

THE DULVERTON TRUST

Annual Report and Accounts

2012/2013

5 St James's Place, London SW1A 1NP

**Company limited by guarantee registered in England and Wales No. 7991677
Charity registered in England and Wales No. 1146484**

Trustees

Mr Christopher Wills - *Chairman*

Sir John Kemp-Welch - *Vice Chairman Finance*

Mr Tara Douglas-Home

The Lord Dulverton

Mr Richard Fitzalan Howard

The Earl of Gowrie

The Lord Hemphill

Dame Mary Richardson

Sir Malcolm Rifkind

Dr Catherine Wills

Members of the Trust Finance Committee

Sir John Kemp-Welch - *Vice Chairman Finance*

The Lord Dulverton

Mr Richard Fitzalan Howard

The Lord Hemphill

Dr Catherine Wills

Mr Christopher Wills

Staff

Director
Finance Director
Grants Director
Grants and Administration Manager

Andrew Stafford
Christopher Lightfoot
Sally Stockwell
Anna de Pulford

Professional Advisers

Investment Managers

Artemis Investment Management Ltd
Cassini House, 57 St James's Street, London,
SW1A 1LD

BlackRock Global Investors Ltd
Murray House, 1 Royal Mint Court, London
EC3N 4HH

BlueBay Asset Management LLP
77 Grosvenor Street, London W1K 3JR

Cardiff Coupland Asset Management LLP
31/32 St James's Street, London SW1A 1HD

Cazenove Capital Management Ltd,
12 Moorgate, London EC2R 6DA

CG Asset Management
25 Moorgate, London EC2R 6AY

Findlay Park Partners LLP
Almack House, 4th Floor, 28 King Street,
London SW1Y 6QW

Newton Asset Management
Mellon Financial Centre, 160 Queen Victoria
Street, London EC4V 4LA

Pimco Europe Ltd
Nations House, 103 Wigmore Street, London
W10 1QS

RWC Partners Ltd
60 Petty France, London SW1H 9EU

Veritas Asset Management (UK) Ltd
6th Floor, 39 York Street, London SE1 7NQ

Bankers

National Westminster Bank plc
208 Piccadilly, London W1A 2DG

Solicitors

Farrer and Co
66 Lincoln's Inn, London WC2A 3LH

Wrigleys Solicitors LLP
19 Cookridge Street, Leeds, LS2 3AG

Auditors

Nexia Smith & Williamson Audit Ltd
25 Moorgate, London EC2R 6AY

THE DULVERTON TRUST

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Dulverton Trust (the company) for the year ended 31 March 2013. The Trustees confirm that the Annual report and financial statements comply with current statutory requirements and the Statement of Recommended Practice (SORP), revised 2005.

Structure, Governance and Management

The Dulverton Trust was founded by the 1st Lord Dulverton in 1949 as a general grant-making charity. The Trust Deed of 1949 was superseded by the Memorandum and Articles of Association on incorporation of the Trust as a Company in 2012. These were very similar to the original Deed and empower the Trustees to support '*such purposes for the benefit of the public as shall be exclusively charitable as the Trustees from time to time may determine*'. Over the years Trustees have introduced exclusions to this general remit in order to give greater focus to the Trust's work.

The power to appoint Trustees was vested initially in Lord Dulverton. Since the death of the 2nd Lord Dulverton in 1992, appointments have been made by the Trustees. There were no changes of Trustees in 2012/13 and so the Trust's induction arrangements were not exercised.

The Trust is run on a day to day basis by the Director, assisted by three staff. There were no staff changes during the year although the Administrator & Grants Assistant's job was remodelled under the title Grants and Administration Manager.

The Trust's financial year runs from 1 April to 31 March and meetings of the full Trustees Board, at which Major Grants are awarded, were held in June, October and February. The Finance Committee met in May, July, October and February. A Minor Grants Committee, which oversaw the award of Minor Grants on our behalf by the Community Foundations for Wales, Devon, Cornwall and Tyne & Wear and Northumberland, met in June, October and February. All decisions on out-of-committee, Local and Minor Grants were subsequently ratified at full Board Meetings.

Incorporation

The incorporation of the Trust as a company limited by guarantee (registered in England and Wales No. 7991677) went ahead as planned with effect from the beginning of the financial year. Trustees are Directors of the new company and the Trust's Director (CEO) is the Company Secretary. An unfortunate side effect of incorporation is that the Trust appears as a newly registered charity on the Charity Commission website and previous Annual Reports and Accounts are no longer available. We have therefore published Annual Reports for the last five years on our own website. Previous Reports are available on request.

Risk Assessment

In February 2013, Trustees reviewed the risks to which the Trust is exposed and the systems which have been established to mitigate them. They were satisfied that appropriate steps had been taken to lessen the volatility of the Trust's investment portfolio, and that sufficient measures are in place to prevent financial or administrative fraud or malpractice and to ensure compliance with recent changes in relevant legislation. In addition there are adequate procedures to minimise the physical risks to which the Trust is exposed, including IT security, Fire and Health &

Safety. Trustees reviewed the additional risks associated with letting part of the Trust's headquarters building to business tenants and were satisfied that adequate safeguards are in place.

Objectives and Activities

Objects

As noted above, the Trust's objects were widely drawn in the founding Deed. They are currently interpreted to cover General Charitable Purposes; Education/Training; the Prevention or Relief of Poverty; and Environment/ Conservation/Heritage. The beneficiaries are defined as Children/Young People; Elderly/Old People; Other Charities or Voluntary Bodies; and the General Public/Mankind. The area of operation is the UK and Africa.

Activities

The main activity of the Trust is the award of grants to charities registered in England & Wales and Scotland and to charities with exempt status in these countries. Grants are not awarded directly to individuals. In addition the Trust adopts a 'Grants Plus' policy under which eligible organisations may be offered non-financial help such as the free use of the Trust's Boardroom or, where appropriate, the offer of advice or advocacy by Trust staff or referral to the The Cranfield Trust for the provision of free-of-charge consultancy support.

Strategy

Trustees review the policies and activities of the Trust on a regular basis and conduct a major review approximately every five years. The last such review was in 2010 and resulted in a programme to modernise the way the Trust is run aimed at cutting costs, improving efficiency and increasing the focus on the outcomes of our grant-making. Trustees also decided to give priority to supporting disadvantaged young people through the 'Youth Opportunities' category of grants, with particular emphasis on supporting early intervention projects. The other categories of grants - General Welfare, Conservation and Preservation - were maintained at approximately the same level and in early 2013 the temporary suspension of grants to charities new to the Trust under the Africa and Peace & Humanitarian Support categories was lifted.

Significant Activities

- ❖ **Grant-making:** The Trust directly awarded 83 grants worth £2,937,832 (including future payments under multi-year grants and pledges) to a total of 81 charities. See Annex A for more details on the grants awarded. In all the Trust paid out 119 grants (including multi-year tranches awarded in previous years) amounting to a total of £2,795,715. This includes £270,000, which was distributed as minor grants to numerous charities by Community Foundations on our behalf.

- ❖ **Modernisation:** Following the refurbishment of our London office building, the digitisation of our records and the move to online grants applications and reporting, we continued the streamlining of our processes, albeit at a less hectic pace. The biggest change this year was the replacement of our commercially-provided grant-making database with Salesforce, a Cloud-based CRM system designed for commercial use. Charities can apply for up to 10 free-of-charge user licenses from the Salesforce Foundation, and the Trust took advantage of this offer. Our Grants and Administration Manager, with useful support from Westbrook, developed a version of Salesforce suitable for grant-makers within

two months at a cost of under £3,000, which went live in July. Integrated with our online applications and reporting system, Salesforce has significantly cut the amount of time staff spend administering grants while providing excellent analytical tools and real-time reporting. We estimate the annual saving in IT costs alone will be in the region of £10,000. Recognising the potential value to the wider Trusts and Foundations community, we have now donated our version of the system to the Association of Charitable Foundations so that they can make it available to their members free of charge. We also implemented on-line banking, including for the payment of grants, as the next step in achieving a fully-integrated grants application, management, payments and accounting system.

