

# accounts for the year ended **31march2006**

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## Reference and Administrative Information

### Trustees

Jonathan Robert Burchfield (Chairman of Trustees)  
Terence Derek Collins  
James Ian Kennedy  
René H Olivieri

### Executive Director

Sarah Ridley

### Principal Office

First Floor, Front Wing  
30-31 Friar Street  
Reading  
RG1 1DX

**Charity Number 1061480**

### Bankers

Barclays Bank PLC, PO Box 49, Wantage, Oxon, OX12 8HX

### Investment Manager

Sarasin Chiswell, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU

### Independent Financial Adviser

Optimum Support for Charities, 75 Cannon Street, London, EC4N 5BN

### Auditors

Buzzacott, Chartered Accountants, 12 New Fetter Lane, London, EC4A 1AG

# Report of the Board of Trustees for the year ended 31st March 2006

As the Board of Trustees we present our report along with the financial statements of the charity for the year ended 31 March 2006. The financial statements have been prepared in accordance with the accounting policies set out on page 21 and 22 and comply with the charity's trust deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and Reporting by Charities (2005).

## Structure, Governance and Management

The Tubney Charitable Trust is an unincorporated trust and is a registered charity, number 1061480.

The Trust was created by Miles Blackwell by a Trust Deed dated 6th March 1997. Following the untimely deaths of Miles Blackwell and his wife Briony Blackwell in 2001, the charity was left the residue of their estates in their wills.

The charity is a proactive grant-making trust and does not carry out any other activities.

The Trust is governed by us as its board of four Trustees, namely Jonathan Burchfield (Chairman), Terry Collins, Jim Kennedy and René Olivieri. We were all chosen by, or known to, Miles and Briony Blackwell.

Jonathan Burchfield is a charity law partner in the law firm of Stone King. He joined the firm on 1 May 2006. Prior to this he was a partner in the law firm of Nabarro Nathanson. He is a member of the Executive Committee of the Charity Law Association.

Terry Collins was formerly CEO of Blackwell's Retail and Books/Journals Distribution. He is a qualified accountant.

Jim Kennedy is a Partner in the law firm of Blake Laphorn Linnell. He joined the firm on 1 May 2006 as a result of the merger between Blake Laphorn and Linnell and his former firm of White and Bowker. He is a conveyancing specialist and also Under Sheriff of Hampshire.

René Olivieri is Chief Executive of Blackwell Publishing Ltd and the director of a number of companies. He is a frequent speaker and author on current topics in publishing.

As Trustees, we have the discretion to apply the trust fund for such charitable purposes as we think fit. In accordance with the wishes of the founders, the Charity is intended to have a limited life and is gradually spending down its assets over an expected eight to ten year period. Given the Trust's short life span, we seek to support projects that achieve sustainable, significant and meaningful benefits that will endure beyond the life of the Trust. The Trust does not actively fundraise.

We are responsible for strategic decision making for the Trust, as well as overseeing the

administration and management of the Trust, including consideration of grant making, investments, reserves, and risk management policies and performance. We have absolute discretion to invest equivalent to a beneficial owner. Taking advice from the staff and other advisors, the Trustees make all decisions regarding the approval or declination of grant applications. Day-to-day management of the Trust is undertaken by the staff.

Our induction process as Trustees included an initial meeting with the Chairman and education on the powers and responsibilities of the Trustees. We were provided with a briefing pack which included a brief history of the Trust, a copy of the governing Trust Deed, copies of minutes of the Trustees' meetings and copies of the previous three years' annual reports and accounts. We keep the skill requirements for the Trustee board under review and ensure that we partake in on-going training on issues of governance and matters related to the Trust's areas of grant-making. Priority has been given to enhancing capabilities in good governance, investment and financial management and providing background information on subjects related to the Trust's grant-making priorities. We undertake an annual review of our collective and individual performance and contribution to the Trust and any additional training requirements.

## Trustees' Responsibilities

Law applicable to charities in England and Wales requires us as the Trustees to prepare accounts for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and of its incoming resources and application of resources for the year. In preparing accounts giving a true and fair view, we should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

As the Trustees we are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable us to ensure that the accounts comply with the Charities Act 1993 and the trust deed. We 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.

As the Trustees, we are responsible for the maintenance and integrity of the financial information presented on the charity website. In addition, legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

As the Trustees, we confirm that so far as we are aware, there is no relevant audit information of which the charity's auditors are unaware. So far as we are aware, we have taken all the steps that we ought to have taken as the Trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

# Risk Management

At least once a year, as the Trustees, we review the major risks facing the Trust and have established systems and procedures to manage those risks. In particular, we have considered the risks related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate exposure to the major risks identified.

# Objectives and Activities

The objects of the charity are: “the relief of poverty, the advancement of education, the advancement of religion and such other charitable purposes which are exclusively charitable according to the law of England and Wales as the Trustees may from time to time determine”.

## Strategic Objectives

Following the deaths of the Trust's founders in 2001, the Trustees chose to make grants in support of a wide range of causes including: the natural environment and conservation, animal welfare, the promotion of access to education and the arts for the disadvantaged (primarily the disabled) and palliative care. However at the end of 2003, we undertook a major strategic review. Central to the review was the desire to focus our grant making more tightly to achieve significant, long lasting impact. As a result, we established a new open grant making programme which reduced the number of open programmes to two. Our revised aims are to support sustainable, high-quality projects that deliver a long-term impact in the following two areas:

- Conservation of the natural environment of the United Kingdom through achievement of UK Biodiversity Action Plan (UKBAP) targets for practical action
- Improvement of the welfare of farmed animals both in the UK and internationally

These are areas which we believe to have been of special importance to our Founders.

