

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 2023

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 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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 2023 the activities of the Foundation centred on solving understanding the quantum, causes and delivering the solutions to the issues of:

- Increase in frequency of extreme high flows
- Increasing frequency of extreme low flows
- Increasing water temperature
- Eutrophication
- Excessive soil loss top water
- Chemical pollution
- Degraded riparian and instream habitat.
- Faecal pollution
- Fish access

And solving the compounding issues of:

- Lack of data evidence and collective knowledge
- Mis-alignment of Funding streams
- An environmentally degenerative system
- Cross border misalignment
- Incomplete/un-enforced regulatory floor
- Supply chain pressures
- Government policy

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

2023 saw the problems created by the growth and subsequent restructure of WUF structure progressively resolved and staff turnover reduced. The team increased from 25 staff with 6 vacancies on the 1st January to 34 staff with 1 vacancy on the 31st December 2023.

Understanding the factors causing the loss of salmon populations in the lower and middle Usk catchment, the severe algal blooms, loss of ranunculus in the Wye and high water temperatures in both rivers has been the priority of the monitoring department during 2023. This understanding will allow us to solve the problems during 2024 and 2025.

THE WYE AND USK FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Summary of the main achievements during the year

- Bidding activity dropped as we restructured the organisation and WUF secured 14 projects totalling £957,536 during 2023 after a record £2,579,704 of project funding and contracted work was secured during 2022.
- 2023 saw a major expansion of our plans in the Usk with the establishment of an Usk catchment partnership with BBNPA and other stakeholders and a £1.1m monitoring and investigation project and a project with Powys Council to collect the data to support the establishment of a catchment market in 2024/25. This will allow us to solve the complex 'wicked' problems now affecting this catchment and then take the learning and system change to the Wye.
- The work with the supply chain (Courtauld 2025) and farmers has reaped further rewards this year with agri businesses and supermarkets joining the combined effort to recover the Wye and Usk with both Avara and Noble taking major steps to reduce the impacts of food production on the Wye above and beyond their legal requirements. WUF has been and will be integral to the delivery of the solutions.
- Natural capital opportunities developed further in 2023 and is offering us the opportunity to circumvent the effects of ineffective or insufficient statutory regulation of land use choices by providing a financially viable alternative for land to be managed in a sustainable way.
- 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.
- WUF has an excellent, capable and stable work force. We are governed by a strong group of trustees with expertise that covers all our operations.
- The Passport scheme, now in its 20th year achieved record sales of £436,744 (2022: £409,251) despite game fishing being closed on some part of the catchments for 94 days due to elevated temperatures or excessive soil loss. It generated a £29,283 (2022: £25,474) surplus which was used to support our work to restore the 2 rivers to health.
- The Wye Catchment Partnership which WUF is hosting was reinvigorated during 2023 after losing functionality during covid. It 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

Outputs during 2023 include:

1) Habitat and fish access.

- 11.5km double bank of stream was restored/improved. 447km of 610km of degraded habitat has been repaired to date.
- 140 of 175 known fish access barriers have been completed by end of 2023 (the surveys during last autumn found 8 problematic accumulations of woody debris which were eased). This is an annual cost. 2024 will see us work to improve fish passage past Osbaston on the Monnow and further weir removals.
- 212t of lime was introduced to the upper Wye and upper Irfon to mitigate acid waters.
- 300t of gravel was introduced below Caban Coch reservoir on the Elan (Wye) and 120t was introduced below Talybont reservoir on the Caerfanell (Usk) to recover the ecology of the 2 rivers.

THE WYE AND USK FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2) Landuse

- C.2,200 of the C.5,200 farmers in our catchment areas have been engaged by either the farm or habitat teams by December 2023.
- We are seeing a pronounced change in farmer behaviour in Herefordshire with a recent survey by farm Herefordshire showing the % of farmers taking efforts to minimise nutrient loss had risen from 12% in 2018 to 93% in 2023. In Wales there is a willingness to change but the current system limits the ability to do so.

