 2021		168,531	333,128	501,659
<b>Fund balances at 31 December 2021</b>		<b>282,432</b>	<b>377,906</b>	<b>660,338</b>

# THE WYE AND USK FOUNDATION

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	15		1,736		6,616
Investments	16		272,812		290,067
			<hr/>		<hr/>
			274,548		296,683
<b>Current assets</b>					
Debtors	17	334,070		273,342	
Cash at bank and in hand		804,023		408,205	
		<hr/>		<hr/>	
		1,138,093		681,547	
<b>Creditors: amounts falling due within one year</b>	19	(380,049)		(283,090)	
		<hr/>		<hr/>	
Net current assets			758,044		398,457
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,032,592		695,140
<b>Creditors: amounts falling due after more than one year</b>	21		(25,349)		(34,802)
			<hr/>		<hr/>
<b>Net assets</b>			1,007,243		660,338
			<hr/> <hr/>		<hr/> <hr/>
<b>Income funds</b>					
Restricted funds	23		699,401		377,906
<u>Unrestricted funds</u>					
Designated funds	24	295,309		309,227	
General unrestricted funds		12,533		(26,795)	
		<hr/>		<hr/>	
			307,842		282,432
			<hr/>		<hr/>
			1,007,243		660,338
			<hr/> <hr/>		<hr/> <hr/>

# THE WYE AND USK FOUNDATION

## BALANCE SHEET (CONTINUED)

**AS AT 31 DECEMBER 2022**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 13 September 2023

*C. Newington-Bridges*

**C Newington-Bridges- Trustee**

**Company Registration No. 03343965**

# THE WYE AND USK FOUNDATION

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		420,273		133,553
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(1,194)	
Proceeds from disposal of tangible fixed assets		1,333		-	
Purchase of investments		(66,311)		(67,477)	
Proceeds from disposal of investments		44,273		45,875	
Investment income received		5,460		4,668	
<b>Net cash used in investing activities</b>			(15,245)		(18,128)
<b>Financing activities</b>					
Repayment of borrowings		(9,210)		(105,561)	
<b>Net cash used in financing activities</b>			(9,210)		(105,561)
<b>Net increase in cash and cash equivalents</b>			395,818		9,864
Cash and cash equivalents at beginning of year			408,205		398,341
<b>Cash and cash equivalents at end of year</b>			804,023		408,205

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

##### Charity information

The Wye and Usk Foundation is a private company limited by guarantee incorporated in England and Wales whose registered office is The Right Bank, The Square, Talgarth, Brecon, Wales, LD3 0BW.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

WUF finished the year with unrestricted reserves of £12,533, designated fund of £295,309 and restricted funds of £699,401. The free reserves of the charity at 31 December 2022 were £10,797.

During 2022 we increased our unrestricted reserves by £25,410.

WUF has a portfolio of secured funding through projects and other work-streams that will see a further expansion in delivery during 2023. The forecast cash flow is positive for the whole of 2023.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Further explanation of the nature and purpose of each fund are included within the notes to the accounts.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

Donated services are recognised in the period to which they relate and valued according to accepted project rates. Gifts in kind are included at market value and as resources expended at the same value when distributed.

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 use.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from the passport scheme is recognised in the period to which the service is provided with any amounts received in advance deferred.

Dividends income is recognised on the date the charity's right to receive payment is established.

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

#### 1.5 Expenditure

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

Costs of raising funds comprise the costs in relation to generating income and includes investment management fees.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. The basis for calculating the allocation of support costs is on the basis of staff time spent on those activities, over and above a material de-minimis.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	25% on cost
Computer equipment	50% on cost
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The charity's capitalisation policy is to capitalise any assets with a value exceeding £500.

##### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The charity does not have any key or significant accounting estimates.



# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	102,213	35,542	137,755	45,520	120,903	166,423
Donated goods and services	44,954	-	44,954	96,000	-	96,000
	<u>147,167</u>	<u>35,542</u>	<u>182,709</u>	<u>141,520</u>	<u>120,903</u>	<u>262,423</u>

### 4 Charitable activities

	2022 £	2021 £
Passport scheme	88,456	95,457
Miscellaneous	3,523	-
Grants and contract income	<u>1,735,995</u>	<u>1,423,169</u>
	<u>1,827,974</u>	<u>1,518,626</u>
<b>Analysis by fund</b>		
Unrestricted funds	344,397	286,400
Restricted funds	<u>1,483,577</u>	<u>1,232,226</u>
	<u>1,827,974</u>	<u>1,518,626</u>

### 5 Other trading activities

	Total Unrestricted funds
	2022 £
Sale of Merchandise	<u>-</u>
	<u>393</u>

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	5,460	4,668

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	12,364	11,619
Staff costs	28,193	28,639
Fundraising and publicity	40,557	40,258
<u>Investment management</u>	2,031	1,877
	42,588	42,135

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Charitable activities

	2022 £	2021 £
Staff costs	799,976	794,357
Costs of donated services	44,954	96,000
Direct expenses	420,044	519,319
Marketing	1,311	2,435
	<u>1,266,285</u>	<u>1,412,111</u>
Share of support costs (see note 10)	313,792	195,831
Share of governance costs (see note 10)	7,280	7,000
	<u>1,587,357</u>	<u>1,614,942</u>
<b>Analysis by fund</b>		
Unrestricted funds	466,015	371,847
Restricted funds	1,121,342	1,243,095
	<u>1,587,357</u>	<u>1,614,942</u>

### 9 Grants payable

	2022 £	2021 £
Herefordshire Wildlife Trust	-	20,000
Severn Rivers Trust	-	114,817
Cardiff University	-	5,000
Herefordshire Rural Hub CIC	24,250	-
Farm grants	82,910	81,606
	<u>107,160</u>	<u>221,423</u>

During the charity the charity paid £82,910 (2021: £81,606) in farm grants to a total of 32 partnerships and individuals (2021: 41). Grants payable costs can be seen within Charitable Activities direct expenses £420,044 (2021 £519,319).

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	149,282	-	149,282	110,288	-	110,288
Depreciation	3,546	-	3,546	11,473	-	11,473
Motor and travel	38,382	-	38,382	594	-	594
Premises and office costs	83,060	-	83,060	38,517	-	38,517
Financing	30,734	-	30,734	9,882	-	9,882
Marketing	8,788	-	8,788	12,806	-	12,806
Consultancy	-	-	-	11,479	-	11,479
Legal	-	-	-	792	-	792
Audit fees	-	7,280	7,280	-	7,000	7,000
	313,792	7,280	321,072	195,831	7,000	202,831
Analysed between Charitable activities	313,792	7,280	321,072	195,831	7,000	202,831

Governance costs includes payments to the auditors of £6,530 (2021: £6,250) for audit services and £750 (2021: £750) for non audit services.

### 11 Trustees

No trustees received any remuneration during the current or prior year.

No trustees were reimbursed expenses during the current or prior year.

10 trustees and individuals related to them made donations totalling £8,197 during the year (2021: 25 trustees and individuals made donations totalling £16,685).

### 12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Staff deployed in projects	24	24
Staff deployed in central administration	5	4
Total	29	28

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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<b>12 Employees</b>	<b>(Continued)</b>	
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	803,003	786,171
Social security costs	77,284	63,891
Other pension costs	97,164	83,222
	<u>977,451</u>	<u>933,284</u>

### Key management personnel

The key management personnel of the charity received benefits (including gross salary, employers national insurance and employers pension contributions) totalling £362,300 (2021: £331,337).

There were no employees whose annual remuneration was more than £60,000.