In addition, we may from time to time establish Special Initiatives in these or other areas and invite applications of special interest to us.

As a result of the decisions made during the strategic review, we brought to an end the programmes in education and the arts and in palliative care. We are proud of the projects the Trust has supported under its old guidelines and continue to support and monitor the multi-year projects in which it is already involved.

## Annual Objectives

The objectives for each year are shaped by the above strategic objectives. At an annual meeting and on an on-going basis the Trustees review the grants we have made and the impact of these awards towards achieving our aims. The approach taken is flexible and, therefore, the objectives are principle- rather than target-based.

Prior to the implementation of SORP 2005 we had not formally established annual objectives, our activities in the year under review being undertaken in line with the action plans arising from the strategic review completed in the previous financial year. The achievements reported below are therefore set in that context. Our objectives for the coming year are set out at the end of this report and we will report our achievements in 2006-7 in the context of those objectives.

# Grant making Policy

We welcome applications from UK registered, exempt and excepted charities that require funds for projects falling within that charity's objectives. We do not accept unsolicited applications for Special Initiative funding. Full details of our funding guidelines are available on our website at [www.tubney.org.uk](http://www.tubney.org.uk).

We have a rolling, two stage application process. Eligible applicants must submit an initial application and we strongly encourage applicants to complete the form using our online application facility.

Applicants will be informed within two months of receipt of an initial application as to whether they will be invited to submit a more detailed, second stage application. A detailed application may be submitted by invitation only. Should we invite the submission of a detailed application, we will contact the applicant to discuss the proposal. We may also ask the applicant to visit us or we may visit the project. Our aim is to assess the application and inform the applicant of the Trustees' decision within six months of receipt of a completed detailed application.

The Trustees consider the potential of each application to meet the Charity's aims of supporting sustainable, high-quality projects that deliver a long-term impact. We examine all applicants in terms of their management strength, expertise and record of accomplishment regarding delivery of relevant projects. The Trustees selectively employ peer review as part of the evaluation of proposals. The decision of the Trustees is final.

To help applicants to increase their chances of being successful with their applications, we provide advice and guidance for all applicants at any time. We encourage potential applicants to call us on 0118 958 6100 or to e-mail [info@tubney.org.uk](mailto:info@tubney.org.uk) prior to submitting an online application.

We individually monitor each funded project through regular reporting and annual review. All grants are subject to stringent terms and conditions. Information on our monitoring and evaluation requirements, along with our terms and conditions, are available on our website.

We encourage grantees to disseminate the processes and results of their projects in order to draw out good practice and promote alternative approaches. The Trust aims to work in partnership with the groups it supports in order to promote conservation of the natural environment in the UK and the improvement of the welfare of farmed animals. The partnership goes beyond the funding relationship and is based on the active involvement of the Trust in key areas of policy related to our grant making activities.

# Achievements and Performance

Between 1 April 2005 and 31 March 2006, the Trust awarded 23 grants for a total of £4,673,617.

Of these, we awarded 13 grants in our open programme for the conservation of the natural environment for a total of £2,895,294, 1 grant for £14,829 in our open programme for farmed animal welfare, and 8 grants for Special Initiatives for a total of £763,494 and 1 grant of £1,000,000 as a final contribution to the now closed education programme.

It is our aim to support projects that achieve sustainable, significant and meaningful benefits that endure beyond the life of the Trust. We believe that our encouragement of phone calls and e-mails in advance of the submission of proposals, as well as our detailed website, has meant that the standard of applications received has been consistently high and that the online application process has reduced the number of poor quality or inappropriate requests.

A full list of the grants awarded is provided in the appendix to the annual report and accounts.

In this section we provide information on a number of significant grants the Trust has made this year which fulfil our aims and illustrate the expected outcomes for the future. It is important to bear in mind that while grantees may be able to report in the short term on some the activities undertaken, many of the benefits provided by the projects we fund may not be quantifiable for years to come. We look forward to watching the development of these projects during and beyond the life of the Trust.

## Conservation of the Natural Environment

Our Conservation of the Natural Environment programme has the following specific objective:

- To encourage and support high calibre applications designed to achieve conservation of the natural environment of the United Kingdom through achievement of UK Biodiversity Action Plan targets for practical action.

This objective may be achieved through a variety of means, and at a variety of scales.

This year we have supported 6 projects involving the purchase of land so that it can be managed for the purposes of biodiversity conservation and public benefit, examples of which are given below.

### The Woodland Trust

Towards the purchase and initial restoration of Wentwood Forest, the largest ancient woodland in Wales

**Grant £700,000**

Overall project budget £2,500,000

Many of Britain's ancient woodlands have been clear felled and planted as coniferous plantations. The Woodland Trust has developed a great deal of expertise in the most effective techniques for restoring planted ancient woodland sites, but restoration becomes more difficult after each successive forestry planting. Our grant to The Woodland Trust contributed towards the purchase of 353 hectares of Wentwood Forest, the largest ancient woodland in Wales. Although the site had been clear-felled it retains significant relics of ancient woodland and heathland biodiversity, giving confidence that restoration will be successful. In addition to supporting the acquisition of the site, our grant will contribute to the restoration costs over the first five years, contributing to targets for lowland beech and yew woodland, wet woodland and lowland heathland priority habitats.

**[www.savewentwoodforest.org.uk](http://www.savewentwoodforest.org.uk)**

### Assynt Foundation

Towards the purchase of Glencanisp and Drumrunie Estates

**Grant £550,000**

Overall project budget £3,102,500

The Assynt community in the far North West Highlands set up a Foundation to purchase and manage both Drumrunie and Glencanisp Estates, under the Community Right to Buy section of the Land Reform (Scotland) Act 2003. Our grant supported the purchase of these estates, totalling 17,600 hectares, including areas with national and European conservation designations and in part a de-declared National Nature Reserve.