Public Benefit

- ❖ The Trustees consider that the Trust complies with the Good Governance Code and the public benefit guidance published by the Charity Commission and with the provisions of the Charities Act 2011. Grants are made only to registered charities, charities with officially recognised charitable status or charities with exempt/excepted status, which themselves have to meet the public benefit requirement.
- ❖ The Trust's Boardroom is made available free of charge for meetings held by charitable organisations. Eighteen charities used the room, some several times, and a total of 48 half days' use of this facility was donated.
- ❖ The Trust continues to own the Loch Eil Outward Bound Centre and a building housing the Guildhall Heritage and Arts Centre in Dulverton, which are let at peppercorn rents to the Outward Bound Trust and Dulverton & District Civic Society respectively. Trustees consider that although the Trust owns property in Scotland (at Loch Eil), this is not in any sense used by the Trust and it is therefore unnecessary for the Trust to be registered separately with the Office for the Scottish Charity Regulator.
- ❖ The development and donation to the Association of Charitable Foundations of the Salesforce system referred to above is potentially a significant benefit to the charitable sector.

Grant-making Policy

The guiding principle is that our grants should make a discernible difference although we recognise that reporting on outcomes is more difficult for some charities or for certain projects than others, especially in the short term. Our on-line reporting system is, we hope, relatively light touch but intended to give Trustees an idea of what our funding has achieved. In addition to established partners, we are always on the lookout for new charities to fund, including start-ups if they can demonstrate a novel but credible approach to addressing a charitable need. We strongly encourage cooperation or joint ventures between charities with similar objectives.

We currently award Major Grants, generally in the region of £10,000 - £30,000 in a single year, under the following categories: Youth Opportunities, General Welfare, Conservation, Preservation, Africa and Peace & Humanitarian Support. Trustees retain the right to make exceptional grants to particularly deserving causes falling outside these categories. We are prepared to consider funding core costs as well as projects and we make a small number of capital grants. We also make a limited number of multi-year grants, usually for up to three years.

The Trust supports charities throughout the United Kingdom, although we are rarely able to support those operating in Northern Ireland, or those working in Greater London if the main beneficiaries are Londoners. Limited grants continue to be made to historic contacts and associations in East and Southern Africa and, under the Peace & Humanitarian Support category, Trustees will occasionally consider projects concerned with other parts of the world.

We no longer award Minor Grants directly to local charitable causes. Instead selected Community Foundations award Dulverton grants to local charities in their areas in accordance with the Trust's funding guidelines. All awards are subject to approval by Dulverton Trustees. The total sum allocated for Minor Grants is approximately 10% of the overall Grant Target for the year, and the maximum size of an individual grant is £5,000. For three years from April 2011 the following Community Foundations are running Dulverton programmes: Community Foundation Tyne & Wear and Northumberland (www.communityfoundation.org.uk); the Community Foundation in Wales (www.cfiw.org.uk); Devon Community Foundation (www.devoncf.com) and Cornwall Community Foundation (www.cornwallfoundation.com). From early 2014 we will gradually rotate our partnerships so that over time most areas of England, Wales and Scotland will be covered.

The sum of £25,000 continues to be delegated to Lord Dulverton for allocation to Local Appeals in the Cotswolds at his discretion following due diligence by Trust staff.

Exclusions and Guidelines

To focus the work of the Trust and to allow grants to be made on a worthwhile scale, we apply exclusions to the very general remit set out in the Trust Deed and Articles of Association and provide Guidelines describing the type of thing we will currently consider funding. Full details are in Annex B and on the Trust's website.