### 13 Net gains/(losses) on investments

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Revaluation of investments	(39,293)	29,646

### 14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 15 Tangible fixed assets

	Office equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2022	2,208	7,799	54,905	64,912
Disposals	(2,208)	(4,508)	-	(6,716)
At 31 December 2022	-	3,291	54,905	58,196
<b>Depreciation and impairment</b>				
At 1 January 2022	1,222	7,314	49,760	58,296
Depreciation charged in the year	138	-	3,409	3,547
Eliminated in respect of disposals	(1,360)	(4,023)	-	(5,383)
At 31 December 2022	-	3,291	53,169	56,460
<b>Carrying amount</b>				
At 31 December 2022	-	-	1,736	1,736
At 31 December 2021	986	485	5,145	6,616

#### 16 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 January 2022	286,147	3,920	290,067
Additions	66,311	-	66,311
Valuation changes	(39,293)	-	(39,293)
Cash movement	-	(511)	(511)
Disposals	(43,762)	-	(43,762)
At 31 December 2022	269,403	3,409	272,812
<b>Carrying amount</b>			
At 31 December 2022	269,403	3,409	272,812
At 31 December 2021	286,147	3,920	290,067

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 17 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	208,200	28,814
Other debtors	300	232,406
Prepayments and accrued income	125,570	12,122
	<u>334,070</u>	<u>273,342</u>

### 18 Loans and overdrafts

	2022 £	2021 £
Other loans	35,229	44,439
	<u>35,229</u>	<u>44,439</u>
Payable within one year	9,880	9,637
Payable after one year	25,349	34,802
	<u>35,229</u>	<u>44,439</u>

There were no amounts due in more than five years (2021: £nil).

### 19 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Borrowings		9,880	9,637
Other taxation and social security		145,928	55,649
Deferred income	20	17,810	11,097
Trade creditors		36,100	32,820
Other creditors		151,384	149,130
Accruals		18,947	24,757
		<u>380,049</u>	<u>283,090</u>

### 20 Deferred income

	2022 £	2021 £
Other deferred income	17,810	11,097
	<u>17,810</u>	<u>11,097</u>

Deferred income is included in the financial statements as follows:

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 20 Deferred income

(Continued)

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	17,810	11,097
	<u>          </u>	<u>          </u>
Movements in the year:		
Deferred income B/F	11,097	11,575
Received in year	95,169	94,057
Released in year	(88,456)	(94,535)
	<u>          </u>	<u>          </u>
Deferred income C/F	17,810	11,097
	<u>          </u>	<u>          </u>

Deferred income relates to prepaid season rods, fishing rod scheme and fishing sales.

### 21 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Borrowings	25,349	34,802
	<u>          </u>	<u>          </u>

### 22 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £97,164 (2021: £83,222).

At the year end amounts outstanding totalled £11,612 (2021: £8,280).



# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Restated Balance at 1 January 2021 £	Movement in funds			Transfers 1 January 2022 £	Balance at 1 January 2022 £	Movement in funds			Transfers £	Balance at 31 December 2022 £
		Incoming resources restated £	Resources expended restated £	Resources expended restated £			Incoming resources £	Resources expended £	Resources expended £		
Wye	23,378	43,236	-	-	(55,088)	11,526	46,647	-	-	(58,173)	-
Lugg & Arrow	3,179	619	-	-	(4,301)	(503)	505	-	-	-	2
Monnow	330	44	-	-	(840)	(466)	44	-	-	422	-
Usk	13,562	13,780	-	-	(22,037)	5,305	9,742	-	-	(15,047)	-
Habitat	(78)	265,662	(256,989)	(256,989)	(2,431)	6,164	264,867	(260,533)	(260,533)	(9,150)	1,348
Farm	207,373	711,046	(737,263)	(737,263)	12,731	193,887	464,470	(511,843)	(511,843)	17,571	164,085
Education	30,669	7,211	(22,864)	(22,864)	505	15,521	119	(1,467)	(1,467)	-	14,173
Other	9,267	-	(9,733)	(9,733)	1,612	1,146	-	-	-	-	1,146
Monitoring	45,448	201,922	(112,724)	(112,724)	2,777	137,423	523,740	(206,598)	(206,598)	(11,905)	442,660
Natural Capital	-	109,609	(103,522)	(103,522)	1,816	7,903	208,985	(140,901)	(140,901)	-	75,987
	333,128	1,353,129	(1,243,095)	(1,243,095)	(65,256)	377,906	1,519,119	(1,121,342)	(1,121,342)	(76,282)	699,401

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 23 Restricted funds

(Continued)

#### **Wye River Fund & Projects, including Lugg & 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 Fund 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.