3) Natural capital

Natural capital continued to design, consent and deliver integrated wetlands to offset housing development with net gain for the rivers, tree planting opportunities, natural flood management. WUF worked with Herefordshire council and the housing sector to install and evidence the integrated constructed wetland at Luston, which in combination with 2 other planned wetlands will clear the planning backlog in Herefordshire. The methodology developed by WUF has been taken up nationally and was important in preserving the Habitats Directive on the UK's statute book.

The DIME project, delivering the evidential certainty required for investors to invest and farmers to change practices and the scientific work, is providing the evidence to support this.

This is proving to be a new income stream to deliver the fundamental change from a degenerative to a regenerative system that is required if we are to solve the new suite of problems afflicting the rivers.

4) Science

- Working across the farm and natural capital teams we identified and mapped the soils at risk of leaching P and also determined the quantum of soil compaction issues and evidenced their impact.
- During 2023 we supported 124 citizen scientists on the Usk collecting data.
- During 2023 we installed 2 analysers in the Usk at Llanellan and Chain bridge to measure total phosphorus, phosphate and suspended solids.
- 166 sites were electro-fished, results analysed and shared.
- The Wye Algal project is determining the cause of the eutrophication issues in the Wye. It will report in 2024. The preliminary results were shared with key partners to allow them to adapt practices before the final report is published.

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 work by Avara to ensure that no phosphorus generated by its activities would be spread in the catchments that was surplus to crop need by the end of 2024. During 2023 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.
- We built 3 on farm wetlands to slow the flow and sequester pollutants.
- We worked with Noble and the EA to resolve the uncertainties over the regulations of free range poultry sites and the wider supply chain invested to modify existing infrastructure to de risk the production.

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 2023 and existing ones have been exacerbated, the changes are summarised below:

Staff retention and efficacy.

- There has been a lack of information flow both vertically and horizontally within WUF. The new structure and working practices are correcting this and the work will continue.

THE WYE AND USK FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

- We are increasing the 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 equal.

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 reasons for the decline in the range of salmon in the Usk is still to be determined.
- The weather continues to get more extreme, increasing the risk of pollution and soil loss for land managers, exacerbating floods and droughts and causing damaging and toxic algal blooms. 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 tree planting to shade streams and 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.

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

2023 saw further growth 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.

WUF working reserves (unrestricted and river funds) are £75,449.

Principal funding sources

Since 2015, the Foundation has been diversifying its funding streams to increase resilience and reduce risk. In 2023 (2022) we received project support from the OFWAT innovation fund, Severn Trent Water, Welsh government, NRW, Defra, EA, Natural England and the Courtauld initiative and delivered services for Herefordshire and Powys Councils, Dwr Cymru Welsh water, Lidl, Marks and Spencer and private sector. Government grants are declining and we are increasingly aligning with water companies and they provided 39% of our project funds and 76% of our contracts (by value) in 2023. This is expected to grow further in the next AMP.

We received donations 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.

THE WYE AND USK FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Fundraising

WUF raises core funds internally through specific appeals to the owners, wider public appeals and encouraging people to donate through our website raising £76,557 (£98,509 in 2022).

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.

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

We would like to thank everyone who supported us in 2023 for their generosity. We have maintained our longstanding >1:10, donation to spend ratio by using donations to draw in additional funds.

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, and donations grew the fund by 16.3% in 2023 to £319,098 by year end.

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 2023 amounted to £1,058,398 (2022: £1,007,243) with £632,282 (2022: £699,401) relating to restricted funds, £353,452 (2022: £295,309) relating to endowment fund and a surplus/deficit of £72,664 (2022: £12,533 surplus) relating to the general fund.

Going concern

WUF finished the year with unrestricted reserves of £426,116 and restricted funds of £699,401.

During 2023 we increased our unrestricted reserves by £118,274.

WUF has a portfolio of secured funding through projects and other work-streams that will see a further expansion in delivery during 2024. The forecast cash in bank at December 2024 is £326,559.

Plans for 2024

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 2024 and will require careful management to ensure efficient and effective delivery.

In 2024, 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 2023

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, seek references and ensure a balance of trustee skills is in place.