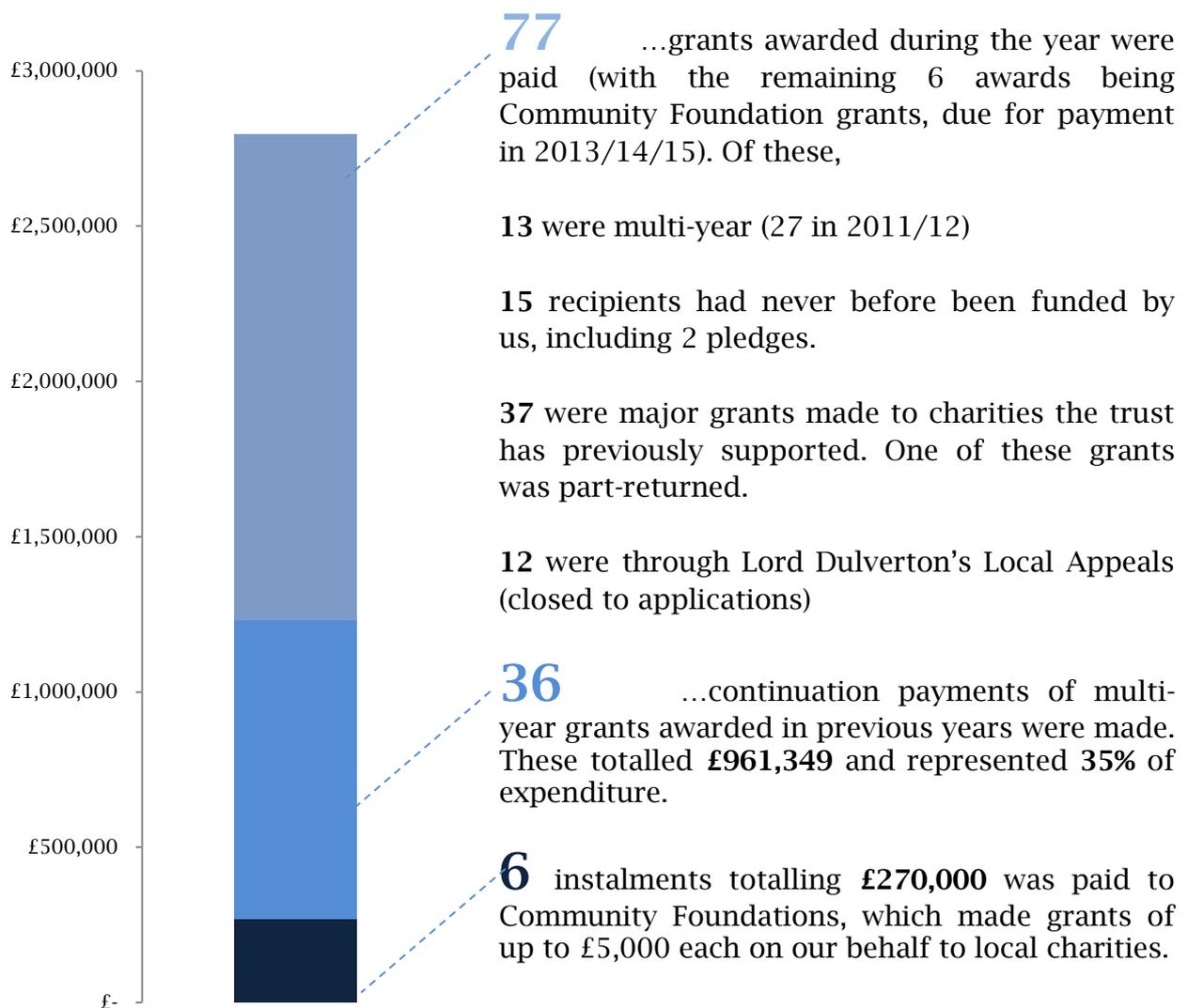
Grants Process

Applications for Major Grants should be submitted online via the Trust's website (www.dulverton.org). An eligibility quiz will indicate if a particular application is within Guidelines. If it is, the applicant will be able to proceed to the online form. An automatically generated response confirms receipt. Each case is assessed in detail by Trust staff and those judged to merit further consideration are discussed with the applicants. Whenever possible the Director, Grants Director, Grants Manager or Finance Director will visit applicants for Major Grants anywhere in the United Kingdom; failing this, applicants will be invited to visit the Trust's office. This policy allows a first-hand impression to be gained of the charity's work, and also permits discussions which foster connections with other charities operating in a similar field, or organisations providing useful services to the sector. Each application is treated on its merits and grants are made according to the availability of grant funds, the worthiness of the cause, the quality of the business case and the degree of confidence in the charity's ability to deliver the promised outcomes. The final decision on each application is taken by Trustees on the basis of a case presented by Trust staff, normally at one of three Main Board meetings held in February, June and October. The lead time from application to decision is usually between three and five months although urgent applications can sometimes be fast-tracked. Any decision by the Director to reject an application which is within guidelines must be ratified by Trustees. Applicants for a Minor Grant should refer to the website of the relevant Community Foundation.

Achievements and Performance

Total Amounts Awarded and Paid

Despite the decline in investment returns resulting from the recession and the effect of rising inflation on the real value of the Endowment, Trustees decided to maintain the grant target at the same level as the previous year. This was in recognition of the acute need faced by many charities. The Trust directly awarded 83 grants worth £2,937,832 (including future payments under multi-year grants) to a total of 81 charities and, with multi-year grants awarded in previous years, paid out a total of 119 grants totalling £2,795,715 across all grant categories (£2,760,433 in 2011/12). This was above the target of £2,750,000 due to the reallocation of three rescinded grants made in previous years and totalling £54,000 to the 2012/13 budget. The distribution of payments by grant type is detailed in the graph below.

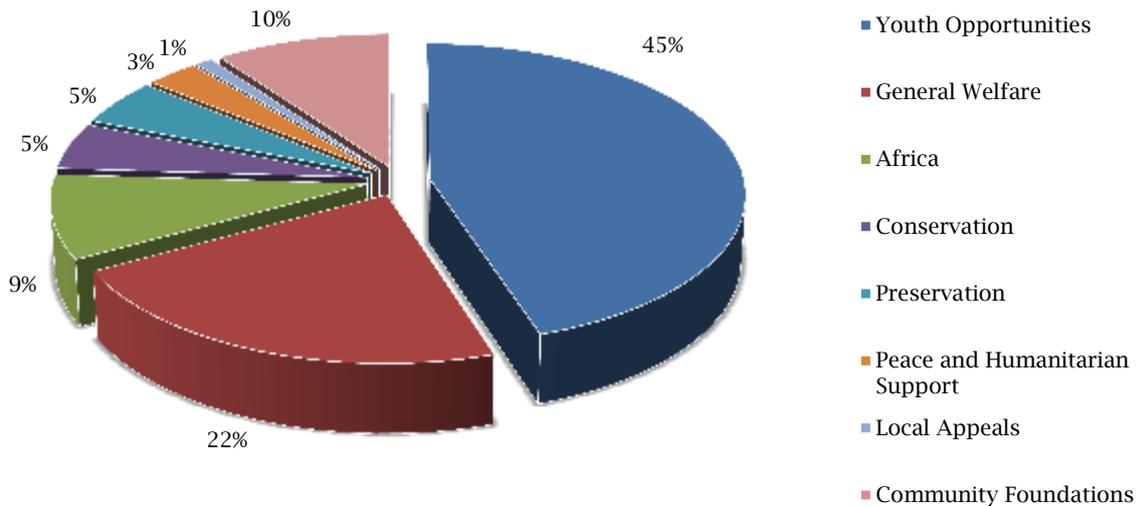


401 applications were received during the year. **83** were approved, **280** were rejected (42 were outside of guidelines) and **38** were under review at the year end.

Where the Grants Went

This chart shows the distribution of grants paid during the year by value between our eight categories. Some grants impact on more than one category, so the breakdown is purely indicative.

The Dulverton Trust - Grant Distribution 2012/13



The following comments give an overview of the Major Grants awarded or in place during the year.

❖ **Youth Opportunities.** We paid a total of 48 grants (47, 2011/12) accounting for 45% of grants expenditure, up from 40% the previous year. Under this category we support charities which give children and young people the opportunity to achieve their potential despite having experienced a bad start in life. We want to help young people to help themselves, not foster a culture of dependency and this is the consideration we aim to apply when assessing the difference our funding has made. The charities which received grants seek to build character, change attitudes, foster ambition and give practical support to ambition. Some, such as The Venture Trust, Outward Bound or Endeavour use adventure training to enable young people, be they NEETS, children in care or ex-offenders, to take a fresh look at their lives and gain the confidence to engage with mainstream society. Others like Beatbullying, Co-ordinated Action Against Domestic Abuse, Move On, The Place2Be, Voice, First Story or the National Youth Advocacy Service address specific problems – from bullying at school or abuse in the home to poor literacy or the damaging effects of being brought up in care. Through our support for the Wave Trust we continued to address the question of how experiences very early in

“It is fair to say that the work funded by your grant has enabled us not only to achieve our evolving objectives, but to surpass them in a way we could never have imagined.” **Wave Trust**

life influence later behaviour and what can be done to limit damage at the outset. We found it difficult to meet our objective of identifying practical ‘early intervention’ projects to support although we did award grants to Booktrust (helping disadvantaged Mums to bond with their babies through reading and singing) and UK Youth (Young Parenthood Programme). We helped bright or disadvantaged children to achieve their potential through The Brilliant Club, Villiers Park Educational Trust and Worldwide Volunteering for Young People and we continued our major programme of awarding scholarships to enable students from less well-off European and Former Soviet Union countries to study at Oxford University. We continued our longstanding support for the development of technical and engineering skills through the award to The Arkwright Scholarship Trust and a new award to the Baker Dearing Educational Trust (support for University Technical Colleges). We continued to support efforts to widen the horizons of inner-city children and improve their understanding of the countryside through Jamie’s Farm and Countryside Learning. Finally we greatly valued our continued partnership with the Foyer Federation and Youth at Risk in supporting their innovative pilot in Braintree to turn around some young people who have been seriously damaged by their childhood experiences.

❖ **General Welfare.** We paid out 29 grants (34 in 2011/12), under this category accounting for 22% of expenditure, down from 26% last year. Several of the grants were for core funding, a reaction to the financial challenges facing many charities. This

“The Dulverton Trust grant played a direct role in enabling us to provide the expertise needed to establish the new depots, give on-going operational support and ensure deliveries of surplus food into these new depots” **FareShare**

“Funding the role of Adoption Consultant has allowed BAAF to address issues affecting children in care from a government level with wide reaching implications for our members who we involve and represent the views of at every stage, as well as our pioneering work in adoption reunion and search.” **BAAF**

widely-drawn category enables Trustees to address and seek to ameliorate a range of social problems. **Work with offenders and their families** remained a significant theme last year. The charities we supported ranged from those dealing with education for prisoners (Haven Distribution) to tackling the specific problems facing female prisoners and their families (Women In Prison) and general welfare for inmates’ families (Families Outside – core funding). With so many charities working in and around the criminal justice system we are attempting to give our support greater focus to ensure that we award grants to interventions which achieve real outcomes. **Supporting relationships or rebuilding family life** was another theme with grants to Home-Start UK (core funding), Relationships Scotland, Missing People, The Forgiveness Project and Grandparents Plus (core funding). We supported Gingerbread to address the specific challenges faced by single parents and BAAF to address issues around children in care. A grant to The Furniture Re-Use Network will provide affordable household items to young families while **reducing waste** and our existing support to FareShare seeks to help those families that cannot afford to feed themselves. A slightly exceptional grant was awarded to Maytree to help those contemplating **suicide**. Only one, small, grant was awarded this year specifically aimed at **older people** – to COVER for a pilot to provide iPads to combat isolation and facilitate cheaper on-line shopping. We awarded two grants intended to **support the charitable community** – to the Association of Charitable Foundations towards the cost of distributing our version of Salesforce to their members and to The Cranfield Trust to provide consultancy support to charities in transformation or facing major challenges.