Having been managed as sporting estates, the numbers of deer had been artificially increased which had resulted in degradation of the internationally important habitats. Future management will focus on sensitive reduction of deer numbers to allow the estates to recover and will benefit four UKBAP priority habitats and at least twenty UKBAP priority species.

**[www.assyntfoundation.co.uk](http://www.assyntfoundation.co.uk)**

## **The National Trust**

Towards the purchase of Shelford's Turf Farm as part of the "Wicken Fen Vision" project

**Grant £250,000**

Overall project budget £949,000

and

Towards the costs of a Project Manager for the "Wicken Fen Vision" project

**Grant £96,600**

Overall project budget £212,520

The National Trust has developed a 100-year vision for the ten-fold increase in the land at Wicken Fen in Cambridgeshire under conservation management. This extension of their oldest nature reserve has been identified as their highest biodiversity priority.

Our first grant supported a strategic acquisition in achieving their vision, being contiguous with the existing reserve and offering much improved control of water levels on the existing reserve. The newly-acquired land will be restored to a landscape-scale mosaic of the UKBAP priority habitats of fen, reedbed and lowland meadows. The achievement of the overall vision will sustain populations of rare species at Wicken and is estimated to be likely to benefit 50% of the UKBAP species currently found in Cambridgeshire. Our second grant supported the cost of employing the Project Manager to oversee and implement the "Wicken Fen Vision".

[www.nationaltrust.org.uk](http://www.nationaltrust.org.uk)

In addition, we have supported 6 projects promoting biodiversity conservation in the wider countryside. We believe that this approach is vital since the protection of selected sites through ownership or conservation designation will not be adequate on its own to achieve the targets for conservation of UKBAP priority habitats and species. We are also keen to encourage projects that operate at a landscape scale, for example by encompassing whole river catchments. However, we also recognise the importance of smaller scale projects and have provided funds to support delivery of management of priority habitat on an existing nature reserve. It should be noted that many of the projects we have supported include both land purchase and wider countryside activities.

## **Wiltshire Wildlife Trust**

Towards the "Rebuilding biodiversity in North Wiltshire" project

**Grant £355,339**

Overall project budget £717,927

North Wiltshire has one of the highest concentrations of species-rich meadows in the UK. Wiltshire Wildlife Trust will work with landowners in this area to achieve better management for biodiversity, working towards the vision of larger areas of wildlife set within the farmed landscape. With the project area covering some seven and a half thousand hectares of land, the project is taking a targeted approach to restoring and recreating habitats. Our grant will contribute to the costs of a five-year project carefully designed to ensure the biodiversity gains are significant, sustained and measurable.

[www.wiltshirewildlife.org](http://www.wiltshirewildlife.org)

## **Devon Wildlife Trust**

Towards “The River Dart Catchment” Project

**Grant £75,514**

Overall project budget £898,371

This project, which is part of a major EU funded project, seeks to enhance the wildlife habitats of an entire landscape – the varied and spectacular catchment of the River Dart in Devon, flowing from high Dartmoor to the channel coast.

Our grant will support work providing advice and support to small landowners to create direct biodiversity benefits alongside measures to improve water quality in the catchment. The catchment includes a mosaic of UKBAP priority habitats including upland oak and mixed ash woodland, wet woodland, purple moor-grass pasture, heathland, blanket bog, meadows and dry acid grassland. The estuary features mudflats and coastal saltmarsh. Notable priority species include the great blue ground beetle, greater horseshoe bat, cirl bunting and an array of mosses and lichens rarely found elsewhere in the UK.

**[www.devonwildlifetrust.org](http://www.devonwildlifetrust.org)**

## **Holton Lee**

Towards the “Holton's Heathland Heritage” project

**Grant £39,991**

Overall project budget £68,916

Holton Lee is a charity focussing on providing facilities for disabled people and carers, work in arts and creativity, the environment, and personal growth and spirituality. Their estate includes 58 hectares of Site of Special Scientific Interest (SSSI) heathland. This heathland, overlooking Poole Harbour in Dorset, falls within an internationally important area for lowland heath, adjacent to Holton Heath National Nature Reserve.

Our grant is to support a two-year programme of management to bring heathland areas back into favourable condition. This work will benefit already present UKBAP priority species such as woodlark, nightjar and sand lizard.

**[www.holtonlee.co.uk](http://www.holtonlee.co.uk)**

## Welfare of Farmed Animals

The Farmed Animal Welfare programme was created with a desire to support high-quality projects that have a long-term impact on the improvement of the welfare of farmed animals (all animals bred and reared for the production of food or other products) resulting in:

- A significant improvement in the welfare standards of large-scale farming systems
- A significant increase in the proportion of farmed animals that are produced in humane systems.

In attempting to achieve these aims, we wish to support projects that reflect or establish best practice and respond to the current situation and impending changes affecting the welfare of farmed animals, always incorporating rigorous monitoring and evaluation. In particular, we want to ensure that projects effectively disseminate the knowledge and experience gained.

It is our desire to encourage projects that involve genuine collaboration by bringing independent organisations together into cooperative networks and to avoid the duplication of work by building on relevant pre-existing knowledge and experience of the applicant or others. Further, we are eager to support projects that translate scientific knowledge of animal welfare into practice, perhaps developing new techniques based on current knowledge or improving animal welfare legislation and standards. We also encourage projects which create demonstrable changes in public behaviour and consumer awareness that result in improvement in the welfare of farmed animals, perhaps through campaigning, publishing, education and evaluation.