Trustee Induction and Training

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

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

THE WYE AND USK FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Organisational Structure

Officers

At 31 December 2023 the principal officers of the Foundation were:

Simon Evans	(Chief Executive)
Jon Fry	(Chief Operations Officer)
Sian Gray	(Head of Finance)
Wendy Odgen	(Programme manager)

Consultants:

WUF is fortunate to work with the following experts

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

Related Parties

Throughout the year to 31 December 2023, 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 26.

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.

THE WYE AND USK FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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 Dr W Bullough C De Winton R Edwards H Harrison F Hillman P Horsburgh A Johnson A Lavers C Morley - resigned 24 November 2023 R Norman E Passey M Timmis A Pyle - appointed 24 November 2023 M Taylor - appointed 24 November 2023
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Key management personnel	S Evans - CEO Jon Fry - COO S Gray/Darren Ingram - Head of Finance
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Auditor	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
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Bankers	NatWest 27 High Street Brecon Powys LD3 7LF
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THE WYE AND USK FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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: 16 October 2024

THE WYE AND USK FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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; 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

Opinion

We have audited the financial statements of The Wye and Usk Foundation (the 'charity') for the year ended 31 December 2023 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 2023 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

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

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

17 October 2024
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**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 2023

Current financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	124,567	15,531	140,098	182,709
Charitable activities	4	330,164	1,539,504	1,869,668	1,827,974
Investments	5	8,143	-	8,143	5,460
Total income		462,874	1,555,035	2,017,909	2,016,143
Expenditure on:					
Raising funds	6	15,368	-	15,368	42,588
Charitable activities	7	375,933	1,597,340	1,973,273	1,587,357
Total expenditure		391,301	1,597,340	1,988,641	1,629,945
Net gains/(losses) on investments	12	21,887	-	21,887	(39,293)
Net incoming/(outgoing) resources before transfers		93,460	(42,305)	51,155	346,905
Gross transfers between funds		24,814	(24,814)	-	-
Net movement in funds		118,274	(67,119)	51,155	346,905
Fund balances at 1 January 2023		307,842	699,401	1,007,243	660,338
Fund balances at 31 December 2023		426,116	632,282	1,058,398	1,007,243

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 2023

Prior financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	147,167	35,542	182,709
Charitable activities	4	344,397	1,483,577	1,827,974
Investments	5	5,460	-	5,460
Total income		497,024	1,519,119	2,016,143
<u>Expenditure on:</u>				
Raising funds	6	42,588	-	42,588
Charitable activities	7	466,015	1,121,342	1,587,357
Total expenditure		508,603	1,121,342	1,629,945
Net gains/(losses) on investments	12	(39,293)	-	(39,293)
Net incoming/(outgoing) resources before transfers		(50,872)	397,777	346,905
Gross transfers between funds		76,282	(76,282)	-
Net movement in funds		25,410	321,495	346,905
Fund balances at 1 January 2022		282,432	377,906	660,338
Fund balances at 31 December 2022		307,842	699,401	1,007,243

THE WYE AND USK FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		240		1,736
Investments	15		319,098		272,812
			<u>319,338</u>		<u>274,548</u>
Current assets					
Debtors	16	299,389		334,070	
Cash at bank and in hand		697,028		804,023	
		<u>996,417</u>		<u>1,138,093</u>	
Creditors: amounts falling due within one year	17	(242,388)		(380,049)	
Net current assets			<u>754,029</u>		<u>758,044</u>
Total assets less current liabilities			<u>1,073,367</u>		<u>1,032,592</u>
Creditors: amounts falling due after more than one year	19		(14,969)		(25,349)
Net assets			<u><u>1,058,398</u></u>		<u><u>1,007,243</u></u>
Income funds					
Restricted funds	22		632,282		699,401
<u>Unrestricted funds</u>					
Designated funds	23	353,452		295,309	
General unrestricted funds		<u>72,664</u>		<u>12,533</u>	
			<u>426,116</u>		<u>307,842</u>
			<u><u>1,058,398</u></u>		<u><u>1,007,243</u></u>

THE WYE AND USK FOUNDATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

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 2023, 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 16 October 2024