❖ **Africa.** The Trust paid 12 grants, amounting to our target 10% of the grants fund, to UK-based charities with projects in Africa, principally in East Africa and Zimbabwe. The challenge is huge and, to make a meaningful difference, we restrict our grants geographically and to charities for which our modest contribution will be significant. In addition to our earlier support to Hope and Homes for Children to **close orphanages** in Rwanda we supported charities such as FARM-Africa to **promote local self-sufficiency** in agriculture and other income-generating activities, and those like Excellent Development which seek to **bring safe water** supplies to semi arid areas. Three grants supported activity in **Zimbabwe** - The Halo Trust's demining project, Peace Direct's work to reduce internal conflict and core funding to the Peterhouse Appeal (UK) to support their schools at Marondera. The Director and Chairman visited some recent projects supported by the Trust in Kenya and Uganda including those run by Fauna & Flora International, Restless Development, Build Africa and Excellent Development. This brought home not only the depth of need but how effective well-targeted grants can be in Africa, whether it is supporting education, water supplies, income generation, enterprise or conservation. The key requirements are reliable and capable local partners, direct engagement with local communities (who must 'own' the projects), tight budgetary control and oversight from the UK and maintaining funding until projects have been completed and have become self-sustaining. These insights will guide our grant-making in future.

"In 2012 we achieved the closure of Mpore Pefa Institution in Kigali, Rwanda, having moved all resident children into loving families or family-based care. We built the capacity of alternative social services to support vulnerable families at risk of abandoning their children.... Our warmest thanks once again for your very generous support which has enabled us to carry out this vital work"
Hope and Homes for Children

❖ **Preservation.** Three grants were paid (9 in 2011/12) amounting to 5% of the grants fund, down from 9% the previous year and a return to the more usual level of funding for this category. The aim is to support a small number of projects which the Trustees consider important. In addition to our annual £75,000 grant to the National Churches Trust we awarded the annual cathedral grant (£50,000) to York Minster towards the restoration of the Great East Window and supported professional development in conservation skills through the Anna Plowden Trust.

"The Dulverton Trust's support enabled us to award further Repair and Community Grants in 2011 which have helped us to...increase the number of individual grants awarded from the previous year"
National Churches Trust

❖ **Conservation.** Five conservation charities received payments - 5% of the grants fund and slightly up on last year. The £25,000 grant to the Future Trees Trust was seen as particularly valuable in the light of ash die-back.

"It is so reassuring to know that the trustees recognised, understood and appreciated the importance of our work...the enlightened view of the Dulverton trustees and the grant they have awarded us will enable us to continue our work on the ash die-back recovery programme, as well as progressing our other species groups and our work on lobbying, influencing, fundraising and profile-raising. It will make a huge difference to our work and we are very grateful to you and the trustees for your support."
Future Trees Trust

We awarded £50,000 to The British Trust for Ornithology towards research into the decline of the Spotted Flycatcher and supported Wildscreen's new project on British Habitat Features.

❖ **Peace & Humanitarian Support.** This Category received 3% of grant funds, up from 1% last year, with four grants paid. The potential field is vast so we aim to support charities which are enablers of larger scale interventions or where our contribution can have a multiplier effect. The largest (£60,000) went to MapAction to support their digital mapping of disaster zones. Trustees find this a more effective way of supporting disaster relief than responding to short-notice appeals. We also supported RedR to train engineers in disaster relief. Under the 'Peace' element we gave a grant to RUSI towards their study of the Muslim Brotherhood: Beyond the Arab Spring and to West-Eastern Divan Trust for the reconciliation activities of the West-Eastern Divan Orchestra.

*"[the] commitment from the Dulverton Trust to support the further development of our Operational Support Team...is a critical investment that will enable us to be more innovative, responsive and productive in helping get aid to where it's needed most" **Map Action***

Plans for the Future

A focus for the coming year will be on improving how we and our grantees measure the impact - the difference made - by our funding and their work. This reporting is important for informing our grant-making decisions. The Director has been involved in the Cabinet Office-supported 'Inspiring Impact' process as a member of the Association of Charitable Foundations' Working Group. Trustees will consider the output of this process over the coming year and any implications for our procedures for measuring and reporting impact.

The system providing Trustees with on-line access to reports from our grantees on what they have achieved with our funding, accompanied by comments from Trust staff, will be improved and extended.

We will continue to improve our website by providing more information on what we support and richer content on what grantees have done with our funding. We hope this will give potential applicants a clearer idea of our funding priorities.

We will continue to monitor the developing market for Social Investment and consider whether it presents any opportunities for the Trust.

Finally, and subject to any technical constraints, we will complete the integration of our website, Salesforce database, accounting system and online banking. This will mark the completion of the modernisation process under the 2010 Strategic Review.

Financial Review

The Finance Director makes a Quarterly report to the Finance Committee Meeting, in May and July and preceding the main Trustees' Meetings in October and February. Investment managers are in attendance as required to report on the performance of their funds. With the portfolio in the hands of an increasing number of investment managers, each is normally represented once or twice each year, though Trustees reserve the right to request attendance more frequently if necessary.

The value of the portfolio during the course of the year was:

	As at 1 April 2012	As at 31 March 2013
Market Value ¹	£76,712,090	<u>£85,294,590</u>

Objectives

The role of the Trust is to make grants for charitable purposes. This is achieved by careful management of the endowment to grow the fund as best as prevailing market conditions allow, in order to generate the maximum funds for disbursement. Each year the Trustees set a Spending Target, comprising a Grant Target and a Support Budget. The level of spending is agreed as a percentage of the 3-year rolling average value of the endowment. The aim is to maximise Grant spending whilst also preserving the long-term real value of the portfolio. In past years the percentage has been around 4.5%; however with the prevailing market conditions Trustees believe that this figure should now be a maximum of 4%, a target that will be reached incrementally. In 2012/13 the Spending Target represented 4.3% of the 3-year average with the Grant Target comprising 3.85%. For the coming year the Spending Target has been set at 4.12%, with Grant spending at 3.71%. This translates as a Grant Target of £2,800,000 with Administration costs of £176,000, Programme Support costs of £148,000 and Governance costs of £28,000.