This first full financial year for the programme has seen us spending significant time promoting the Trust's aims and meeting with key players in the sector in order to help them develop significant applications which we expect to be submitted in 2006-07 and subsequent years. Towards the end of this year we made our first small grant in the field.

### Farm Animal Welfare Trust

Towards the creation of a business plan for a project to develop commercial broiler genetic selection techniques integrating welfare traits with production traits.

#### **Grant £14,829**

Overall project budget £14,829

The Farm Animal Welfare Trust (FAWT) is a charity established to promote the education of the public in the development and utilisation of animal production systems intended to promote animal welfare. There are currently approximately 850 million broiler chickens in the United Kingdom and it is widely acknowledged that modern broiler strains grow so fast that the development of their bones and cardiovascular system cannot keep pace with the mass they support. This results in lameness and heart failure in the growing birds and a requirement for severely restricting feed in parents. FAWT will prepare a business plan for a project which intends to develop commercial broiler genetic selection techniques integrating welfare traits with production traits in order to improve the welfare of broiler chickens.

## Education Programme

As part of the strategic review we undertook in 2003, we decided to close our education programme. However, while deciding to do so we agreed to make a final, significant contribution to this area in which Miles and Briony Blackwell took a particular interest. As Miles worked and travelled extensively in Africa, we looked for an effective way of making a contribution to education on that continent.

### Comic Relief UK

Towards a strategic grant for education in Africa.

#### Grant £1 million

Overall project budget at least £2 million

We are delighted to have made this grant as part of a joint initiative with Comic Relief UK to fund a UK-based registered charity, yet to be selected, to deliver a strategic education project in Africa. We have signed a Memorandum of Understanding with Comic Relief UK which we intend will result in the Trust making a £1 million contribution towards the grant for the project. Comic Relief UK will provide support for the project with at least a further £1 million in matching funds and will oversee the grant application and monitoring process. The Trust will participate in the evaluation of proposals and we look forward to working with Comic Relief over the coming financial year to identify the specific project which we will support together.

[www.comicrelief.com](http://www.comicrelief.com)

## Special Initiatives

The Trustees have the discretion to establish initiatives and invite applications of special appeal to them. This year we have made a number of large grants which focus on the personal interests of our Founders. We also made a grant to the London Bombings Relief Charitable Fund in order to express our concern over the events on 7 July 2005 and our relief that two members of our staff narrowly escaped being physically injured that day. Please note that we do not accept unsolicited applications for Special Initiative funding.

### King's College London

Towards the future funding of the Laughton Naval History Unit

**Grant £500,000**

Miles Blackwell had a deep and abiding interest in and knowledge of naval history. In 2001, the Trust made an award of £500,000 to King's College London to establish a Naval History Unit in its Department of War Studies. The Unit, named in honour of the founding father of naval history, Professor Sir John Knox Laughton (1830-1915), is led by Professor Andrew Lambert. It is the aim of this Unit to further naval history through academic leadership, teaching, research, publication and administrative activities, building on a tradition of excellence in the subject going back over a century, and demonstrating King's leadership in the field. This year, the Trust made a second award to King's to support the work of the Unit for a further five years.

[www.kcl.ac.uk/schools/sspp/ws/research/groups/lnhru](http://www.kcl.ac.uk/schools/sspp/ws/research/groups/lnhru)

### Community Foundation of Merseyside Scottish Community Foundation

Towards community environmental projects

**Grant £55,000 to each Foundation**

The Trust has in the past supported the work of Community Foundations recognising that they are well placed to seek out and support small and deserving local projects. This year the Trust has provided two grants which aim to bring together our interest in supporting small-scale projects with our commitment to improving the environment. Each Foundation is developing a new grant scheme aimed at helping, inspiring and encouraging local communities to take action to deliver sustainable environmental projects in their local area.

[www.cfmerseyside.org.uk](http://www.cfmerseyside.org.uk)

[www.scottishcommunityfoundation.com](http://www.scottishcommunityfoundation.com)

### New Philanthropy Capital

Towards the "Funders and the environment: philanthropic challenges and opportunities" research project.

**Grant £10,000**

Overall project budget £32,000

We are delighted to contribute towards the cost of this 12-month project investigating the information and advisory needs of funders who are supporting efforts to combat environmental problems in the UK and globally. We believe the results of the study, which will be widely disseminated, will be extremely useful to the sector.

[www.philanthropycapital.org](http://www.philanthropycapital.org)

## Administrative matters

During the year, we worked with Optimum Support, independent financial adviser, to undertake reviews of the Trust's accountants, auditors and investment managers. As a result of these reviews, we selected a new accountant and appointed Buzzacott as auditors. In addition, we re-appointed Sarasin Chiswell as investment manager.

## Financial Position and Reserves Policy

The general aim of our reserves policy is for the capital of the charity to be expended over a period of approximately ten years after the deaths of the Founders and that all available income will be distributed every year.

As we mentioned earlier in the report, we conducted a major strategic review in 2003/04. Following this we have spent a great deal of time developing our new programmes. 2006/07 will see the first full year of grant giving for both programmes in accordance with the aim of our reserves policy.

## Investment Policy

We have delegated the management of the Trust's investments to Sarasin Chiswell under the terms of a formal agreement dated 1 May 2002. The investment strategy pursued by Sarasin Chiswell is established within the parameters of the Trustees' Investment Policy Statement signed by the Trust and Sarasin Chiswell on 8 September 2005. This policy statement formally establishes our requirements for income and avoidance of short-term volatility as well as certain ethical constraints which we believe are consistent with the specific charitable objectives of the Trust and its Founders.