C Newington-Bridges- Trustee

Company Registration No. 03343965

THE WYE AND USK FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(80,609)		420,273
Investing activities					
Proceeds from disposal of tangible fixed assets		-		1,333	
Purchase of investments		(158,900)		(66,311)	
Proceeds from disposal of investments		134,501		44,273	
Investment income received		8,143		5,460	
Net cash used in investing activities			(16,256)		(15,245)
Financing activities					
Repayment of borrowings		(10,130)		(9,210)	
Net cash used in financing activities			(10,130)		(9,210)
Net (decrease)/increase in cash and cash equivalents			(106,995)		395,818
Cash and cash equivalents at beginning of year			804,023		408,205
Cash and cash equivalents at end of year			697,028		804,023

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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 general unrestricted reserves of £72,664, designated funds of £353,452 and restricted funds of £632,282. The free reserves of the charity at 31 December 2023 were £72,424.

During 2023 we increased our unrestricted reserves by £118,274.

WUF has a portfolio of secured funding through projects and other work-streams that will see a further expansion in delivery during 2024. The forecast cash flow is positive for the whole of 2024.

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 2023

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.

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:

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

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

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.

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	91,946	15,531	107,477	102,213	35,542	137,755
Donated goods and services	32,621	-	32,621	44,954	-	44,954
	<u>124,567</u>	<u>15,531</u>	<u>140,098</u>	<u>147,167</u>	<u>35,542</u>	<u>182,709</u>

Donated goods and services relate to the quantifiable value of work done by landowners under grant agreements with The Wye and Usk Foundation which is of benefit to, but is not funded by, the charity.

4 Charitable activities

	2023 £	2022 £
Passport scheme	94,636	88,456
Miscellaneous	2,647	3,523
Grants and contract income	<u>1,772,385</u>	<u>1,735,995</u>
	<u>1,869,668</u>	<u>1,827,974</u>
Analysis by fund		
Unrestricted funds	330,164	344,397
Restricted funds	<u>1,539,504</u>	<u>1,483,577</u>
	<u>1,869,668</u>	<u>1,827,974</u>
Grant and contract income		
DEFRA	50,563	41,171
Environment Agency	108,102	145,032
Natural England	-	13,776
Herefordshire Council	73,745	25,000
Lower Wye AONB	63,697	15,673
Welsh European Funding Office	-	78,780
Natural Resources Wales	160,895	173,130
Monmouthshire Council	-	24,989
Powys Council	6,776	-
Other grant and contract income	<u>1,308,607</u>	<u>1,215,444</u>
	<u>1,772,385</u>	<u>1,735,995</u>

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Dividends and interest receivable	8,143	5,460

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	7,032	12,364
Staff costs	6,227	28,193
	13,259	40,557
<u>Fundraising and publicity</u>		
<u>Investment management</u>	2,109	2,031
	15,368	42,588

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

	2023 £	2022 £
Staff costs	895,092	799,976
Costs of donated services	32,621	44,954
Direct expenses	642,754	420,044
Marketing	1,048	1,311
Motor and travel	40,758	-
Premises and office costs	20,002	-
	<u>1,632,275</u>	<u>1,266,285</u>
Share of support costs (see note 9)	328,288	313,792
Share of governance costs (see note 9)	12,710	7,280
	<u>1,973,273</u>	<u>1,587,357</u>
Analysis by fund		
Unrestricted funds	375,933	466,015
Restricted funds	1,597,340	1,121,342
	<u>1,973,273</u>	<u>1,587,357</u>

8 Grants payable

	2023 £	2022 £
Herefordshire Rural Hub CIC	-	24,250
Farm grants	98,922	82,910
	<u>98,922</u>	<u>107,160</u>

During the year the charity paid £98,922 (2022: £82,910) in farm grants to a total of 30 partnerships and individuals (2022: 32). Grants payable costs can be seen within Charitable Activities direct expenses £642,754 (2022: £420,044).