Investment Policy

The Trust follows a Total Return investment policy whereby funds are invested for Capital Growth as well as for Income. Depending on individual funds within the portfolio and on market conditions, this policy allows the Trust to draw on capital in order to meet the annual spending target. In recent years, whilst maintaining this policy, Trustees have placed a greater emphasis on seeking dividend income although changes over the past year show a slight reversal of this as Trustees sought to further diversify investments and invest in safe havens in case of a return to more turbulent market conditions. In addition to dividend income the Trust withdraws income in lieu of dividends from the accumulation units held in the BlackRock Charitrak Fund. For 2012/13, the sums withdrawn amounted to 2.75% of the fund value. The Trustees have decided that it would be inappropriate to impose any specific ethical investment constraints upon the investment managers over and above those already contained within the managers' own ethical and socially responsible investment policies. However they are monitoring the development of the Social Investment (SI) market and

¹ Includes property valuation and Dividend Income held

might, if the terms and conditions were judged to be suitable, consider making such an investment as an additional means of supporting charities.

Reserves Policy

The Trust does not run a specific Reserves Policy as, effectively, the whole endowment portfolio could be available to act as a reserve. In practice the budget is set to provide an annual carry forward figure in the region of £500,000 which could be regarded as a reserve in the event of unexpected expenditure.

Performance and Investment Activity

Performance targets are set for the individual managers; the equity fund managers are expected to exceed the relevant indices by 1%, net of fees. Discounts to Annual Management Charges are negotiated with individual fund managers on a case by case basis, although the introduction of RDR (Retail Distribution Review) places some limitations in this area. During this Financial Year our fund managers have generally managed to meet their targets in volatile market conditions. The Trust continues to use the performance reporting services of the investment analysts State Street.

Trustees made a number of changes to the allocation of the Trust's investments during the year which were designed to provide further diversification and protection for the portfolio in the event of yet greater uncertainty in global markets. These included:

- Selling our position with Cazenove Growth & Income Fund.
- Selling our remaining position with the Cazenove Absolute Return Trust for Charities.
- Increasing further our exposure to Overseas Equities with additional investment in Veritas Global Equity Fund
- Increasing our position in the RWC Income Maximiser Fund.
- Increasing our position in the Cazenove Equity Income Trust for Charities.
- Increasing our position in the Pimco Investment Grade Bonds, subsequently exchanged for a position in the Pimco Income Fund
- Investing in a Coupland Cardiff Asian Opportunities fund.
- Investing in a Findlay Park Latin American fund.
- Investing in the BlueBay Global High Yield Bond Fund.
- Investing in a Gold ETF.

By the end of the year, the asset distribution had changed to: 44% UK Equities, 32% Overseas Equities, 19% Stabilizers (Absolute Return, Fixed Income), 4% Property and 1% Cash.

Grant spending for the year 2012/13 was £2,795,715, slightly above the set target, but including funds from 3 grants rescinded from the previous year. Efforts continue to drive down Administration and Support costs.

Grant Spending was allocated as follows:-

Summary of Grants Paid in 2012/13 - As at 31 March 2013

	Paid	Unpaid & Cancelled	Balance to Date	% by Category
				12/13
Local Appeals	25,000	-	25,000	1
Minor Appeals	270,000	-	270,000	10
Peace and Humanitarian Support	76,000	-	76,000	3
Conservation	135,000		135,000	5
Youth Opportunities	1,270,215	500	1,269,715	45
Preservation	135,000	-	135,000	5
Africa	270,500	24,000	246,500	10
General Welfare	614,000	30,000	584,000	22
Totals	£ 2,795,715	£ 54,500	£ 2,741,215	100
Unpaid Grants from Previous Year:-				
Nil				

Trustees' Responsibilities

The Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as that Trustee is aware, there is no relevant available information of which the charitable company's auditor was unaware, and;
- that Trustee has taken all steps that the Trustee ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor was aware of that information

Approval

The Annual Report and Accounts were approved by the Trustees on 19th June 2013.

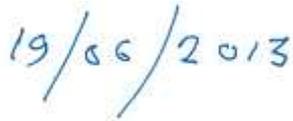


Chairman



Vice Chairman Finance

(Authorised by Trustees to sign on their behalf)



Date Approved:

Nexia Smith & Williamson
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS of THE DULVERTON TRUST

We have audited the financial statements of The Dulverton Trust for the year ended 31 March 2013 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information provided in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Stephen Drew

Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

1 Bishops Wharf
Walnut Tree Close
Guildford
GU1 4RA

1 July 2013

THE DULVERTON TRUST

Statement of Financial Activities incorporating Income and expenditure account for the period ended 31 March 2013

	Notes	2013 Unrestricted Funds £	2012 Unrestricted Funds £
Incoming resources			
Incoming resources from generated funds			
Investment Income	2	<u>3,209,443</u>	<u>3,243,542</u>
		<u>3,209,443</u>	<u>3,243,542</u>
Resources expended			
Cost of generating funds			
Investment management fees	3	(531,089)	(516,452)
Charitable activities	4	(3,155,848)	(3,810,913)
Governance costs	6	(45,439)	(54,404)
Total resources expended		<u>(3,732,376)</u>	<u>(4,381,769)</u>
Net resources expended before other recognised gains and losses		(522,933)	(1,138,227)
Other recognised gains & losses			
Realised gain (loss) on investments		1,906,746	(1,368,895)
Profit on disposal		-	<u>173,600</u>
Net incoming/(outgoing) resources for the year		1,383,813	(2,333,522)
Unrealised gain on investments	10	7,046,262	111,744
Unrealised gain on revaluation of property		-	4,632,594
Net movement in funds for the year		<u>8,430,075</u>	<u>2,410,816</u>
Total unrestricted funds at 1 April		<u>78,156,112</u>	<u>75,745,296</u>
Total unrestricted funds at 31 March		<u><u>86,586,187</u></u>	<u><u>78,156,112</u></u>

All funds are unrestricted

All activities are classed as continuing.

The Trust had no recognised gains or losses other than those included in the net movement in funds for the year stated above; therefore, no separate statement of total recognised gains and losses has been prepared.

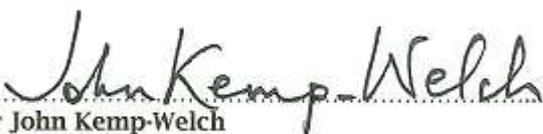
The notes on pages 21 to 28 form part of these financial statements

THE DULVERTON TRUST
Company number 07991677
Balance Sheet at 31 March 2013

	Notes	31 March 2013 Unrestricted Funds £	28 March 2012 Unrestricted Funds £
Fixed Assets			
Tangible Assets	9	7,125,742	7,132,704
Investments	10	<u>81,041,301</u>	<u>71,917,205</u>
		<u>88,167,043</u>	<u>79,049,909</u>
Current Assets			
Debtors	11	18,014	26,010
Cash at bank and in hand		<u>322,130</u>	<u>913,188</u>
		<u>340,144</u>	<u>939,198</u>
Liabilities			
Creditors:			
Amounts falling due within one year	12	<u>(1,242,700)</u>	<u>(1,349,495)</u>
Net Current Liabilities		<u>(902,556)</u>	<u>(410,297)</u>
Creditors			
Amounts falling due after one year	12	<u>(678,300)</u>	<u>(483,500)</u>
Net Assets		<u><u>86,586,187</u></u>	<u><u>78,156,112</u></u>
Funds			
Unrestricted Funds			
- General funds	15	69,014,295	67,650,250
- Revaluation reserve	15	<u>17,571,892</u>	<u>10,505,862</u>
		<u><u>86,586,187</u></u>	<u><u>78,156,112</u></u>

The Financial Statements were approved by the Trustee on and signed on their behalf by:

19 June 2013


 Sir John Kemp-Welch
 Vice Chairman Finance

The notes on pages 21 to 28 form part of these financial statements

THE DULVERTON TRUST**Cash Flow Statement for the period ended 31 March 2013**

	Notes	2013 Unrestricted Funds £	2012 Unrestricted Funds £
Cash outflow from resources expended	14	<u>(3,019,835)</u>	<u>(3,058,785)</u>
Returns on investments			
Dividends received	2	2,587,320	2,660,435
Interest received	2	<u>12,545</u>	<u>13,641</u>
		2,599,865	2,674,076
Capital Expenditure			
Payments to acquire Tangible Fixed Assets	9	-	(548,447)
Proceeds of sale of Tangible Fixed Assets		-	385,600
Payments to acquire Investments	10	(19,276,781)	(12,300,000)
Proceeds of sale of Investments		13,749,858	17,173,953
(Increase)/decrease in Cash held with Investment Managers		<u>5,355,835</u>	<u>(4,403,722)</u>
		<u>(171,088)</u>	<u>307,384</u>
(Decrease)/Increase in Cash	15	<u>(591,058)</u>	<u>(77,325)</u>
Cash brought forward at 1 April		913,188	990,513
Cash carried forward at 31 March		<u>322,130</u>	<u>913,188</u>

The notes on pages 21 to 28 form part of these financial statements

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

1. Principal Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), updated in 2008, the Companies Act 2006 and applicable United Kingdom accounting standards relating to small companies.