Given the limited time-frame projected for the charity's existence, our investment policy is a risk adverse, conservative one, aiming to protect the real value of the capital while providing a reasonable return. In this context, the investment managers have been requested to adopt two performance measures, one relative and one absolute. The relative benchmark is to achieve performance comparable to a composite of a number of published indices for both equity and fixed interest securities markets. The absolute benchmark is to achieve an overall return in excess of 3% above the Retail Price Index. In addition to these performance measures, we have imposed certain constraints on the investment managers in relation to the holding of significant proportions of the portfolio in individual securities and the exposure of the Trust to underwriting and similar obligations.

To the extent that it is financially prudent, we wish to ensure that our investments do not conflict with our grant making priorities. Given that the Trust supports the conservation of the natural environment and farmed animal welfare, we have elected to undertake negative screening in order to highlight companies we might consider excluding from our investment portfolio. Where conflicts have arisen, in the first instance, we have taken a proactive position and have asked the companies to address our concerns. We accept that at times it may be necessary to apply judgment on these issues, so may take into account the degree of a company's involvement in

an area, along with indications of improving practices and some positive features of its activities. When appropriate, we have adopted this approach for major industries in which the fund might otherwise be unrepresented and have invested on a “best in class” principle. We do not invest in tobacco companies.

## Investment Performance

This was a satisfactory year for our investments as demonstrated by a total return of 16.3% for the year. The relative benchmark for the asset classes contained in our investment portfolio was 16.4%. The absolute performance measure of achieving an overall return in excess of 3% above inflation was comfortably achieved in the year. The market value of investments rose to £37,692,231 (2005 - £35,097,616). The income yield for the year on investments was 4.5%.

We meet regularly with our investment managers and are satisfied that the strategy adopted in stock selection does not conflict with the Trust’s ethical position. We are also satisfied that the investment strategy being following by the investment managers properly takes into account the liquidity requirements of the grant making commitments of the Trust and is appropriate in the context of the projected life span of the Trust.

## Future

The Founders did not wish the Tubney Charitable Trust to exist in perpetuity, and we have therefore decided to distribute the charity’s funds as soon as practicable. In order to fulfil our duties and ensure that grants are made towards suitable projects, we anticipate that it may take a period of approximately ten years after the deaths of the Founders to exhaust the charity’s funds. Over the coming years, we intend to administer grants in accordance with the objects of the charity, our grant making policies and the known wishes of the Founders.

The Trustees and staff are now looking forward to a productive year continuing to support applications in our programme areas of conservation of the natural environment of the UK through achievement of Biodiversity Action Plan targets; and improvement of the welfare of farmed animals both in the UK and internationally.

The objectives approved by us as the Trustees for the year from 1 April 2006 to 31 March 2007, against which we will report our achievements in our next Annual Report, are to:

- Continue to encourage and support high calibre applications designed to achieve:
  - conservation of the natural environment of the United Kingdom through achievement of UK Biodiversity Action Plan targets for practical action; and
  - improvement of the welfare of farmed animals both in the UK and internationally.
- Seek proactively to develop our support for ‘wider countryside’ projects. This approach is taken because for the majority of priority species and habitats, the protection of selected sites alone is likely to be inadequate to conserve populations and habitats in the long term. The appropriate management of areas outside protected sites is also required.

- Work proactively with farmed animal welfare organisations to promote improvement in farmed animal welfare.
- Invite applications under the Trust's Special Initiatives programme.
- Continue to provide timely response and advice to applicants and grantees.
- Provide appropriate training and development for Trustees and staff on best practice and current issues in conservation, farmed animal welfare and governance.
- Seek to maintain the high level of motivation of Trustees and staff.

**Jonathan Robert Burchfield**

**Terence Derek Collins**

**James Ian Kennedy**

**René H. Olivieri**

18 July 2006

# **Independent Auditors' Report to the Trustees of the Tubney Charitable Trust**

We have audited the accounts of the Tubney Charitable Trust for the year ended 31 March 2006 which comprise the Statement of Financial Activity, the Balance Sheet and the related notes numbered 1 to 12. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and with regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees, as a body, 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of Trustees and Auditors**

As described on page 3 you as Trustees are responsible for the preparation of the annual report and accounts in accordance with applicable law, United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Report of the Board of Trustees is not consistent with the accounts, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Report of the Board of Trustees and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

## Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the accounts and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

## Opinion

In our opinion the accounts:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of state of the charity's affairs as 31 March 2006 and of its incoming resources and application of resources in the year then ended;
- have been properly prepared in accordance with the Charities Act 1993; and
- are consistent with the information given in the Report of the Trustees.

Buzzacott  
Chartered Accountants and Registered Auditors  
12 New Fetter Lane  
London  
EC4A 1AG

18 July 2006

# STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2006 Total Unrestricted £'000	2005 Total Unrestricted £'000
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds			
Appointment from the Miles Blackwell Trust		628	-
Investment income		1,602	1,774
Interest		102	110
<b>TOTAL INCOMING RESOURCES</b>		<b>2,332</b>	<b>1,884</b>
<b>RESOURCES EXPENDED</b>			
Costs of generating funds			
Investment management fees		183	168
Charitable activities	2		
Conservation of the Natural Environment		3,047	982
Farmed Animal Welfare		91	62
Education		1,003	269
Palliative Care		15	1,156
Special initiatives		791	15
		4,947	2,484
Governance costs	4	54	60
<b>TOTAL RESOURCES EXPENDED</b>		<b>5,184</b>	<b>2,712</b>
<b>NET OUTGOING RESOURCES</b>			
Gains/(losses) on investment assets		(2,852)	(828)
Realised		625	(165)
Unrealised		3,185	2,040
<b>NET MOVEMENT IN FUNDS</b>		<b>958</b>	<b>1,047</b>
Fund balances brought forward		36,531	35,484
<b>FUNDS BALANCES CARRIED FORWARD</b>			
<b>AT 31 MARCH 2006</b>		<b>37,489</b>	<b>36,531</b>