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	176,270	-	176,270	149,282	-	149,282
Depreciation	1,497	-	1,497	3,546	-	3,546
Motor and travel	1,645	-	1,645	38,382	-	38,382
Premises and office costs	83,881	-	83,881	83,060	-	83,060
Financing	22,099	-	22,099	30,734	-	30,734
Marketing	19,522	-	19,522	8,788	-	8,788
Consultancy	21,861	-	21,861	-	-	-
Legal	1,513	-	1,513	-	-	-
Audit fees	-	12,710	12,710	-	7,280	7,280
	<u>328,288</u>	<u>12,710</u>	<u>340,998</u>	<u>313,792</u>	<u>7,280</u>	<u>321,072</u>
Analysed between						
Charitable activities	<u>328,288</u>	<u>12,710</u>	<u>340,998</u>	<u>313,792</u>	<u>7,280</u>	<u>321,072</u>

Governance costs includes payments to the auditors of £11,710 (2022: £6,530) for audit services and £1,000 (2022: £750) for non audit services.

10 Trustees

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

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

8 trustees and individuals related to them made cash donations totalling £16,661 during the year (2022: 10 trustees and individuals made cash donations totalling £8,197).

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Staff deployed in projects	23	24
Staff deployed in central administration	5	5
Total	<u>28</u>	<u>29</u>

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

11 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	893,046	803,003
Social security costs	83,898	77,284
Other pension costs	100,645	97,164
	<u>1,077,589</u>	<u>977,451</u>

Key management personnel

The key management personnel of the charity received benefits (including gross salary, employers national insurance and employers pension contributions) totalling £255,416 (2022: £362,300).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	<u>1</u>	<u>-</u>

12 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	18,619	(39,293)
Gain/(loss) on sale of investments	3,268	-
	<u>21,887</u>	<u>(39,293)</u>

13 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 2023

14 Tangible fixed assets

	Computer equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 January 2023	3,292	54,905	58,197
At 31 December 2023	3,292	54,905	58,197
Depreciation and impairment			
At 1 January 2023	3,292	53,168	56,460
Depreciation charged in the year	-	1,497	1,497
At 31 December 2023	3,292	54,665	57,957
Carrying amount			
At 31 December 2023	-	240	240
At 31 December 2022	-	1,736	1,736

15 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 January 2023	269,403	3,409	272,812
Additions	158,900	-	158,900
Valuation changes	18,619	-	18,619
Disposals	(129,849)	(1,384)	(131,233)
At 31 December 2023	317,073	2,025	319,098
Carrying amount			
At 31 December 2023	317,073	2,025	319,098
At 31 December 2022	269,403	3,409	272,812

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	150,383	208,200
Other debtors	300	300
Prepayments and accrued income	148,706	125,570
	299,389	334,070

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Borrowings		10,130	9,880
Other taxation and social security		36,023	145,928
Deferred income	18	11,725	17,810
Trade creditors		26,668	36,100
Other creditors		128,951	151,384
Accruals		28,891	18,947
		<u>242,388</u>	<u>380,049</u>

18 Deferred income

	2023 £	2022 £
Other deferred income	<u>11,725</u>	<u>17,810</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	<u>11,725</u>	<u>17,810</u>
Movements in the year:		
Deferred income B/F	17,810	11,097
Received in year	114,340	95,169
Released in year	<u>(120,425)</u>	<u>(88,456)</u>
Deferred income C/F	<u>11,725</u>	<u>17,810</u>

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

19 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	<u>14,969</u>	<u>25,349</u>

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Loans and overdrafts

	2023 £	2022 £
Other loans	25,099	35,229
Payable within one year	10,130	9,880
Payable after one year	14,969	25,349

There were no amounts due in more than five years (2022: £nil).

21 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 £100,645 (2022: £97,164).

At the year end amounts outstanding totalled £15,518 (2022: £11,612).