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and the inclusion of investments at market value.

On incorporation, the Trust took over the activities of the unincorporated Dulverton Trust, a registered charity. The assets and liabilities were transferred to the new Trust for nil consideration under a transfer agreement dated 28 March 2012. The trustee body remains the same and the Trust's activities remain the same. In all respects other than legal form, the new Trust is the same as the unincorporated entity. Therefore when preparing these financial statements it was considered appropriate to apply the merger accounting rules as applicable to group reconstructions as set out in Financial Reporting Standard No 6 Mergers and Acquisitions. The financial information is presented as if the new Trust has always carried out the activities of the unincorporated Trust and therefore comparative figures are presented in these financial statements despite the new Trust only coming into existence on 15 March 2012.

The comparative information presented is taken from the financial statements of the unincorporated Dulverton Trust as amended for a £392,000 increase in grant commitments carried forward at 31 March 2012.

Investment Income

All incoming resources are included in the Statement of Financial Activities when the Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income tax recoverable in respect of investment income is recognised at the time that investment income is receivable.

Foreign Currencies

Income denominated in foreign currencies is recorded at the rate of exchange ruling on the date of receipt. All differences are taken to the statement of financial activities

Fixed Asset Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Resources Expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that allocate between support costs and governance costs. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

The charity's operating costs include staff costs, office costs and other related costs. Such costs are allocated between support costs and governance costs. Where costs cannot be directly attributable they have been apportioned based on an estimate of time spent in each category. Where time spent on governance costs is negligible then no allocation has been made.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Grants Payable

Grants payable are charged in the year when the offer is made and the recipient has a reasonable expectation that they will receive the grant, and any condition attaching to the grant is outside of the control of the Trust. All grants awarded in the year are to institutions. The Trust does not make grants to individuals.

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

Fixed Assets

The cost or valuation of tangible fixed assets is their purchase cost or valuation, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned, as follows:

Fixtures and Fittings	10 years
Computer and Office Equipment	5 years

Depreciation is provided on freehold property over the useful economic life of the property. It is the Trust's practice to maintain its freehold properties, and to make improvements from time to time. Accordingly, the Trustees consider that the lives of the assets are so long and residual values, based on prices prevailing at the time of acquisition or subsequent valuation, are at a level that their depreciation is insignificant.

The Trust's freehold property is held at valuation under the rules of Financial Reporting Standard No 15 - Tangible Fixed Assets. A full valuation will be obtained from a qualified valuer every five years with an interim valuation three years after the previous full valuation and in any year where there is likely to be a material change.

The works of art were re-valued in September 2001 and these values are reflected in the accounts. The works of art are not depreciated.

Unrestricted Funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees.

Pensions and Pension Contributions

The Trust pays a pension to two former employees and contributes to money purchase pension schemes on behalf of current employees. The pension payments and contributions are recognised as they are paid. The Trust provides no other post-retirement benefits to its current or former employees.

2. Investment Income

	2013	2012
	£	£
Dividends and Interest Received	3,139,069	3,203,134
Deposit Account Interest	12,545	13,641
Rental and Other Income	57,829	26,767
	<u>3,209,443</u>	<u>3,243,542</u>

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

3. Costs of Generating Funds

	2013	2012
	£	£
Investment management fees	551,749	542,699
Investment management rebate	(20,660)	(26,247)
	<u>531,089</u>	<u>516,452</u>

4. Charitable activities

	2013	2012
	£	£
Grants awarded in the year	2,937,832	3,534,600
Grants cancelled or returned during the year	(112,984)	(48,500)
	<u>2,824,848</u>	<u>3,486,100</u>
Support costs (note 5)	331,000	342,812
	<u>3,155,848</u>	<u>3,828,912</u>

Reconciliation of Grants Payable:

Accrued at 1 April 2012		1,810,333		1,059,666
Grants awarded in the year	2,937,832		3,534,600	
Grants cancelled or recovered	(112,984)		(48,500)	
Grants payable for the year		<u>2,824,848</u>		3,486,100
Grants paid during the year		(2,795,715)		(2,736,933)
Grants cancelled or returned during the year		54,500		1,500
		<u>1,893,966</u>		<u>1,810,333</u>
Accrued at 31 March 2013				
Payable as follows:				
Grants payable in less than one year		1,215,666		1,326,833
Grants payable after more than one year		<u>678,300</u>		<u>483,500</u>
		<u>1,893,966</u>		<u>1,810,333</u>

5. Support Costs

	2013	2012
	£	£
Salaries	152,640	152,543
Employer's National Insurance Contributions	17,352	19,259
Pension Contributions	49,639	49,645
Private & Permanent Health Insurance	2,646	2,768
Pensions payable	28,649	28,088
Printing & Stationery	516	1,217
Postage & Telephone	3,615	6,911
Depreciation	6,962	10,161
Trustees' Expenses	826	174
Staff Training	1,298	520
General Office Expenses	8,057	6,826
Office Refurbishment	6,401	-
Staff Visits	8,880	2,394
Entertainment Expenses	649	550
Maintenance of Office Equipment	7,964	16,361
Advisory Services	784	508
Property Service Charges	21,675	7,112
Rates	5,287	6,450
Office Cleaning	72	2,805
Repairs & Maintenance	1,071	2,689
Heating and lighting	-	1,589
Insurance	6,017	6,242
Note 4	<u>331,000</u>	<u>324,812</u>

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

6. Governance Costs

	2013	2012
	£	£
Salaries	16,960	16,949
Employer's NI Contributions	1,922	-
Audit Fees	9,600	8,837
VAT and tax advice	2,040	-
Bank Charges	1,057	477
Professional Fees	13,860	28,141
	<u>45,439</u>	<u>54,404</u>

7. Trustees' Remuneration

The Trustees receive no remuneration for their services to the Trust, but travel expenses totalling £826 (2012: £174) were paid to Trustees during the year.

8. Employee Information

The number of persons employed by the Trust is 2 full-time staff (2012 - 2) and 2 part-time (2012 - 2). The number of pensioners paid by the Trust is 2 (2012 - 2).

The employees of the Trust have private pension plans, the premiums for which are funded by the Trust and the voluntary contributions. During the year the Trust's contributions amounted to £49,639 (2012 - £49,645).

One employee received remuneration between £70,001 and £80,000 (2012 - 1).