# BALANCE SHEET

## AS AT 31 MARCH 2006

	Notes	2006 £'000	2005 £'000
<b>FIXED ASSETS</b>			
Tangible assets	7	71	92
Investments	8	37,692	35,098
		<u>37,763</u>	<u>35,190</u>
<b>CURRENT ASSETS</b>			
Debtors	9	560	613
Cash at bank		2,587	2,133
		<u>3,147</u>	<u>2,746</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(2,064)	(1,160)
<b>NET CURRENT ASSETS</b>		<u>1,083</u>	<u>1,586</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		38,846	36,776
<b>CREDITORS</b>			
Amounts falling due after one year	11	(1,357)	(245)
<b>NET ASSETS</b>		<u>37,489</u>	<u>36,531</u>
<b>FUNDS</b>			
Unrestricted		<u>37,489</u>	<u>36,531</u>

The notes on pages 21 to 27 form part of these accounts.

The accounts were approved by the Board of Trustees on 18 July 2006 and signed on its behalf by:

J R Burchfield  
Chairman

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 31 MARCH 2006

### 1 Principal Accounting Policies

a) **Basis of accounting**

The accounts have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the requirements of the Charities Act 1993. Applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in the preparation of these accounts. The adoption of SORP 2005 has resulted in a number of changes in the presentation of the statement of financial activities and the reclassification of certain comparative figures contained therein.

b) **Incoming resources**

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Legacies are included in the statement of financial activities when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

c) **Resources expended and the basis of apportioning costs**

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

- i) The costs of generating funds comprise expenditure incurred in generating investment income, which are the fees paid to investment managers in connection with the management of the charity's listed investments.
- ii) The costs of activities in furtherance of the charity's objectives comprise expenditure on the charity's primary charitable purposes as described in the trustees' report.

The costs for each activity, which correspond with the charity's grant making activities, include grants payable and support costs, which are apportioned on the basis of staff time spent across the activities.

Grants payable are accounted for when the grantee has satisfied all conditions necessary to make them entitled to the grant.

Grants payable over a number of years are accounted for when granted and shown as liabilities at the year end.

## 1 Principal Accounting Policies (continued)

- iii) Governance costs comprises the costs directly attributable to the governance of the charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

Any costs not directly attributable to specific activities are apportioned on the basis of staff time.

### d) Tangible fixed assets

All assets costing more than £150 and with an expected useful life exceeding one year are capitalised.

Depreciation of tangible fixed assets is provided on a straight line basis, calculated at annual rates estimated to write off each asset over the term of its useful life. The rates in use are as follows:

Fixtures and fittings	– 15% per annum
Computer equipment	– 33 1/3% per annum
Office equipment	– 15% per annum

### e) Investments

All investment assets are shown on the balance sheet at market value at the balance sheet date. The market value has been determined by the Independent Investment Portfolio Manager. Unrealised gains and losses arising on the revaluation of investment assets are included in the statement of financial activities.

## 2 Charitable activities

Programme	Grant funding of activities £'000	Support costs £'000	2006 Total £'000	2005 Total £'000
Conservation of the Natural Environment	2,895	152	3,047	982
Farmed Animal Welfare	15	76	91	62
Education	975	28	1,003	269
Palliative care	-	15	15	1,156
Special initiatives	763	28	791	15
	<u>4,648</u>	<u>299</u>	<u>4,947</u>	<u>2,484</u>

Further details of grants payable during the year are appended to these accounts.

### 3 Support costs

	Staff Costs £'000	Office Costs £'000	IT and communication £'000	Legal and professional £'000	Miscellaneous £'000	Total £'000
Conservation of the Natural Environment	104	24	12	7	5	152
Farmed Animal Welfare	52	12	6	4	2	76
Education	19	4	2	2	1	28
Palliative Care	10	2	1	1	1	15
Special Initiatives	19	4	2	2	1	28
Governance	4	1	1	-	-	6
Total 2006	<u>208</u>	<u>47</u>	<u>24</u>	<u>16</u>	<u>10</u>	<u>305</u>
Total 2005	<u>166</u>	<u>65</u>	<u>57</u>	<u>15</u>	<u>4</u>	<u>307</u>

Support costs were apportioned on the basis of staff time spent on programme areas and governance.

Support costs include proactive work with potential applicants and assistance with the development of projects, as well as on-going support, monitoring and evaluation of funded projects. In addition, the Trust engages with charities and other grant-makers to encourage work in areas of interest to the Trust. During the year, we undertook significant work to promote the farmed animal welfare programme and to encourage work in this sector. It should be noted that whilst the Trust no longer accepts applications for education or palliative care projects, we continue our work in this area through the monitoring and evaluation of previously funded projects.

### 4 Governance

	2006 £'000	2005 £'000
Professional fees	24	5
Travelling expenses	1	1
Meeting costs	1	1
Recruitment	-	4
Audit and accountancy	21	17
Bank charges	1	1
Support costs (note 3)	6	31
	<u>54</u>	<u>60</u>

## 5 Net Outgoing Resources

	<b>Total 2006 £'000</b>	<b>Total 2005 £'000</b>
This is stated after charging		
Staff costs	194	155
Auditors' remuneration – audit	9	3
– other services	-	14
Depreciation	<u>22</u>	<u>23</u>

## 6 Information regarding staff and trustees

	<b>Total 2006 £'000</b>	<b>Total 2005 £'000</b>
Staff costs during the year were as follows:		
Wages and salaries	161	136
Social security costs	18	14
Other pension costs	<u>15</u>	<u>5</u>
	<u>194</u>	<u>155</u>

During the year the average number of employees was 4 (2005 - 4).