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 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:

	Movement in funds		Movement in funds		Movement in funds		Movement in funds		Movement in funds		Movement in funds		Movement in funds		Movement in funds		Movement in funds	
	Restated Balance at 1 January 2022	Incoming resources restated	Resources expended restated	Transfers	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 31 December 2023									
	£	£	£	£	£	£	£	£	£									
Wye	11,526	46,647	-	(58,173)	-	29,891	-	(27,378)	2,513									
Lugg & Arrow	(503)	505	-	-	2	445	-	-	447									
Monnow	(466)	44	-	422	-	44	-	-	44									
Usk	5,305	9,742	-	(15,047)	-	5,741	-	(5,720)	21									
Habitat	6,164	264,867	(260,533)	(9,150)	1,348	321,663	(353,854)	9,594	(21,249)									
Farm	193,887	464,470	(511,843)	17,571	164,085	533,143	(625,542)	(16,480)	55,206									
Education	15,521	119	(1,467)	-	14,173	106	-	-	14,279									
Other	1,146	-	-	-	1,146	-	-	(1,146)	-									
Monitoring	137,423	523,740	(206,598)	(11,905)	442,660	615,979	(485,514)	353	573,478									
Natural Capital	7,903	208,985	(140,901)	-	75,987	48,023	(132,431)	15,964	7,543									
	377,906	1,519,119	(1,121,342)	(76,282)	699,401	1,555,035	(1,597,341)	(24,813)	632,282									

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

22 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.

Habitat

The deficit on the fund has arisen due to expenditure being incurred in advance of recognition of income.

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 2023

23 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 2022	Movement in funds			Balance at 1 January 2023	Movement in funds			Balance at 31 December 2023
	£	Incoming resources	Resources expended	Revaluations, gains and losses	£	Incoming resources	Resources expended	Revaluations, gains and losses	£
Endowment fund	309,227	27,406	(2,031)	(39,293)	295,309	38,365	(2,109)	21,887	353,452
	309,227	27,406	(2,031)	(39,293)	295,309	38,365	(2,109)	21,887	353,452

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 2023

24 Analysis of net assets between funds

Fund balances at 31 December 2023 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	Total Unrestricted funds	Designated funds	Restricted funds	Total
	2023	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£	£
Tangible assets	240	-	-	240	1,736	-	1,736
Investments	-	319,098	-	319,098	-	-	272,812
Current assets/(liabilities)	87,393	34,354	632,282	754,029	36,146	699,401	758,044
Long term liabilities	(14,969)	-	-	(14,969)	(25,349)	-	(25,349)
	<u>72,664</u>	<u>353,452</u>	<u>632,282</u>	<u>1,058,398</u>	<u>12,533</u>	<u>699,401</u>	<u>1,007,243</u>

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 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:

	2023 £	2022 £
Within one year	11,714	12,060
Between two and five years	22,060	33,775
	<u>33,774</u>	<u>45,835</u>

26 Related party transactions

As part of the Passport scheme amounts of £63,040 (2022: £58,730) 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 £3,796 (2022: £2,926) 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 £270 (2022: £880) was received from Norman Partnership for work done.

Income of £531 (2022: £nil) was received from P Horsburgh in respect of fishing sales.

Income of £416 (2022: £nil) was received from C Newington-Bridges in respect of fishing sales.

During the year trustees paid WUF £840 (2022: £285) in respect of miscellaneous and event sales.

During the year twelve trustees made auction donations, auction purchases and other donations totalling £28,051 (2022: nine trustees made auction purchases and other donations totalling £5,193).

27 Cash generated from operations

	2023 £	2022 £
Surplus for the year	51,155	346,905
Adjustments for:		
Investment income recognised in statement of financial activities	(8,143)	(5,460)
Gain on disposal of investments	(3,268)	-
Fair value gains and losses on investments	(18,619)	39,293
Depreciation and impairment of tangible fixed assets	1,497	3,547
Movements in working capital:		
Decrease/(increase) in debtors	34,680	(60,728)
(Decrease)/increase in creditors	(131,826)	90,003
(Decrease)/increase in deferred income	(6,085)	6,713
Cash (absorbed by)/generated from operations	<u>(80,609)</u>	<u>420,273</u>

THE WYE AND USK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

28 Analysis of changes in net funds

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	804,023	(106,995)	697,028
Loans falling due within one year	(9,880)	(250)	(10,130)
Loans falling due after more than one year	(25,349)	10,380	(14,969)
	<u>768,794</u>	<u>(96,865)</u>	<u>671,929</u>