9. Tangible Fixed Assets

	Freehold Property £	Fixtures, Fittings & Equipment £	Works of Art £	Total £
At 29 March 2012	7,003,002	363,975	100,558	7,467,535
Disposals	-	(277,118)	-	(277,118)
At 31 March 2013	<u>7,003,002</u>	<u>86,857</u>	<u>100,558</u>	<u>7,190,417</u>
Depreciation				
At 29 March 2012	-	334,831	-	334,831
Charge for the Year	-	6,962	-	6,962
Eliminated on disposal	-	(277,118)	-	(277,118)
At 31 March 2013	<u>-</u>	<u>64,675</u>	<u>-</u>	<u>64,675</u>
Net Book Value at 31 March 2013	<u>7,003,002</u>	<u>22,182</u>	<u>100,558</u>	<u>7,125,742</u>
Net Book Value at 28 March 2012	<u>7,003,002</u>	<u>29,144</u>	<u>100,558</u>	<u>7,132,704</u>

The works of art held by the charity were professionally revalued to open market value by Christies in October 2001. The Trustees do not consider there to be any significant change in the valuations during the year ended 31 March 2013. The Trust's freehold properties have been revalued as follows:

5 St James's Place was revalued from historical cost of £2,126,977 to £4,000,000 based on Mellersh & Harding Chartered Surveyors' June 2010 valuation. The trustees are of the opinion that this is representative of open market value as at 31 March 2013.

The Outward Bound Centre, Loch Eil, was revalued from historical cost of £149,893 to £2,778,000 based on Hyde Harrington Chartered Surveyors' May 2012 valuation. The trustees are of the opinion that this is representative of open market value as at 31 March 2013.

The Heritage Centre, Dulverton, was revalued from historical cost of £93,536 to £225,000 based on Seddons Estate Agents' June 2012 valuation. The trustees are of the opinion that this is representative of open market value as at 31 March 2013.

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

10. Fixed Asset Investments

	2013 £	2012 £
Unlisted Investments		
At 29 March 2012	65,903,724	72,034,829
Additions	19,276,781	12,300,000
Disposals	(11,843,112)	(18,542,849)
Net Gain/(Loss) on Revaluation	7,046,262	111,744
	<u>80,383,655</u>	<u>65,903,724</u>
At 31 March 2013	<u>80,383,655</u>	<u>65,903,724</u>
Bank Balance of a Capital Nature	657,646	6,013,481
Total Fixed Asset Investments	<u>81,041,301</u>	<u>71,917,205</u>
Historical cost of investments	<u>67,444,357</u>	<u>60,030,456</u>
Unlisted UK Investments at Market Value	53,456,012	52,768,437
Unlisted non UK Investments at Market Value	27,585,289	19,148,768
	<u>81,041,301</u>	<u>71,917,205</u>

Investments held in unit trusts representing >5% of the year end market value of investments held are as follows:

Investment funds

Artemis Income Fund	16,002,091	14,001,830
BGI Charitrak Fund	7,994,767	7,155,745
Bluebay Funds	4,152,757	-
Cazenove UK Equity Income Trust for Charities	7,960,613	5,144,106
Cazenove UK Growth & Income	-	3,565,241
CGAM Capital Value Fund	5,424,905	4,886,908
Newton Global Higher Income Fund	11,855,180	10,382,280
PIMCO	4,965,148	3,023,566
RWC Enhanced Equity Income Fund	5,252,944	4,000,000
Veritas Global Equity Income Fund	10,852,021	8,766,488

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

11. Debtors

	2013	2012
	£	£
Amounts Falling Due Within One Year		
VAT receivable	-	2,150
Prepayments	9,456	23,860
Accrued rental income	8,558	-
	<u>18,014</u>	<u>26,010</u>

12. Creditors

	2013	2012
	£	£
Amounts Falling Due Within One Year		
Accruals and other creditors	24,619	22,662
Grants payable	1,215,666	1,326,833
VAT	2,415	-
	<u>1,242,700</u>	<u>1,349,495</u>

Amounts Falling Due After More than One Year

Grants Payable	<u>678,300</u>	<u>483,500</u>
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13. Unrestricted Funds

The original bequests to the Trust were as follows:

	£
Original Capital Created in Terms of the Trust Deed dated 8 August 1949	2,911,409
2nd Lord Dulverton's Gift Made on 11 November 1959 Under Clause 3 of Trust Deed	100,019
2nd Lord Dulverton's Loch Eil Covenant	56,000
Transfer of Assets of Litchfield Trust on 6 April 1983	565,638
2nd Lord Dulverton's Bequest of the Batsford Chattels Received 4 January 1996	1,382,850
Gift from Lady Dulverton 17 October 2002	5,758

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

14. Reconciliation of Total Resources Expended to Cash Outflows from Expending Resources

	2013 £	2012 £
Net resources expended before other recognised gains and losses	(522,933)	(1,138,227)
Dividend received	(2,587,320)	(2,660,435)
Interest received	(12,545)	(13,641)
Depreciation	6,962	10,161
Increase in debtors	7,996	(20,448)
Decrease in creditors	88,005	763,805
Cash outflow	<u>(3,019,835)</u>	<u>(3,058,785)</u>

15. Analysis of Net Funds

	1 April 2012 £	Change in Year £	31 March £
Cash at Bank and in Hand	<u>913,188</u>	<u>(591,058)</u>	<u>322,130</u>

THE DULVERTON TRUST

Notes to the Financial Statements for the period ended 31 March 2013

16. Reconciliation of Net Cash Flow to Movement in Net Funds

	£
Increase in Cash in Year	(591,058)
Net Funds at 29 March 2012	<u>913,188</u>
Net Funds at 31 March 2013	<u><u>322,130</u></u>

17. Unrestricted Reserves

	General funds	Revaluation reserve	Total unrestricted funds
As at 29 March 2012	67,650,250	10,505,862	78,156,112
Net incoming resources for the year	1,383,813	-	1,383,813
Unrealised gain on investments	-	7,046,262	7,046,262
Transfer to revaluation reserve	<u>(19,768)</u>	<u>19,768</u>	<u>-</u>
As at 31 March 2013	<u><u>69,014,295</u></u>	<u><u>17,571,892</u></u>	<u><u>86,586,187</u></u>

17. Related Party Transactions

No member of staff or trustee received any direct financial benefit from any grants made by the trust (2012 - Nil). However, there were some personal connections with some of the beneficiary charities, as set out below.

Christopher Wills has a close relation on the Board of Trustees at The Old Greenlaw Trust which received £50,000 (2012 - Nil) in grants during the year.

Dr Catherine Wills is also a Trustee of Rendcomb College Foundation which received £75,000 (2012 - Nil) in grants during the year.

Dame Mary Richardson is also a Trustee of The Marine Society and Sea Cadets which received £25,000 (2012 - Nil) in grants during the year with further commitments of £50,000 split over the following two years.