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	<b>2006 Number</b>	<b>2005 Number</b>
£60,001 - £70,000	<u>1</u>	<u>—</u>

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions are made to money purchase schemes in respect of 1 of them. Total employer contributions to money purchase schemes in respect of such employees during the year amounted to £6,387 (2005 - £3,162).

## 6 Information regarding staff and trustees (continued)

The trustees did not receive any remuneration during the period. Trustees received reimbursed expenses during the period as follows:

	£
J Burchfield	499
T Collins	664
J Kennedy	195
R Olivieri	222
	<u>1,580</u>

## 7 Fixed Assets

	Fixtures and fittings £'000	Computer equipment £'000	Office equipment £'000	Total £'000
<b>Cost</b>				
At 1 April 2005	77	48	7	132
Additions	-	1	-	1
At 31 March 2006	<u>77</u>	<u>49</u>	<u>7</u>	<u>133</u>
<b>Depreciation</b>				
At 1 April 2005	8	31	1	40
Charge for the year	12	9	1	22
At 31 March 2006	<u>20</u>	<u>40</u>	<u>2</u>	<u>62</u>
<b>Net Book Value</b>				
At 31 March 2006	<u>57</u>	<u>9</u>	<u>5</u>	<u>71</u>
At 31 March 2005	<u>69</u>	<u>17</u>	<u>6</u>	<u>92</u>

## 8 Fixed Asset Investments

	<b>Total 2006 £'000</b>	<b>Total 2005 £'000</b>
Opening market value	35,098	30,860
Additions in the year	9,633	6,613
Disposals at opening market value	(10,224)	(4,089)
Net unrealised investment gains	3,185	2,039
Adjustment for accrued interest (see below)	-	(325)
	<u>37,692</u>	<u>35,098</u>
Market value analysed by type of investment:		
	<b>2006 £'000</b>	<b>2005 £'000</b>
<b>Listed</b>		
Equities	20,906	18,881
UK government bonds	7,289	7,430
Non-government bonds	8,324	7,614
<b>Unlisted</b>		
Freehold and leasehold interests	313	313
Unquoted investments	860	860
	<u>37,692</u>	<u>35,098</u>

In previous accounting periods accrued interest on Bonds was included in the market value of investments. Following a review of the accounting policy this is now considered to be more appropriately included within debtors. The balance as at 31 March 2005 has been restated for this adjustment, which is presentational in nature and does not affect the total balances shown in the accounts.

Cost of investments £32,723,677 (2005: £32,293,725).

## 9 Debtors

	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
Accrued interest	1	40
Accrued investment income (see below)	545	572
Other	14	1
	<u>560</u>	<u>613</u>

Accrued investment income includes accrued interest on Bonds. Also see note 8 for details of the prior year adjustment.

## 10 Creditors - Due within one year

	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
Grants payable	2,033	1,135
Accruals	31	25
	<u>2,064</u>	<u>1,160</u>

## 11 Creditors - Due after one year

	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
Grants payable	<u>1,357</u>	<u>245</u>

## 12 Related Parties

J Burchfield is a Trustee and was until 30 April 2006 a partner in Nabarro Nathanson solicitors. During the year Nabarro Nathanson received £nil, including VAT (2005: £9,777), for the provision of professional services.

# GRANTS MADE IN THE YEAR

## APPENDIX

These pages do not form part of the statutory accounts

Organisation	Grant Amount (£)
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### Conservation of the Natural Environment

<b>The Woodland Trust</b>	700,000
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*Towards the purchase and initial restoration of Wentwood Forest, the largest ancient woodland in Wales*

A contribution towards the purchase of 353 hectares of the Forest. Initial restoration will contribute to UKBAP targets for lowland beech and yew woodland, wet woodland and lowland heathland priority habitats.

<b>Assynt Foundation</b>	550,000
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*Towards the purchase of the Glencanisp and Drumrunie Estates*

A contribution towards the purchase of 17,600 hectares of land, under the Community Right to Buy section of the Land Reform (Scotland) Act 2006. Future management of the estates will benefit four UKBAP priority habitats and at least twenty UKBAP priority species.

<b>Wiltshire Wildlife Trust</b>	355,339
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*Towards the "Rebuilding Biodiversity in North Wiltshire" project*

To support work with landowners in North Wiltshire to achieve better management for biodiversity, working towards the vision of larger areas of wildlife set within the farmed landscape.

<b>Hampshire and Isle of Wight Wildlife Trust</b>	300,000
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*Towards the purchase and restoration of Winnall Moors*

To enable effective management of both the land purchased and the neighbouring nature reserve so as to contribute to UKBAP targets for chalk river priority habitat and up to nine priority species.

<b>The National Trust</b>	250,000
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*Towards the purchase of Shelford's Turf Farm as part of the "Wicken Fen Vision" project*

The newly-acquired land will be restored to a landscape-scale mosaic of the UKBAP priority habitats of fen, reedbed and lowland meadows as part of The National Trust's 100-year vision for the ten-fold increase in the land at Wicken Fen in Cambridgeshire under conservation management.