#### **Natural Capital**

The fund receives project funds and commercial income that are spent on setting up and developing Natural Capital Markets which are specifically targeted at improving the water quality and habitats of the rivers. The balance on the commercially funded projects are transferred to Unrestricted Reserves on completion of the projects.

#### **Transfers**

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.

Transfers to restricted funds relate to amounts transferred from unrestricted funds to cover any small deficits on fund balances as agreed by the board.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 24 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021 £	Movement in funds			Balance at 1 January 2022 £	Movement in funds			Balance at 31 December 2022 £
		Incoming resources £	Resources expended £	Revaluations, gains and losses £		Incoming resources £	Resources expended £	Revaluations, gains and losses £	
Endowment fund	249,820	31,638	(1,877)	29,646	309,227	27,406	(2,031)	(39,293)	295,309
	249,820	31,638	(1,877)	29,646	309,227	27,406	(2,031)	(39,293)	295,309

### 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 the income generated from their donations to be reserved for a specific catchment or for the general furtherance of the Foundation's charitable objectives.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

25 Analysis of net assets between funds	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:								
Tangible assets	1,736	-	-	1,736	6,616	-	-	6,616
Investments	-	272,812	-	272,812	-	290,067	-	290,067
Current assets/(liabilities)	36,146	22,497	699,401	758,044	1,391	19,160	377,906	398,457
Long term liabilities	(25,349)	-	-	(25,349)	(34,802)	-	-	(34,802)
	12,533	295,309	699,401	1,007,243	(26,795)	309,227	377,906	660,338

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	12,060	12,060
Between two and five years	33,775	1,767
	<u>45,835</u>	<u>13,827</u>

#### 27 Related party transactions

As part of the Passport scheme amounts of £58,730 (2021: £59,722) 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 £nil (2021: £5,899) were collected by WUF as agent for, and were paid to, Major P A Darling.

As part of the Passport scheme amounts of £2,926 (2020: £3,258) 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 £880 (2021: £nil) was received from Norman Partnership for work done.

Income of £nil (2021: £480) was received from R Edwards for work done.

Income of £nil (2021: £120) was received from L Lewis for work done.

Income of £nil (2021: £1,220) was received from R Murray for work done.

Income of £183 (2021: £1,935) was received from C Morley for work done.

Income of £nil (2021: £180) was received from R Norman for work done.

During the year four trustees paid WUF £285 (2021: six trustees paid £171) in respect of miscellaneous purchases. Nine trustees made auction purchases and donations of £5,193 (2021: two trustees made purchases of £4,525) during the year.

# THE WYE AND USK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

28	Cash generated from operations	2022 £	2021 £
	Surplus for the year	346,905	158,679
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,460)	(4,668)
	Fair value gains and losses on investments	39,293	(29,646)
	Depreciation and impairment of tangible fixed assets	3,547	11,473
	Movements in working capital:		
	(Increase)/decrease in debtors	(60,728)	18,641
	Increase/(decrease) in creditors	90,003	(20,448)
	Increase/(decrease) in deferred income	6,713	(478)
	Cash generated from operations	420,273	133,553
29	Analysis of changes in net funds		
		At 1 January 2022 £	Cash flows At 31 December 2022 £
	Cash at bank and in hand	408,205	395,818
	Loans falling due within one year	(9,637)	(9,880)
	Loans falling due after more than one year	(34,802)	(25,349)
		363,766	768,794