ANNEX A : Grants Awarded Year Ended 31 March 2013 ²³

Youth Opportunities

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
The Arkwright Scholarships Trust	ten annual Arkwright Scholarships	£40,000	
The Baker Dearing Educational Trust	the development of University Technical Colleges	£25,000	
Beatbullying	the Positive Transitions anti-bullying programme	£30,000	
Booktrust	'Mums-to-be Talking to Baby	£25,000	
The Brilliant Club	the West Midlands Programme Extension	£25,200	
British Exploring Society	Core Costs	£50,000	
Co-ordinated Action Against Domestic	Intervening Early: Teenagers and Domestic Abuse	£25,000	
Countryside Learning	supporting farmers and teachers with outdoor education	£25,000	
Dulverton Scholarships	the Dulverton Scholarships and the Michael Wills Scholarships at Oxford University	£450,000	
Endeavour Training	'In the Spirit of Adventure'	£30,000	
The Exmoor Calvert Trust	Young Carers Project	£12,000	
First Story	creative writing projects in challenging Nottingham schools	£20,000	
Jamie's Farm	core costs and organisational development	£75,000	
KHULISA	Face It: preventing children being victims and perpetrators of violence	£5,000	
League of Venturers Search and Rescue	general funding	£10,000	
Move On	Glasgow looked-after young persons' mentoring service	£25,000	
The Marine Society & Sea Cadets	Bursaries for Offshore/Inshore Activities	£75,000	
National Youth Advocacy Service	Peer Advocacy Training for Care Leavers	£25,000	
Oxfordshire Association for Young	core costs	£5,000	
The Outward Bound Trust	Mark Scott Leadership for Life Awards	£30,000	
The Place2Be	maintaining the Cardiff hub	£90,000	
Read - The Reading Agency	Digital Skills for Disadvantaged Young People	£50,332	
Rendcomb College	the Science Block Refurbishment	£75,000	
The Royal Society of Edinburgh	RSE@Lochaber 2012-13: an educational initiative for young people and the wider community	£30,000	
Street League	the Street League Nottingham roll-out	£25,000	
Teenage Cancer Trust	the Every Step Programme in the South West	£20,000	
UK Youth	the Young Parenthood Programme	£25,000	
Villiers Park Educational Trust	the Scholars Programme in Hastings & Bexhill	£25,000	
Voice	Always Heard	£35,000	
WorldWide Volunteering for	project development in the East Midlands	£45,000	
Young Enterprise	the QuickStart Programme for Young Offenders	£24,000	£1,451,532

² Newly awarded multi-year grants are in **bold**. Pledges are in *italics* and rescinded grants are denoted with the symbol *

³ This Annex does not form part of the audited accounts

General Welfare

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
Association of Charitable Foundations	the Salesforce dissemination project	£5,000	
COVER	IPADS for Older People: first time online	£6,000	
The Cranfield Trust	core costs to enable strategic development	£90,000	
Families Outside	running costs	£10,000	
The Forgiveness Project	increasing organisational impact and influence	£60,000	
The Furniture Re-Use Network	core funding to maintain services	£30,000	
Gardening Leave	the running costs of the Assessors' Team	£22,500	
Gingerbread	the Peer Support Network	£25,000	
Grandparents Plus	core costs and strategic development	£30,000	
Haven Distribution	dictionaries and educational books for prisoners	£5,000	
Home-Start UK	core funding for strategic development	£90,000	
I CAN	Communication Ambassadors	£15,000	
Maytree	service delivery	£12,000	
Missing People	Supporting and Extending the Volunteering Programme	£25,000	
Relationships Scotland	the costs of the Child Contact Centre Development Officer	£45,000	
Women in Prison	the 'Triangle Project'	£25,000	£495,500

Africa

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
Chatham House*	Zimbabwe's Future, a conference to be held in London	£25,000	
Excellent Development	Sand Dam projects in Southeast Kenya	£65,800	
FARM-Africa	Youth Empowerment through Sustainable Agriculture (YESA)	£40,000	
The HALO Trust	a Landmine survey in Zimbabwe	£30,000	
Peace Direct	conflict transformation and violence reduction in Zimbabwe	£15,000	
Peterhouse Appeal (UK)	core funding for the benefit of the three Peterhouse Schools at Marondera, Zimbabwe	£15,000	
Tools for Self Reliance	general running costs in the UK	£25,000	
Tree Aid	Designing Tree Enterprise Initiatives in Kenya	£19,000	£234,800

Preservation

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
Anna Plowden Trust	bursaries and professional development in conservation	£10,000	
<i>Cambo Institute</i>	Phase I of the Cambo Stables Project	£25,000	
York Minster Fund	Restoration of Great East Window	£50,000	£85,000

Conservation

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
The British Trust for Ornithology	research into the decline of the Spotted Flycatcher	£35,000	
Future Trees Trust	core operating costs	£25,000	
Wildscreen	the ARKive Project UK Habitat Features	£20,000	£80,000

Peace and Humanitarian Support

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
MapAction	the volunteer Operational Support Team	£60,000	
RedR - Engineers for Disaster Relief	the Future Relief Workers Scheme	£21,000	
Royal United Services Institute for Defence & Security Studies	'The Muslim Brotherhood: Beyond the Arab Spring'	£20,000	
West-Eastern Divan Trust UK	the reconciliation activities of the West-Eastern Divan Orchestra	£15,000	£116,000

Local Appeals

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
Cotswold Riding for the Disabled	Running costs	£1,500	
Dulverton and District Civic Society	Refurbishment and exhibition costs	£1,200	
Elizabeth Finn Care	work with beneficiaries living in Gloucestershire	£5,000	
Friends of St Mary's Church, Batsford	the replacement of the central heating boiler	£3,500	
Friends of the Cotswolds	restoration projects in the Cotswolds	£2,700	
Greenwood's Therapeutic Horticulture	the Summer Play Scheme	£1,000	
Noah's Ark Children's Venture	part-time sessional salaries	£1,500	
Quenington PCC	The Restoration of two Grade II listed churchyard monuments at St Swithin's Church	£500	
Robert Blake Science College	the Space Camp project	£1,500	
Stroud Valleys Project	core costs	£1,600	
The Nelson Trust	towards 'Family Focus': work with families affected by parental substance misuse	£2,500	
Three Choirs Festival Association	the Three Choirs Festival Gloucester, 2013	£2,500	£25,000

Community Foundations

<i>Organisation name</i>	<i>Towards</i>	<i>£</i>	
Community Foundation Tyne & Wear and Northumberland	The Dulverton Trust Fund (2013/14)	£90,000	
Community Foundation Tyne & Wear and Northumberland	The Dulverton Trust fund renewal 2014/15	£90,000	
The Community Foundation in Wales	The Dulverton Trust Fund (2013/14)	£90,000	
The Community Foundation in Wales	The Dulverton Trust fund renewal 2014/15	£90,000	
Devon Community Foundation	The Dulverton Trust Fund (2013/14)	£45,000	
Cornwall Community Foundation	The Dulverton Trust Fund (2013/14)	£45,000	£450,000
TOTAL AWARDED			£2,937,832⁴

⁴ This table details the grants **awarded** during the 2012/13 financial year and includes future payments under multi-year grants and pledges. References in the Report to **grants paid** (£2,795,715 in 2012/13) relate solely to the amounts paid out during the year. Please see page 23 for a reconciliation of these figures.

ANNEX B : Exclusions ⁵

We will not usually give grants for the following:

- individuals (we give grants only to registered charities or organisations with officially recognised charitable status)
- museums, galleries, libraries, exhibition centres and heritage attractions
- individual churches, cathedrals and other historic buildings (except for limited support under the preservation category)
- individual schools, colleges, universities or other educational establishments
- hospices, hospitals, nursing or residential care homes
- activities outside the stated geographical scope (see Funding policy)

We are rarely able to support charities whose main beneficiaries live within GREATER LONDON or in NORTHERN IRELAND

We will not normally support the following areas of activity:

- health, medicine and medical conditions including drug and alcohol addiction, therapy and counselling
- specific support for people with disabilities
- the arts*, including theatre, music and drama
- sport*, including sports centres and individual playing field projects
- animal welfare or projects concerning the protection of single species
- expeditions and research projects
- individuals volunteering overseas
- conferences, cultural festivals, exhibitions and events
- salaries for specific posts (but we will consider funding salaries in the context of a Multi-Year Grant)
- major building projects, including the purchase of property or land
- endowments
- work that has already taken place (retrospective funding)

* except where used as a means of achieving one of our funding priorities

⁵ This Annex does not form part of the audited accounts