# GRANTS MADE IN THE YEAR (CONTINUED)

## APPENDIX

These pages do not form part of the statutory accounts

Organisation	Grant Amount (£)
<p><b>Yorkshire Dales Millennium Trust</b> Towards the “Pennine Dales Meadow Heritage Initiative” project</p> <p>To support landowner liaison work to promote the conservation of upland meadows in an area containing nearly 70% of the UK resource of this UKBAP priority habitat.</p>	174,581
<p><b>High Weald Landscape Trust</b> Towards the “Weald Meadows Initiative (Phase III)” project</p> <p>To support work on lowland meadows and acid grasslands in an area of national importance for these UK BAP priority habitats.</p>	121,380
<p><b>The Wildlife Trust of South and West Wales</b> Towards the purchase of Skokholm Island</p> <p>The island is of international importance for its breeding birds and supports two UKBAP priority habitats and up to twelve priority species.</p>	100,000
<p><b>The National Trust</b> Towards the costs of a Project Manager for the “Wicken Fen Vision” project</p> <p>The Project Manager will oversee and implement the “Wicken Fen Vision” for the ten-fold increase in the land at Wicken Fen in Cambridgeshire under conservation management.</p>	96,600
<p><b>The Gwent Wildlife Trust</b> Towards the “Gwent Grassland Initiative” project</p> <p>To support delivery of targets for lowland meadows in an area of national importance for this UKBAP priority habitat through advice and support for landowners and managers.</p>	78,537
<p><b>The Devon Wildlife Trust</b> Towards “The River Dart Catchment” project</p> <p>To support work providing advice and support to small landowners to create direct biodiversity benefits alongside measures to improve water quality in the catchment. The catchment includes a mosaic of UKBAP priority habitats including upland oak and mixed ash woodland, wet woodland, purple moor-grass pasture, heathland, blanket bog, meadows and dry acid grassland.</p>	75,514

# GRANTS MADE IN THE YEAR (CONTINUED)

## APPENDIX

These pages do not form part of the statutory accounts

Organisation	Grant Amount (£)
<p><b>Shropshire Wildlife Trust</b>  <i>Towards the purchase of land and restoration of heathland at Nipstones Rock</i></p> <p>A strategic purchase as part of a landscape-scale lowland heathland restoration project in the Shropshire Hills.</p>	53,352
<p><b>Holton Lee</b>  <i>Towards the "Holton's Heathland Heritage" project</i></p> <p>To support a two-year programme of management to bring heathland areas back into favourable condition. This work will benefit already present UKBAP priority species such as woodlark, nightjar and sand lizard.</p>	39,991
	<b><u>2,895,294</u></b>
<b>Welfare of Farmed Animals</b>	
<p><b>Farm Animal Welfare Trust</b>  <i>Towards the creation of a business plan for a project to develop commercial broiler genetic selection techniques integrating welfare traits with production traits</i></p> <p>The business plan is for a project which will develop commercial broiler genetic selection techniques integrating welfare traits with production traits in order to improve the welfare of broiler chickens</p>	14,829
	<b><u>14,829</u></b>
<b>Education</b>	
<p><b>Comic Relief UK</b>  <i>Towards a strategic grant for education in Africa</i></p> <p>As part of a joint initiative with Comic Relief UK to fund a UK-based registered charity, yet to be selected, to deliver a strategic education project in Africa.</p>	1,000,000
<p><b>Lynemouth Community Trust</b>            Reversal of part of a grant made in a previous period.</p>	(25,000)
	<b><u>975,000</u></b>

# GRANTS MADE IN THE YEAR (CONTINUED)

## APPENDIX

These pages do not form part of the statutory accounts

Organisation	Grant Amount (£)
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### Special Initiatives

<b>King's College London</b>	500,000
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*Towards the future funding of the Laughton Naval History Unit*

Following on from the grant made towards the establishment of the Unit in 2001, this additional funding will support the work of the Unit for a further five years in its aim to further naval history through academic leadership, teaching, research, publication and administrative activities.

<b>University of Oxford</b>	82,494
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*Towards refurbishment costs for Tubney House*

The former home of Miles and Briony Blackwell, Tubney House was endowed to the University in 2003 for use by its Wildlife Conservation Research Unit (WildCRU).

<b>Community Foundation for Merseyside</b>	55,000
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*Towards community environmental projects*

To support the development of a new grant scheme aimed at helping, inspiring and encouraging local communities to take action to deliver sustainable environmental projects in their local area.

<b>Scottish Community Foundation</b>	55,000
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*Towards community environmental projects*

To support the development of a new grant scheme aimed at helping, inspiring and encouraging local communities to take action to deliver sustainable environmental projects in their local area.

<b>Fauna &amp; Flora International</b>	50,000
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*Post-tsunami mangrove forest restoration in Aceh, Indonesia*

Supporting work in Indonesia to restore mangrove forest damaged or destroyed by the tsunami of 26 December 2004 as part of a wider project working with local communities.

# GRANTS MADE IN THE YEAR (CONTINUED)

## APPENDIX

These pages do not form part of the statutory accounts

Organisation	Grant Amount (£)
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### Special Initiatives (continued)

<b>New Philanthropy Capital</b>	10,000
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*Towards the "Funders and the environment: philanthropic challenges and opportunities" research project*

In support of an investigation of the information and advisory needs of funders who are supporting efforts to combat environmental problems in the UK and globally.

<b>London Bombings Relief Charitable Fund</b>	10,000
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*Towards the appeal for funds to provide support and help for victims of the London bombings of 7 July 2005*

<b>University of Oxford</b>	1,000
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*Towards the costs of the official opening of the Wildlife Conservation Research Unit's new centre at Tubney House*

**763,494**

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**Total: 4,648,617**